

DAVID Y. IGE GOVERNOR

JOSH GREEN

STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809 Phone Number: 586-2850

Phone Number: 586-2850 Fax Number: 586-2856 cca.hawaii.gov CATHERINE P. AWAKUNI COLÓN

JO ANN M. UCHIDA TAKEUCHI

Testimony of the Department of Commerce and Consumer Affairs

Before the
House Committee on Intrastate Commerce
and
House Committee on Consumer Protection & Commerce

Tuesday, February 11, 2020 2:05 p.m. State Capitol, Conference Room 329

On the following measure: H.B. 1754, H.D. 1, RELATING TO FIRE PROTECTION

Chair Ohno, Chair Takumi, and Members of the Committees:

My name is Charlene Tamanaha, and I am the Licensing Administrator of the Department of Commerce and Consumer Affairs' (Department) Professional and Vocational Licensing Division (PVL). The Department respectfully opposes this bill to the extent it requires the PVL to develop a standard form to be used to confirm a new dwelling buyer's receipt of information on the benefits and costs associated with installing and maintaining a residential fire sprinkler system.

As the division responsible for implementing the licensing regulations of 52 different professions and vocations, the PVL lacks the requisite expertise to develop the form(s) required by this bill to effectuate the proposed chapter.

Thank you for the opportunity to testify on this bill.



February 11, 2020

The Honorable Takashi Ohno, Chair Committee on Intrastate Commerce The Honorable Roy M. Takumi, Chair Committee on Consumer Protection & Commerce House of Representatives State Capitol Honolulu, HI 96813

Dear Chair Ohno and Chair Takumi:

Subject: House Bill (HB) 1754 Relating to Fire Protection

Thank you for the opportunity to provide testimony in support of HB 1754. My name is Shamim Rashid-Sumar, I am a professional fire protection engineer working for the National Ready Mixed Concrete Association (NRMCA) on behalf of the Build with Strength (BWS) coalition. BWS supports HB 1754, which requires builders of new one-and-two family dwellings to provide buyers with information on the benefits and costs associated with installing and maintaining a residential automatic fire sprinkler system.

While it is no secret to fire safety professionals that automatic fire sprinklers save lives and reduce property damage, there exists a lack of awareness of the real threat of fire to our residences. It has been noted that newer properties are especially vulnerable given reliance on combustible engineered lumber and well as the increase in plastic composition of modern furnishings. Informing buyers at the time of or prior to agreeing to final pricing for construction of a new dwelling is most appropriate to educate consumers on the fire sprinkler issue.

An argument which has been made against this bill is that adding additional requirements to the home sale process would raise the cost of housing. More focus has been provided to building "cheap" at the expense of building safer and more resilient homes. The minimal cost, if any, posed by home builders to provide automatic sprinkler information to individual home buyers pales in comparison to the cost to the homeowner to recover from damage or loss of their home due to fire and, of course, the cost of human life, which is not measurable. HB 1754 will better inform homebuyers about the options to protect their homes and their families from the threat of fire through installation of a proven fire life safety system – automatic sprinklers.

The Build with Strength coalition encourages these steps toward building responsibly and urges your support of HB 1754.

Please do not hesitate to contact me at 917-484-1960 or ssumar@nrmca.org should you have any questions. Thank you again for the opportunity to provide testimony in support.

Respectfully,

Shamim Rashid-Sumar

Mamim Radidgeman

Vice President, Fire Codes and Standards

JOSH GREEN LIEUTENANT GOVERNOR



SCOTT T. MURAKAMI DIRECTOR

ANNE EUSTAQUIO

STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS 830 PUNCHBOWL STREET, ROOM 321

HONOLULU, HAWAII 96813 www.labor.hawaii.gov

Phone: (808) 586-8844 / Fax: (808) 586-9099 Email: dlir.director@hawaii.gov



February 10, 2020

The Honorable Takashi Ohno, Chair Committee on Intrastate Commerce House of Representatives State Capitol, Room 436 Honolulu, Hawaii 96813

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

Dear Chairs Ohno and Takumi:

Subject: House Bill (HB) 1754 House Draft (HD) 1 Relating to Fire Protection

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 1754, HD 1, which requires contractors of new one- and two-family dwellings to provide buyers with information on the costs associated with the installation and maintenance of a residential fire sprinkler system.

