

HAWAII HURRICANE RELIEF FUND

335 Merchant Street #213

Honolulu, HI 96813 (Phone: 586-2790)

TO THE HOUSE COMMITTEE ON
CONSUMER PROTECTION AND COMMERCE

TWENTY-NINTH LEGISLATURE
Regular Session of 2017

Wednesday, February 22, 2017
2:01 p.m.

**TESTIMONY ON HOUSE BILL NO. 1435, HD 1 - RELATING TO THE
HAWAII HURRICANE RELIEF FUND COMPREHENSIVE LOSS
REDUCTION PLAN.**

TO THE HONORABLE ANGUS L.K. McKELVEY, CHAIR, THE HONORABLE
LINDA ICHIYAMA, VICE CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Michael Hamnett and I serve as Chair of the Board of the Directors of the
Hawaii Hurricane Relief Fund ("HHRF").

The HHRF supports the intent of strengthening the building code statewide and provides
the following comments.

This bill proposes that the HHRF sponsor the implementation of state building code
hurricane standards for structures and developments by funding the adoption of
administrative rules to this effect.

It would be consistent with the hazard mitigation provisions of chapter 431P, Hawaii
Revised Statutes, to use HHRF resources to support updating the hurricane protection
portions of the State Building Code by the State Building Code Council. This bill appears
to provide the flexibility for the HHRF to either manage a consultant contract to do the
work or to provide the funds to other state agencies such as DAGS or HEMA, both having
significant interest in implementing modern buildings codes which address hurricane peril.
We would recommend, however, that if the Legislature is so inclined, the amount of
funding and the period of funding should be specified.

We thank the Committee for the opportunity to present testimony on this matter.

STATE OF HAWAII
DEPARTMENT OF DEFENSE
HAWAII EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON HB 1435 HD1
A BILL RELATING TO THE HAWAII HURRICANE RELIEF FUND COMPREHENSIVE LOSS
REDUCTION PLAN

PRESENTATION TO
THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

BY

VERN T. MIYAGI
Administrator, Hawaii Emergency Management Agency

Chair McKelvey, Vice-Chair Ichiyama and Members of the House Committee on Consumer Protection and Commerce.

I am Vern T. Miyagi, Administrator, Hawaii Emergency Management Agency. I am testifying in **STRONG SUPPORT** of House Bill 1435 HD1.

Situation:

The State Building Code Council (SBCC) was created in 2007, however staff and operating expenses have never been funded. It is currently staffed by stakeholder volunteers. A major responsibility of the SBCC is to establish residential and hurricane resistant standards related to loss mitigation standards established in section 431P-12 (HHRF). Due to the lack of operational and personnel funding for the SBCC and despite its best volunteer efforts, **the state is currently three iterations behind in updating and adopting the international code standards.** Once adopted by the state, the counties have two years to amend the state codes prior to county adoption, otherwise the state building code will become the county's code. This provision was put in place to ensure the counties use the most recent versions of the model building codes when using their administrative authority.

Emergency Management Concerns:

Updated state building codes, that incorporate lessons learned from actual disaster events, are critical in saving lives, protecting infrastructure, and expediting recovery for future disasters. **To be three iterations behind is unacceptable.**

This situation adversely affects the timely receipt of Federal disaster aid by the state since such aid requires the application of the most recent edition of the model building code. FEMA Recovery Policy FP 104-009-4, that governs Federal assistance in the event of a declared Presidential Disaster, has a condition of public assistance that "buildings eligible for repair, replacement, or construction located in a hazard prone area

will use, **as a minimum**, the hazard resistant standards referenced in the **most recent edition of the model building codes** regarding reconstruction/ repair of building damages during Presidential declared disasters.”

In addition, recent studies by FEMA propose the leveling of a “disaster deductible” on jurisdictions, similar to a deductible in an insurance policy. This deductible would be decreased based on pre-disaster mitigation measures taken by the state before the declaration. **Updated building codes are specifically listed as mitigation measures for this purpose.**

HB 1435 HD1 proposes that the HHRF sponsor the updates/implementation of the Hawaii state and county building code **hurricane standards** by the SBCC on a consistent recurring basis – **once every three years**. The use of the HHRF to fund these updates actually strengthens the fund by mitigating against future damages from hurricane hazards.

Thank you for allowing me to testify in **STRONG SUPPORT** of HB 1435 HD1

Vern T. Miyagi; vern.t.miyagi@hawaii.gov; 808-733-4300

DAVID Y. IGE
GOVERNOR

SHAN S. TSUTSUI
LIEUTENANT GOVERNOR



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February 21, 2017

The Honorable Angus McKelvey, Chair
Committee on Consumer Protection
and Commerce
House of Representatives
State Capitol, Room 320
Honolulu, Hawaii 96813

Dear Chair McKelvey:

Subject: House Bill (HB) 1435, House Draft (HD) 1 Relating to the Hawaii Hurricane Relief Fund Comprehensive Loss Reduction Plan

I am Manuel P. Neves, Chair of the Hawaii State Fire Council (SFC) and Fire Chief of the Honolulu Fire Department (HFD). The SFC and the HFD support HB 1435, HD1, which proposes to clarify the loss reduction plan for the Hawaii Hurricane Relief Fund to include implementing code requirements for hurricane standards in accordance with state building code and design standards.

This bill supports the State Building Code Council (SBCC) in reviewing and adopting amendments to various building codes dealing with hurricane preparedness. The SBCC is required to adopt building codes within 18 months of publishing a new edition.

Presently, many building codes still reference their 2006 editions, which include the plumbing, residential, and building codes. Amendments to the 2012 Uniform Plumbing Code and the International Building Code have been completed, but lack of funding to facilitate the administrative rules has stalled the process. Amendments to the 2012 International Residential Code is currently being updated. Only the fire, energy, and elevator codes are on the most current editions due to dedicated staff in other state departments that guide these codes through the adoption process.

The Honorable Angus McKelvey, Chair
Page 2
February 21, 2017

The SFC and the HFD urge your committee's passage of HB 1435, HD 1, for the safety and general welfare of all our citizens.

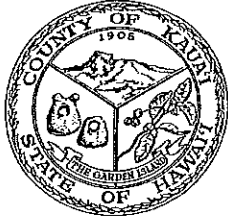
Should you have questions, please contact SFC Administrator Socrates Bratakos at 723-7105 or sbratakos@honolulu.gov.

Sincerely,




MANUEL P. NEVES
Chair

MPN/LR:clc



DEPARTMENT OF PUBLIC WORKS
MEMORANDUM

TO: Rep. Angus L.K. McKelvey, Chair, Rep. Linda Ichiyama, Vice Chair, and
Members of Committee on Consumer Protection & Commerce

FROM: Douglas Haigh, Chief Building Division, County of Kauai 

SUBJECT: HB 1435 RELATING TO THE HAWAII HURRICANE RELIEF FUND
COMPREHENSIVE LOSS REDUCTION PLAN

DATE: 2/17/17

This testimony is in support of House Bill 1435. The State Building Code Council has had virtually no resources to implement the Hawaii Administrative Rule (HAR) making process. Without completing this process the State Building Code cannot be updated. This bill allows the HHRF to use its resources for updating the State Building Code, which is the most effective way to implement the latest hurricane resistive construction techniques throughout the state.

The following is what can happen if the State Building Code is updated once every three to six years using the latest national standards for designing buildings for hurricane resistance: (1) more structures which protect our businesses and people are better able to resist the effects of the next storm, and (2) the economy and the HHRF are both made more resilient since costs of repair and loss of economic activity in the aftermath of a storm will be reduced in the long run.

Thank you for considering passing of HB 1435.

cc: Managing Director, County of Kauai
Acting County Engineer



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February 20, 2017

House Committee on Consumer Protection & Commerce

Hearing Date: Friday, February 22, 2:01 p.m., Conference Room 329

Honorable Representatives Angus McKelvey, Chair; Linda Ichiyama, Vice Chair; and Members of the House Committee on Consumer Protection & Commerce

Subject: SUPPORT of HB 1435, Relating to the Hawaii Hurricane Relief Fund

Dear Chair McKelvey, Vice Chair Ichiyama, and Committee Members:

The American Council of Engineering Companies of Hawaii (ACECH) represents more than 70 member engineering consulting firms with over 1,500 employees throughout Hawaii. Our work covers a variety of engineering disciplines that are impacted directly by the technical portions of the building codes. The primary purpose of a building code is to establish design standards for buildings in order to protect public safety.

In 2007 the State Building Code Council was established to perform a very valuable function in trying to harmonize the various code requirements as found in the building code ordinances across the state. While it has had plenty of enthusiasm to do so and the technical experts have developed the amendment language for several code cycles, the council has had virtually no resources to implement the Hawaii Administrative Rule (HAR) making process. Without completing this process the State Building Code cannot be updated.

This bill does not solve all of the funding requirements for the SBCC, however, it allows the HHRF to use its resources to fulfill the underlying mission of the HHRF. Updating the State Building Code is the most effective way to implement the latest hurricane resistive construction techniques throughout the state.

We appreciate the opportunity to provide testimony on this matter. Please do not hesitate to contact us if you have any questions.

Respectfully submitted,
AMERICAN COUNCIL OF ENGINEERING COMPANIES OF HAWAII

A handwritten signature in black ink that reads "Corey Matsuoka". The signature is written in a cursive, flowing style.

Corey Matsuoka, PE
President

February 20, 2017

Honorable Clarence K. Nishihara,, Chair

Honorable Clarence Wakai, Vice Chair

Honorable Members of the Senate Committee on Public Safety, Intergovernmental and Military Affairs

I am testifying **in support for House Bill 1435, HD 1**, Relating to the Hawaii Hurricane Relief Fund Comprehensive Loss Reduction Plan.

The American Society of Civil Engineers was established in 1852 and is the oldest professional engineering organization in the United States. The Hawaii Section of ASCE was established in 1937 and is comprised of nearly 1,000 civil engineers from both the public and private sectors of our state. Many of our members own or are employed by companies in both the design and construction industry.

Members with professional licensure authority regularly seal construction drawings certifying that the plans were prepared in accordance with the State Building Code, which is based on the International Building Code. The International Code is regularly updated to reflect best practices of the industry. Each update must be followed with the revision of the State Code. Delays in updating the State Code is attributed to lack of funds for financial and administrative services. The State Building Code Council is recommending the Hawaii Hurricane Relief Fund be used to fund the cost to update the code. The Structural Engineers Association of Hawaii will provide details of the proposal in their testimony in support of this process.

We recommend your passage of **House Bill 1435, HD 1**. Thank you for your consideration.

Sincerely yours,

Owen Miyamoto, PE, FASCE
Local Legislative Affairs Liaison
3209 Paty Drive
Honolulu, HI 96822-1439
Email: owen@hawaii.edu

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TESTIMONY ON HOUSE BILL 1435
A BILL RELATING TO THE HAWAII HURRICANE RELIEF FUND COMPREHENSIVE
LOSS REDUCTION PLAN

PRESENTED TO
THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

BY

RODNEY HARAGA
Director, MIH

Chair McKelvey, Vice-Chair Ichiyama, and Members of the House Committee on Consumer Protection & Commerce

I am Rodney Haraga, Director of the Masonry Institute of Hawaii. I am testifying in **SUPPORT** of House Bill 1435.

The MIH supports measures that facilitate the timely adoption of the most recent International Building Codes with Hawaii specific amendments through the process which initiates at the State Building Code Council (SBCC). Members of the MIH support this bill because we recognize that updating the State Building Code will have the primary effect of improving the resilience of the economy in Hawaii from the hurricane threat and indeed it will protect the assets of the Hawaii Hurricane Relief Fund (HHRF).

The most recent international building codes provide a model for local adoption which includes all the lessons learned through the tragedy of others who suffer from disasters such as hurricane, earthquake, tsunami and other threats we face in Hawaii.

The State Building Code is based on the International Building Code (IBC) which is updated every three years. When the IBC is updated, it incorporates all of the latest knowledge gained from researchers and technicians from around the world who observe the way buildings and structures have failed during these disasters. The updates also provide guidance on how to design structures using the latest construction techniques which can be more economical and efficient than older construction technologies. The State of Hawaii is currently three iterations behind updating the adopting the IBC. By the end of FY 2017-18, the State of Hawaii will be four iterations behind if the state fails to fund the Hawaii Administrative Rule making process to update the State Building Code. We are on the last in the nation with a building code based on the 2006 IBC.

HB 1435 proposes that the HHRF sponsor the updates/implementation of the Hawaii State and county building code hurricane standards by the SBCC on a consistent recurring basis – once every three years. This bill provides a mechanism by which the HHRF could choose to assist the SBCC update the state building code. The SBCC code adoption process is the mechanism which will implement the hurricane hazard mitigation plans established by the HHRF. In future code cycles, when the SBCC and HHRF see that changes in nationally

recognized codes/standards will help Hawaii to better mitigate the hurricane threat they can work together for the timely adoption of a new State Building Code.

Full funding of the SBCC has not been forth coming from the State since its inception in 2007. MIH knows that the SBCC has been searching for a creative, and appropriate way to fund updating the State building code which is used by both private and public agencies when they are planning a construction project. When this bill is implemented, the result will mean that new construction will be built using the latest knowledge and strategies developed to protect our buildings from a hurricane threat. In the long term, fewer buildings will be sufficiently capable of withstanding hurricane damage thereby protecting the HHRF assets.

Thank you for allow me to testify in **SUPPORT** of HB 1435.

STRUCTURAL ENGINEERS ASSOCIATION OF HAWAII (SEAOH)

TESTIMONY ON HOUSE BILL 1435
A BILL RELATING TO THE HAWAII HURRICANE RELIEF FUND COMPREHENSIVE LOSS
REDUCTION PLAN

PRESENTATION TO
THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

BY

JONATHAN MURAI
President, SEAOH

Chair McKelvey, Vice-Chair Ichiyama, and Members of the House Committee on Consumer Protection & Commerce.

I am Jonathan Murai, President of the Structural Engineers Association of Hawaii. I am testifying in **SUPPORT** of House Bill 1435.

The SEAOH supports measures that facilitate the timely adoption of the most recent international building codes with Hawaii specific amendments through the process which initiates at the State Building Code Council (SBCC). Members of the SEAOH helped to draft this bill because we recognize that updating the State Building Code will have the primary effect of improving the resilience of the economy in Hawaii from the hurricane threat and indeed it will protect the assets of the Hawaii Hurricane Relief Fund (HHRF).

Structural engineers protect citizens and visitors in the state of Hawaii by designing our buildings and infrastructure to be strong and durable. Our primary tool to perform this task is the building code. The most recent international building codes provide a model for local adoption which includes all the lessons learned through the tragedy of others who suffer from disasters such as hurricane, earthquake, tsunami and other threats we face here in Hawaii.

The State Building Code is based on the International Building Code (IBC) which is updated every three years. When the IBC is updated, it incorporates all of the latest knowledge gained from researchers and engineers from around the world who observe the way buildings and structures have failed during recent hurricanes. The updates also provide guidance on how to design structures using the latest construction techniques which can be more economical and efficient than older construction technologies. The state is currently three iterations behind in updating and adopting the international code standards. By the end of FY 2017-2018 the state will be four iterations behind if

the state fails to fund the Hawaii Administrative Rule making process to update the State Building Code. We are on the verge of being last in the nation with a building code based on the 2006 International Building Code.

HB 1435 proposes that the HHRF sponsor the updates/implementation of the Hawaii state and county building code hurricane standards by the SBCC on a consistent recurring basis – once every three years. This bill provides a mechanism by which the HHRF could choose to assist the SBCC update the state building code. The SBCC code adoption process is the mechanism which will implement the hurricane hazard mitigation plans established by the HHRF. So in future code cycles, when the SBCC and HHRF see that changes in nationally recognized codes/standards will help Hawaii to better mitigate the hurricane threat they can work together for the timely adoption of a new State Building Code.

Full funding of the SBCC has not been forth coming from the state since its inception in 2007. SEAOH knows that the SBCC has been searching for a creative, and appropriate, way to fund updating the state building code which is used by both private and public entities when they are planning a construction project. When this bill is implemented the result will mean that new construction will be built using the latest knowledge and strategies developed to protect our building stock from the hurricane threat. In the long run, fewer buildings will sustain hurricane damage thereby also protecting the HHRF assets.

Thank you for allowing me to testify in **SUPPORT** of HB 1435.



February 22, 2017

COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Rep. Angus McKelvey, Chair; Rep. Linda Ichiyama, Vice Chair and Committee Members
Public Hearing, February 22, 2017 at 2:01 P.m., Conference Room 329

**TESTIMONY of WILLIAM F. ANONSEN
MANAGING PARTNER/PRINCIPAL of THE MARITIME GROUP, LLC
IN SUPPORT of H.B. 1435 (HAWAII HURRICANE RELIEF FUND)**

My name is William Anonsen and I am the Managing Partner/Principal of THE MARITIME GROUP, LLC. We respectfully are submitting this testimony in support of HB 1435 which proposes to clarify that the comprehensive loss reduction plan of the Hawaii Hurricane Relief Fund shall include implementing building code requirements for hurricane standards in accordance with state building code and design standards.

The structures where people live and work must be safe. It is for this reason that building codes exist, to provide a means to safeguard life and protect the private and public welfare through regulating the design, construction practices, construction material quality, occupancy and maintenance of buildings and structures. Evaluating and updating Hawaii's building codes as necessary will help to address many of Hawaii's most important concerns, including public safety and health, and environmental protection.

In large part, building codes establish a building's quality, safety and energy performance for years to come, because initial design and construction decisions determine operational and maintenance costs for the life of the building. Building equipment and other components may be replaceable and upgradeable, but many aspects of building performance are "designed in" at the beginning, and are too expensive and difficult to change. Foundations and other parts of the building envelope are typically in place for 50 years or more.

Building codes and design and construction decisions affect us every day, and the established of updated minimum requirements for building design, construction and operation to protect public health, safety and the natural resources that sustain us, help us "build it right" at the beginning when it matters most. Building codes can now offer enhanced protection against the threats of natural disasters and terrorism to make our communities more resilient, sustainable and livable for generations to come, which lowers the price of mitigation for building owners.

Regularly upgrading our State Building Codes ensure new products and practices make their way into buildings when the time is right and are no longer experimental. The code development process assesses the technology landscape and consumer demand, and creates an appropriately suited code that can apply innovations gradually across the building sector, reducing the risk for individual builders and contractors. The industry standard and process of updating building codes every three years is optimal to ensure new technologies, materials and methods, as well as better approaches to health and safety, can be incorporated into the next generation of buildings with sufficient time for proof of performance.

Regular, incremental improvements help us continue to build better, and smarter, buildings as cost effectively as possible. Waiting longer between code updates means many buildings are not current when built. Updated building codes significantly benefit the communities that use them. Ultimately, jurisdictions enforcing current building codes demonstrate they are forward thinking and open to change that helps improve lives. Likewise, jurisdictions choosing to lag behind current safety and energy codes demonstrate stubbornness less attractive to newcomers and those who invest in the most desirable types of economic development opportunities.

Updated building codes produce a more valuable building should benefit builders in addition to owners. On the residential side, the relatively small percentage increase in construction costs for homes built under updated building codes is more than offset by improved quality and safety. Likewise, a home costing less to own and operate should produce a higher return at sale and resale.

This committee and our state and local policymakers may also want to consider:

- Cost to public safety and health from design flaws or improper installation
- Unnecessary cost to home owners, businesses and taxpayers from buildings wasting energy and water
- Training on design and construction practices for achieving higher quality and better performing buildings meeting or exceeding code requirements at little or no additional cost to builders
- Savings to homeowners when disaster hits if homes are resilient and meet current flood-protection requirements, seismic design standards and wind-bracing requirements.

Well-structured and updated building codes ensure consistency among jurisdictions, while permitting the state and county authorities to make adjustments based on specific conditions

Mahalo for the opportunity to comment in support of this measure.

Sincerely,

William F. Anonsen

William F. Anonsen

Managing Partner/Principal

LATE

MASON CONTRACTORS ASSOCIATION OF HAWAII (MCAH)

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TESTIMONY ON HOUSE BILL 1435
A BILL RELATING TO THE HAWAII HURRICANE RELIEF FUND COMPREHENSIVE
LOSS REDUCTION PLAN

PRESENTED TO
THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

BY

RYAN WADA, President
Mason Contractors Association of Hawaii

Chair McKelvey, Vice-Chair Ichiyama, and Members of the House Committee on Consumer Protection & Commerce

I am Ryan Wada, President of the Mason Contractors Association of Hawaii. I am testifying in **SUPPORT** of House Bill 1435.

The MCAH supports measures that facilitate the timely adoption of the most recent International Building Codes with Hawaii specific amendments through the process which initiates at the State Building Code Council (SBCC). Members of the MCAH support this bill because we recognize that updating the State Building Code will have the primary effect of improving the resilience of the economy in Hawaii from the hurricane threat and indeed it will protect the assets of the Hawaii Hurricane Relief Fund (HHRF).

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recognized codes/standards will help Hawaii to better mitigate the hurricane threat they can work together for the timely adoption of a new State Building Code.

Full funding of the SBCC has not been forth coming from the State since its inception in 2007. MCAH knows that the SBCC has been searching for a creative, and appropriate way to fund updating the State building code which is used by both private and public agencies when they are planning a construction project. When this bill is implemented, the result will mean that new construction will be built using the latest knowledge and strategies developed to protect our buildings from a hurricane threat. In the long term, fewer buildings will be sufficiently capable of withstanding hurricane damage thereby protecting the HHRF assets.

Thank you for allow me to testify in **SUPPORT** of HB 1435.