

Honolulu, Hawaii

MAR 2 3 2023

RE: H.B. No. 217 H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 217, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOME RENOVATIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the cost valuations of work on buildings for the work to qualify for an exemption from the requirement that plans and specifications for construction projects be prepared by a licensed engineer or architect.

Your Committee received testimony in support of this measure from Sunrun, Inc.; 350Hawaii.org; and two individuals. Your Committee received testimony in opposition to this measure from the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects. Your Committee received comments on this measure from the AIA Hawaii State Council.

Your Committee finds that existing law establishes exemptions from professional stamp requirements for home renovation projects based on the cost valuation of the work. However, the current cost valuations have not been updated since 1979. Since that time, the American Institute for Economic Research has found that the value of the United States dollar has inflated by over three hundred percent. This measure will reduce time and costs for



individuals looking to perform smaller-scale projects on their homes, especially rooftop solar and storage projects.

Your Committee has amended this measure by:

- (1) Aligning the measure with its title relating to home renovations by specifying that the requirement for certain plans to be prepared by a licensed engineer or architect shall not apply to work in respect to any:
 - (A) Privately owned or privately controlled one-storied building or structure, the estimated cost of which does not exceed \$40,000, nor to any privately controlled two-storied building or structure, the estimated cost of which does not exceed \$35,000; or
 - (B) Privately owned or privately controlled one-storied residence, the estimated cost of which does not exceed \$96,500, nor to any privately owned or privately controlled two-storied residence, the cost of which does not exceed \$86,500; provided that, for this exemption to apply to the construction of a new residence, it shall be noted and recorded with the Bureau of Conveyances;
- (2) Inserting language clarifying that the following work shall not be exempt from the requirements of chapter 464, Hawaii Revised Statutes:
 - (A) Any structure or improvement for which public officials having jurisdiction require the use of an appropriately licensed design professional; and
 - (B) Any improvement under rules established by a landowner or an association of owners for private property under their respective jurisdiction;
- (3) Amending section 1 to reflect its amended purpose;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and



(5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 217, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 217, H.D. 1, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

> Respectfully submitted on behalf of the members of the Committee on Housing,



The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Housing HOU

Bill / Resolution No.:*	Committee Referral:			Date:	
HB 217, HDI	HOU, CPN			03/16/2023	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (W	R) Nay	Excused
CHANG, Stanley (C)					
KANUHA, Dru Mamo (VC)		\checkmark			
AQUINO, Henry J.C.					
RHOADS, Karl		V /			
AWA, Brenton					
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TOTAL		Ц			Im
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only <u>one</u> measure per Record of Votes