Eight out of ten deaths occur in a residential home. Studies have shown that installed fire sprinklers reduce death by upwards of 90%, regardless if smoke detectors were installed. The SFC and the HFD believe it is beneficial to future homeowners to be provided this information during the planning and design phase in order to make an informed choice. The bill will also allow the SFC to provide written information to potential homebuyers on the benefits of a residential fire sprinkler system. The bill also proposes to require the Department of Commerce and Consumer Affairs, Professional and Vocational Licensing Division, to provide a form to document the homebuyer's decision to accept or reject the option to install a residential sprinkler system after being The Honorable Takashi Ohno, Chair The Honorable Roy Takumi, Chair Page 2 February 10, 2020

offered a written cost estimate. The form may be similar to the one used by rent-a-car companies that provide options, such as the collision damage waiver.

Public safety and property protection are priorities of the SFC and the HFD, and information on a residential fire sprinkler system in new one- and two-family homes fulfills this objective.

The SFC and the HFD urge your committees' support on the passage of HB 1754, HD 1.

Should you have questions, please contact SFC Administrative Specialist Lloyd Rogers at 723-7176 or lrogers@honolulu.gov.

Sincerely,

MANUEL P. NEVES

Chair

MPN/LR:cn



HOUSE COMMITTEES ON INTRASTATE COMMERCE, AND CONSUMER PROTECTION & COMMERCE State Capitol, Conference Room 329 415 South Beretania Street

February 11, 2020

RE: HOUSE BILL NO. 1754 H.D. 1, RELATING TO FIRE PROTECTION

Chairs Takumi and Ohno, Vice Chairs Ichiyama and Kobayashi, and members of the committees:

My name is Dwight Mitsunaga, 2020 President of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

<u>BIA-Hawaii offers the following comments on H.B. 1754 H.D. 1</u>, which proposes to require builders of new dwellings to provide buyers with information on the benefits and costs associated with installing and maintaining a residential fire sprinkler system.

This proposed bill would shift the responsibility to educate future home buyers of the costs and benefits of installing a new automatic fire sprinkler system in their new home from the State Fire Council, to the individual builder. The responsibility for educating people on the benefits of an automatic fire sprinkler system should rest with the State Fire Council.

The bill does not identify which agency would provide oversight for the enforcement of this new requirement, and the standard to determine a "willful violation" is merely that the person who is found in violation of this section knew or should have known about this requirement. The standard seems arbitrary.

In the past, BIA-Hawaii has provided, at no cost to the Honolulu Fire Department, booth space at our two home shows annually to educate consumers on the fire sprinkler issue. Shifting this responsibility to the new home buyer with additional procedures, will add to the cost of a new home. All builders will attempt to satisfy the desires of a new home buyer in providing additional amenities or options in the purchase of a new home provided the buyer is aware of the additional costs.

In the 2020 Legislative Session, both Chambers of the Hawaii State Legislature, and Governor Ige's Administration put forward a comprehensive package of bills to improve the quality of life for Hawaii's middle-class families. A large part of the package attempted to address housing affordability. Adding more requirements to the home sale process will raise the cost of housing. We appreciate the opportunity to express our views on H.B. 1754 H.D. 1.



Testimony to the House Committees on Intrastate Commerce and Consumer Protection and Commerce Transfers Fabruary 11, 2020 at 2:05 P.M.

Tuesday, February 11, 2020 at 2:05 P.M. Conference Room 329, State Capitol



RE: HB 1754 HD1, RELATING TO FIRE PROTECTION

Chairs Takumi and Ohno, Vice Chairs Ichiyama and Kobayashi and Members of the Committees:

The Chamber of Commerce Hawaii ("The Chamber") **opposes** HB 1754 HD1, which would require builders of new dwellings to provide buyers with information on the benefits and costs associated with installing and maintaining a residential fire sprinkler system. This bill also requires the Department of Commerce and Consumer Affairs Professional and Vocational Licensing Division to develop a standard form for this purpose.

The Chamber is Hawaii's leading statewide business advocacy organization, representing 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The bill would shift the responsibility to educate future home buyers of the costs and benefits of installing a new automatic fire sprinkler system in their new home from the State Fire Council to the individual builder.

In addition, this bill does not identify which agency would provide oversight for the enforcement of this new requirement, and the standard to determine a "willful violation" is merely that the person who is found in violation of this section knew or should have known about this requirement.

In the past we understand that BIA-Hawaii has provided, at no cost to the Honolulu Fire Department, booth space at their two home shows annually to educate consumers on the fire sprinkler issue. Shifting this responsibility to the new home buyer with additional bureaucratic procedures will add to the cost of a new home.

We appreciate the opportunity to express our opposition to HB 1754 HD1.

<u>HB-1754-HD-1</u> Submitted on: 2/8/2020 3:09:00 PM

Testimony for IAC on 2/11/2020 2:05:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|-----------------------|-----------------------|
| Karin Nomura | Individual | Support | No |

Comments: