JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR

MARK B. GLICK CHIEF ENERGY OFFICER

PEOF HANNER

### HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Telephone: Web: (808) 451-6648 energy.hawaii.gov

### Testimony of MARK B. GLICK, Chief Energy Officer

### before the HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Tuesday, February 27, 2024 2:00 PM State Capitol, Conference Room 329 and Videoconference

Providing Comments on HB 2089, HD1

### RELATING TO THE STATE BUILDING CODE.

Chair Nakashima, Vice Chair Sayama, and members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on HB 2089, HD1, which requires that the adoption of the International Building Code (IBC) and the International Residential Code (IRC) be adopted **every other** code cycle, putting them on a six-year adoption cycle while the remaining codes shall be adopted during every three-year cycle per HRS-107-24.

Hawai'i Revised Statutes 107-24 states that "the adoption of a code or standard shall be within two years of the official publication date of the code or standard," synchronizing Hawai'i's code adoption cycle with national code adoption cycle. Failure to follow the national cycle could put the health, safety, and welfare of building occupants at risk. Noncompliance could also jeopardize opportunities for federal funding which is often contingent on timely code adoption. Both of these issues should be causes of concern about potential adverse impacts of HB 2089, HD1.

To elaborate, national codes are updated by national experts based on lessons learned from disasters and failure analyses, as well as advances in technologies.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> National Institute of Building Sciences. *Benefits and Challenges of a Timely Code Adoption Cycle*. <u>https://www.caba.org/wp-content/uploads/2020/04/IS-2018-92.pdf</u>

Delaying Hawai'i's adoption of current building codes would reduce the rate at which better designs and technologies are included in Hawai'i's buildings. The importance of timely adoption of building codes and standards is why the Federal Emergency Management Agency uses timely code adoption as a criterion in its funding for disaster mitigation, resilience and recovery projects. This is explained more on the Federal Emergency Management Agency's Building Code Adoption Tracking website.<sup>2</sup>

Also, HSEO's recently released <u>Hawai'i Pathways to Decarbonization Report</u> to the 2024 Hawai'i State Legislature discusses the topic of adopting the latest building codes, stating that codes are one of the key drivers of energy efficiency within the state and that "energy efficiency and conservation are the single most important and most cost-effective measure to meaningfully reduce electricity demand..."

Thank you for the opportunity to testify.

https://www.fema.gov/emergency-managers/risk-management/building-science/bcat

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.

Mitchell D. Roth Mayor

Deanna S. Sako Managing Director

West Hawai'i Office 74-5044 Ane Keohokālole Hwy Kailua-Kona, Hawai'i 96740 Phone (808) 323-4770 Fax (808) 327-3563



### **County of Hawai'i** PLANNING DEPARTMENT

Zendo Kern Director

Jeffrey W. Darrow Deputy Director

East Hawai'i Office 101 Pauahi Street, Suite 3 Hilo, Hawai'i 96720 Phone (808) 961-8288 Fax (808) 961-8742



February 26, 2024

Testimony of Zendo Kern Director, County of Hawai'i, Department of Planning before the HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

> Tuesday, February 27, 2024 2:00 p.m. State Capitol, Conference Room 329 In consideration of HOUSE BILL NO. 2089 HD1 RELATING TO THE STATE BUILDING CODE

Chair Nakashima, Vice Chair Sayama, and Members of the House Committee on Consumer Protection & Commerce.

The County of Hawai'i Planning Department **supports** HB 2089 HD1 which will require the adoption , amendment, or update of the International Building Code and Internation Residential Code by the State Building Code Council to be within two years of every other official publication date of the applicable code or standard. In addition, HB 2089 HD1 further clarifies that if a county does not amend the Hawai'i State Building Codes within the required two-year time frame, the Hawai'i State Building Code will become applicable as the interim county building code, until superseded by the adoption of an amended version of the Hawai'i State Building Code or standards by the county.

This would allow for more time to interpret, understand and make proper amendments to the proposed code and provide a balance for allowing appropriate code adoptions to ensure that development can continue while providing a practical approach that bring much needed clarity to the overall process. We commend the legislature for finding new ways to support our local building industry through bills like HB 2089 HD1.

Thank you for the opportunity to testify on this measure.

STANFORD CARR DEVELOPMENT, LLC

- February 23, 2024

The Honorable Mark M. Nakashima, Chair The Honorable Jackson D. Sayama, Vice Chair and Members of the House Committee on Consumer Protection and Commerce

Re: Testimony – HB 2089, HD1 Relating to the State Building Code Hearing: February 27, 2024 at 2:00 PM Conference Room 329 & Videoconference

Dear Chair Nakashima, Vice Chair Sayama, and Committee Members:

Stanford Carr Development submits testimony in **support** of House Bill 2089, HD1 with a suggested amendment. The bill requires that the adoption, amendment, or update of a building code or standard by the State Building Code Council occur within two years of **every other** official publication date of a code or standard with an effective date of July 1, 3000.

This legislation is urgently necessary to provide sufficient time for a quality review of proposed changes, as the current compressed time frame results in rushed efforts and the adoption of special interest changes unnecessary for our local construction environment. We urge your committee to amend the effective date to take effect upon its approval.

We have quoted reports for years noting the need for affordable housing in Hawaii. This legislation will add clarity for developers and increase our ability to provide housing in a more timely and efficient manner.

Thank you for the opportunity to offer testimony in support of this measure.

Respectfully,

Stanford S. Carr



February 26, 2024

Representative Mark Nakashima, Chair Representative Jackson Sayama, Vice Chair Committee on Consumer Protection and Commerce

#### RE: HB 2089 HD1 - Relating to State Building Code Hearing date: February 27, 2024 at 2:00 PM

Aloha Chair Nakashima, Vice Chair Sayama, and members of the committee,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in **SUPPORT** on HB 2089 HD1. NAIOP Hawaii is the local chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders, and other professionals.

HB 2089 HD1 requires the adoption, amendment, or update of the International Building Code and International Residential Code by the State Building Code Council be within two years of every other official publication date of the applicable code or standard. The measure further provides that if a county does not amend the Hawaii state building codes within the required two-year time frame, the Hawaii state building codes will become applicable as an interim county building code, until superseded by the adoption of an amended version of the Hawaii state building codes or standards by the county.

NAIOP finds that this bill is necessary to help the developers more efficiently and consistently build housing for Hawaii residents. As it stands, the building code goes through numerous changes regularly, causing confusion, delays, and constant added cost. Developers are consistently challenged with having to determine discrepancies in the code which further delay the development of affordable housing projects in our state.

The current State Building Code Council does not take into consideration the cost implications of adopting new codes. Nationally, many of the new codes have mandates built-in embedded into new code revisions by special interest groups without consideration of the impacts. Certain mandates are not intended to protect the public health or safety, and ultimately increase the cost of housing. Providing additional time between changes in the building codes will improve efficiency and add clarity for developers.

Ultimately, Hawaii is in a major housing crisis, which continues to worsen. As the Legislature is aware, the cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. NAIOP Hawaii supports this legislation which will increase the development industry's ability to provide housing at all levels in a more timely and efficient manner. Thank you for the opportunity to share our strong support for HB 2089 HD1.

Representative Mark Nakashima, Chair Representative Jackson Sayama, Vice Chair February 26, 2023 Page 2

Mahalo for your consideration,

RATZ

Reyn Tanaka, President NAIOP Hawaii

# GRASSROOT INSTITUTE OF HAWAI

1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

**Removing barriers to Hawaii's prosperity** 

Feb. 27, 2024, 2:30 p.m. Hawaii State Capitol Conference Room 329 and Videoconference

To: House Committee on Consumer Protection and Commerce Rep. Mark Nakashima, Chair Rep. Jackson Sayama, Vice-Chair

From: Grassroot Institute of Hawaii Ted Kefalas, Director of Strategic Campaigns

RE: COMMENTS IN SUPPORT OF HB2089 HD1 - RELATING TO THE STATE BUILDING CODE

Aloha Chair Nakashima, Vice-Chair Sayama and members of the Committee,

The Grassroot Institute of Hawaii would like to offer its support for <u>HB2089 HD1</u>, which would mandate the State Building Code Council adopt the International Building Code (IBC) and the International Residential Code (IRC) within two years of every other edition of said codes.

State law currently requires the State Building Code Council to adopt every edition of the International Building Code and various related codes within two years of their release.

These codes are typically updated by the International Code Council every three years. For example, its 2024 code was released in December 2023 as an update of the 2021 code.<sup>1</sup>

The counties, meanwhile, must adopt their own level amendments to the IBC after every state update.

However, the state and counties often struggle to adopt and amend the IBC within a reasonable time frame. For example, it was only in April 2021 that the State Building Code Council adopted the 2018 IBC<sup>2</sup> and it was early 2023 when Honolulu fully adopted its amendments to the 2018 IBC.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> "<u>The International Code Council Releases 2024 International Codes</u>", "International Code Council, Dec. 5, 2023.

<sup>&</sup>lt;sup>2</sup> "<u>State Building Code Adoption</u>," State Building Code Council, April 20, 2021, p. 1.

<sup>&</sup>lt;sup>3</sup> "Interim Building Code (2018 IBC) Takes Effect," Honolulu Department of Planning and Permitting, April 20, 2023.

Because of this staggered adoption process, county building officials and architects must constantly re-learn the building code's requirements. The almost-constant nature of the building code updates also taxes already understaffed county planning and permitting departments.

Allowing the State Building Code Council to skip every other cycle for the IBC and the IRC would provide a level of certainty for builders and agencies and save the State Building Code Council and counties time from having to update the codes so often.

Thank you for the opportunity to testify.

Ted Kefalas Director of Strategic Campaigns Grassroot Institute of Hawaii



#### HAWAII STATE HOUSE OF REPRESENTATIVES COMMITTEE ON CONSUMER PROTECTION & COMMERCE Conference Room 325 State Capitol 2:00 PM

February 27, 2024

#### Subject: HB 2089 HD1 - RELATING TO THE STATE BUILDING CODE

Chair Nakashima, Vice-Chair Sayama, and members of the Committee:

My name is Greg Thielen, Codes Committee Chair 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 is testifying in support of HB 2089 in its original form</u>. This bill, prior to the HD1, required that the adoption, amendment, or update of a building code or standard by the State Building Code Council be within two years of every other official publication date of a code or standard.

While we understand there are concerns about this concept with respect to the energy code in particular, our stance is that in order to make meaningful changes to the current process of homebuilding in Hawaii, we need to slow the code process to a more manageable level. This will promote greater stability in construction prices and the design process. The current volatility goes against the very intent of the State building code as people are working on different codes simultaneously depending on the project type.

The current building code is made of 7 different codes, each of which is being updated every three years. This 3 year cycle is not mandated by any government agency at the Federal, State or Local level. Instead the 3 year cycle is self-selected by Non-Government Organizations (NGO's). These same NGO's derive their income stream from the sale of these codes and training on their modifications.

This continuous change places a heavy burden on the agencies tasked with enforcing the code, the design community and the builders constructing projects. Essentially as soon as a code is adopted by the State Building Code Council (SBCC), they need to begin analysis of the next 7 codes. By switching to an every other year code cycle we can create a greater period of stability and we can alternate code reviews. This way 3 codes can be reviewed on one cycle, while 4 codes can be reviewed on another cycle. This intention exists in the current law in that HRS 107-24.(c) in that it calls for codes to be adopted on a "staggered basis".

BIA-Hawaii would also like to dispel a common misconception on the issue of code adoption as it relates to FEMA funding. There is absolutely no link between building codes and FEMA funding for disaster relief. Code adoption policy is a scoring factor, not a requirement, for FEMA Building Resilient Infrastructure and Communities (BRIC) grants. Furthermore FEMA policy grants points if the applicant "has adopted one of the two latest editions of the model building code". This means Hawaii will not be at any disadvantage for a BRIC grant application should this legislation pass.

For all these reasons, BIA-Hawaii asks for your support on this important legislation.



February 27, 2024 Committee: Bill Number: Hearing Date and Time: Re:

House Committee on Consumer Protection & Commerce HB 2089 HD1, Relating to State Building Codes February 27, 2024 at 2:00PM Testimony of HPM Building Supply in Support

Dear Chair Nakashima, Vice Chair Sayama, and Committee Members:

I would like to submit this letter and testimony written in support of HB 2089 HD1, Relating to the State Building Code. HB 2089 HD1 requires that the adoption, amendment, or update of the International Building Code and International Residential Code by the State Building Code Council be within two years of every other official publication date of a code or standard.

HPM Building Supply is a 100% employee-owned company serving Hawaii's home improvement market and building industry for over 100 years since 1921. With 18 locations across Hawaii and Washington State, HPM offers various services and products, including retail stores, building supply and lumber yards, home design centers, drafting and design services, and manufacturing facilities. HPM is dedicated to enhancing homes, improving lives, and transforming communities one home at a time.

This bill would allow local building officials and design professional more time to interpret, understand and make proper amendments to the proposed family of codes. Jurisdictions are also able to develop code standards based off each island's unique environment. The current code adoption cycle is not enough time for the industry to review changes and financial impact to homeowners and builders.

Thank you for the opportunity to provide testimony in support of HB 2089 HD1. I strongly encourage your support and passage of this measure.

Sincerely,

Dennis Lin Community Relations Administrator



(808) 966-5466 • FAX (808) 966-7564 16-166 MELEKAHIWA STREET • KEAAU, HAWAII 96749

HPMHAWAII.COM



February 26, 2024

Representative Mark Nakashima, Chair Representative Jackson Sayama, Vice Chair Members of the House Committee on Consumer Protection & Commerce Thirty-Second Legislature, Regular Session of 2024

#### RE: HB 2089 HD1 – RELATING TO THE STATE BUILDING CODE Hearing Date: February 27, 2024 at 2:00pm

Aloha Chair Nakashima, Vice Chair Sayama and Members of the Committee,

Mahalo for the opportunity to submit testimony on behalf of D.R. Horton Hawaii LLC ("DRHH") in <u>STRONG</u> <u>SUPPORT of HB 2089 in its original form</u> – RELATING TO THE STATE BUILDING CODE. DRHH is one of Hawaii's largest home builders and has been providing affordable housing, 1<sup>ST</sup> time buyer and workforce housing for Hawaii's families throughout the State for fifty years. D.R. Horton Hawaii is a leader in building quality and sustainable home designs and is actively developing our Ho`opili master planned community in Ewa Beach-East Kapolei.

HB 2089 would require the adoption, amendment or update of a building code or standard by the State Building Code Council to be within two years from every other official publication date of a code or standard. The primary purpose of code adoption is to set minimum requirements of the built environment that protect the life, health and safety of its occupant. D.R. Horton Hawaii absolutely agrees that it is of utmost importance to comply with appropriate building standards to ensure life, health and safety. It is equally important to adopt these building standards in an efficient, methodical and sustainable manner that provides clarity and certainty.

Unfortunately, the current frequency of code adoption required by Section 107-24 of the Hawaii Revised Statutes does not do this. While well intentioned, the current adoption protocol unintentionally creates a challenging and time sensitive task for State and County building officials to effectively and comprehensively review, seek community feedback, amend and adopt. It is currently resulting in just the opposite, hurried reviews with inadequate discussion and little to no case study analysis of the benefits and/or negative cost impacts new code language could have on Hawaii's build environment, including much needed housing. This is true for all 7 different codes, it is the process of adoption that needs improvement.

HB 2089 in its original form would provide a balance allowing appropriate code adoption to ensure life, health and safety is maintained while providing a practical approach that brings much needed clarity to the overall process. This balance will ultimately create inherent efficiency at the State, County, industry and public levels. Most importantly, HB 2089 will enable us to move in a positive direction towards solving our housing crisis by reducing confusion and creating certainty in the process, what we all collectively hope for.

February 26, 2024 Page 2

For these reasons, D.R. Horton Hawaii strongly urges the committee to pass HB 2089 in its original form. Mahalo for your time and consideration, it is much appreciated.

Sincerely,

h

Tracy Tonaki President Hawaii Division



February 27, 2024

#### HONORABLE MARK NAKASHIMA, CHAIR, HONORABLE JACKSON SAYAMA, VICE CHAIR, COMMITTEE ON CONSUMER PROTECTION & COMMERCE

#### SUBJECT: SUPPORT OF H.B. 2089 HD1, RELATING TO THE STATE BUILDING CODE. Requires that the adoption, amendment, or update of the International Building Code and International Residential Code by the State Building Code Council be within two years of every other official publication date of the applicable code or standard. Provides that if a county does not amend the Hawai'i State Building Codes within the required two-year time frame, the Hawai'i State Building Codes will become applicable as the interim county building code, until superseded by the adoption of an amended version of the Hawai'i State Building Codes or standards by the county. Effective 7/1/3000.

#### HEARING

DATE:Tuesday, February 27, 2024TIME:2:00 p.m.PLACE:Capitol Room 329

Dear Chair Nakashima, Vice Chair Sayama and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of approximately five hundred (500) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. Our mission is to elevate Hawaii's construction industry and strengthen the foundation of our community.

GCA <u>supports</u> H.B. 2089 HD1, which requires that the adoption, amendment, or update of the International Building Code and International Residential Code by the State Building Code Council be within two years of every other official publication date of the applicable code or standard. Provides that if a county does not amend the Hawai'i State Building Codes within the required two-year time frame, the Hawai'i State Building Codes will become applicable as the interim county building code, until superseded by the adoption of an amended version of the Hawai'i State Building Codes or standards by the county.

This bill, prior to the HD1, required that the adoption, amendment, or update of a building code or standard by the State Building Code Council be within two years of every other official publication date of a code or standard.

While we understand there are concerns about this concept with respect to the energy code in particular, our stance is that in order to make meaningful changes to the current process of homebuilding in Hawaii, we need to slow the code process to a more manageable level. This will promote greater stability in construction prices and the design process. The current volatility



goes against the very intent of the State building code as people are working on different codes simultaneously depending on the project type.

The current building code is made of 7 different codes, each of which is being updated every three years. This 3 year cycle is not mandated by any government agency at the Federal, State or Local level. Instead the 3 year cycle is self-selected by Non-Government Organizations (NGO's). These same NGO's derive their income stream from the sale of these codes and training on their modifications.

This continuous change places a heavy burden on the agencies tasked with enforcing the code, the design community and the builders constructing projects. Essentially as soon as a code is adopted by the State Building Code Council (SBCC), they need to begin analysis of the next 7 codes. By switching to an every other year code cycle we can create a greater period of stability and we can alternate code reviews. This way 3 codes can be reviewed on one cycle, while 4 codes can be reviewed on another cycle. This intention exists in the current law in that HRS 107-24.(c) in that it calls for codes to be adopted on a "staggered basis".

Thank you for the opportunity to testimony in support of this measure.



#### HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

February 27, 2024, 2:00 PM Room 329

#### COMMENTS ON HB 2089 HD1

Aloha Chair Nakashima, Vice Chair Sayama, and Committee members:

Blue Planet Foundation **provides comments** on HB 2089 HD1 Relating to the State Building Code. We respectfully request that the committee retain amendments made in the HD1 that would exempt the energy code from substantial delays in the amount of time each county has to amend and adopt the Hawai'i state building codes. We no longer oppose this measure, so long as the energy conservation code maintains its existing timeline for code adoption.

Building codes have direct and indirect impacts on our wellbeing and quality of life. By establishing and regularly updating uniform state and county building codes, Hawai'i can ensure that building design, construction, and operation address society's most important concerns, including public health and safety, environmental protection, and consumer protection against costly monthly utility bills.

# Hawai'i already lags behind other states in adopting building energy codes— we must maintain the current energy code cycle to prevent further delays

States across the country use national model codes and standards, like the International Energy Conservation Code (IECC), as a starting place for adopting state-specific versions based on their unique characteristics and climates. The International Code Council produces an updated version of the IECC through a democratic and deliberative process every three years. As noted by the Environmental and Energy Study Institute, "[t]he process of updating model 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."<sup>1</sup>

Hawai'i, however, has historically operated on a much slower timeline. The most recent version adopted by the state was the 2018 IECC (now six years old). Before that, it took nine years to move from the 2006 IECC to the 2015 version. In Hawai'i, adoption of the state building code is just the first step—it must subsequently be adopted by all four counties. The adoption at the

<sup>&</sup>lt;sup>1</sup> Vaughn, Ellen and Jim Turner, *The Value and Impact of Building Codes*, 2013, https://www.eesi.org/files/Value-and-Impact-of-Building-Codes.pdf.

county level has lagged even further. For example, the City and County of Honolulu did not formally update its modified version of the 2015 IECC until June 2020.

By statute, the Hawai'i state building energy conservation code must be adopted by the State Building Code Council (SBCC) within two years of the publication date of the national model code. Then, the state code must be adopted by the counties within two years following the SBCC's adoption. In essence, this timing translates to a current statutory framework in which counties are required to amend or adopt their county building codes within four years of the publication date of the model code. It is important we maintain this timeline so that Hawai'i doesn't further lag behind the national and other states' code update cycles. (See Figure 1 below for a comparison of update cycles in various jurisdictions).

#### Outdated building codes leave energy and emission savings on the table

The primary function of the energy conservation code is to reduce energy consumption in buildings, which reduces greenhouse gas emissions and pollution from burning fossil fuels–key priorities if we hope to achieve Hawai'i's ambitious climate goals. Energy codes can also lessen peak energy demand and reduce our reliance on imported energy sources, which increases utility system reliability and energy security, respectively. Moreover, energy codes create a more comfortable living and working environment through improved indoor air quality. They also help occupants save money by reducing monthly energy bills, which stimulates the economy. For example, the anticipated energy savings arising from the 2021 International Energy Conservation Code (IECC) were calculated in a July 2021 report prepared for the U.S. Department of Energy. The analysis reported a total statewide energy savings of 16.8% compared to the current state energy code. This equates to \$870 of annual utility bill savings for the average Hawai'i household.<sup>2</sup>

### Hawai'i was ineligible for Federal funding due to outdated building codes

It is also our understanding that **Hawai'i's out-of-date codes rendered the state ineligible for millions in federal support for infrastructure resiliency projects that would reduce risks to natural disasters.** The Hawai'i Emergency Management Agency (HiEMA), which serves as a member of the State Building Code Council, applied for, but was denied, Inflation Reduction Act funding from the U.S. Federal Emergency Management Agency under the Building Resilient Infrastructure and Communities Program. This is a large federal grant program that supports states and local communities as they undertake hazard mitigation projects to reduce the risks they face from disasters and natural hazards.<sup>3</sup> None of the Hawai'i projects qualified for the competitive portion of the grant, in part because of the state's outdated building codes. This loss

<sup>&</sup>lt;sup>2</sup> Cost-Effectiveness of the 2021 IECC for Residential Buildings in Hawaii, The Pacific Northwest National Laboratory, prepared for U.S. Department of Energy, July 2021,

https://www.energycodes.gov/sites/default/files/2021-07/HawaiiResidentialCostEffectiveness\_2021\_0.pdf. <sup>3</sup> *Building Resiliency Infrastructure and Communities,* FEMA Hazard Mitigation Assistance Grants, 2024, https://www.fema.gov/grants/mitigation/building-resilient-infrastructure-communities

in federal grant funding should be particularly concerning for lawmakers who will need to grapple with Maui's wildfire recovery and other hazard mitigation efforts for years to come.

### Conclusion

Most individuals spend a majority of their lives inside buildings. Yet buildings are often overlooked as important levers for influencing our safety, health, and economic and environmental quality of life. Hawai'i's code update cycle should mirror the national code update cycle to ensure that construction in Hawai'i can keep pace with changing technology, updated health and safety standards, and the state's clean energy and climate goals. For these reasons, we ask that the legislature protect the energy code cycle and retain the amendments made in HB 2089 HD1.

Thank you for the opportunity to provide comments on this measure.

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Figure 1. Frequency of Energy Code Updates for States and the IECC



#### Testimony in Support of HB 2089, Relating to the State Building Code

Aloha Chair Nakashima, Vice Chair Sayama, and Committee Members:

We write in strong support of HB 2089. The purpose of HB 2089 is to require that the adoption, amendment, or update of a building code or standard by the State Building Code Council be within two years of every other official publication date of a code or standard.

aio is a locally owned company with holdings across a broad range of industries. Our companies are purposedriven and firmly rooted in local values. At aio, Hawai'i is at our core, and through our products and services, we work hard to make Hawai'i a better place for future generations. Here's how we think this bill can help:

- Hawaii's high cost of living affects not only individuals but also businesses. HB 2089 addresses this by enhancing efficiency and reducing expenses, while still prioritizing safety in home construction.
- Currently, building codes undergo updates every three years, burdening stakeholders with a complex and time-consuming process. The proposed shift to a six-year code cycle promises a more efficient and cost-effective approach. After an initial adjustment period to acclimate to the new code, stakeholders would have four to five years to submit, review, and approve plans, minimizing repetitive submissions and corrections.
- Streamlining the process directly impacts home construction costs, ultimately benefiting local residents. Affordable housing is crucial for our employees' retention and well-being.

In summary, HB 2089 contributes to a more affordable housing market, ensuring our employees can thrive and remain part of our community.

Mahalo for the opportunity to submit testimony in support,

Sroud H. h ---

Brandon Kurisu aio Family of Companies





### Testimony to House Committee on Consumer Protection and Commerce February 27, 2024 2:00 PM Conference Room 329 & VIA videoconference Hawaii State Capitol HB 2089

Aloha Chair Nakashima, Vice Chair Sayama, and members of the Committee,

We write in support of HB 2089, Relating to the State Building Code. The purpose of HB 2089 is to require that the adoption, amendment, or update of a building code or standard by the State Building Code Council be within two years of every other official publication date of a code or standard.

Established in 1904, Hawaii Gas serves over 70,000 customers on all islands through its utility pipeline infrastructure and propane business, all of whom depend on the company for sustainable, reliable, and affordable gas for water heating, cooking, drying, and other commercial and industrial applications. The company employs some 350 professionals, over 75% of whom are under collective bargaining.

It is important to us that our employees be able to stay in Hawai'i, and for that to happen we have to do something about the high cost of housing here. This bill should help for the following reasons.

Current building codes are in place for three years, but their complexity poses challenges. When new codes are adopted, it takes one to two years for stakeholders to understand and implement them. This involves repeated plan submissions as professionals learn what officials require. This trial and error process leads to a common understanding, but by then, only one to two years remain before the cycle starts again.

Changing the code adoption cycle to align with the code's publication date every two years effectively creates a six-year cycle instead of three. This means more time for smooth operations, quicker permit processing, and fewer errors, ultimately lowering home building costs and home prices.

Additionally, the longer cycle allows counties more time to suggest amendments that suit their specific needs, such as adapting building materials and standards to local geographies and climates. This approach maintains safety, improves efficiency, and lowers costs, addressing the urgent cost-of-living challenges for local families in Hawai'i.

Thank you for the opportunity to testify.



February 27, 2024

#### RE: HB 2089, Relating to the State Building Code – In Support

Aloha Chair Nakashima, Vice Chair Sayama, and members of the Committee,

We write in support of HB 2089. This bill proposes that the State Building Code Council must adopt a building code or standard within two years of every other official publication date of a code or standard.

Founded and based in Hawai'i, Hawaiian Host is nearly 100 years old. With local roots and a global reach, Hawaiian Host is the largest manufacturer of chocolate-covered macadamias in the world. And as a longtime local employer, we recognize the the critical role that home costs play in local families deciding whether to stay in Hawai'i. This has economic consequences. The exodus of Hawai'i residents since 2020 has cost the state at least \$185 million in lost taxes. This bill can help address this crisis.

The current three-year building code cycle poses challenges due to the complex and technical nature of the codes. When a new code is adopted, it takes one to two years for stakeholders to develop a common understanding of its requirements. During this period, design professionals often need to submit plans multiple times as they strive to meet the expectations of government officials. This iterative process eventually leads to a shared interpretation of the code.

Extending the code adoption cycle to six years, effectively doubling the current cycle, would allow for a smoother process once the initial learning period is over. With four to five years available for submitting, reviewing, and approving plans, there should be significant cost savings hin home building, ultimately resulting in lower home prices for local residents.

Aloha,

ElA

Ed Schultz President & CEO Hawaiian Host Group

851 Fort Street Mall, Ste 200 Honolulu, HI 96813 p. 808.848.0500



MACFARMS



КОНО



#### Testimony in Support of HB 2089, Relating to the State Building Code

From: Micah Kāne, Chief Executive Officer & President - Hawai'i Community Foundation

#### Re: Support for the State Building Code

The Hawai'i Community Foundation (HCF) supports HB 2089, which pertains to the State Building Code. It has become evident that the current method of adopting new, amended, and/or updated building codes have significantly added to the cost of housing Hawaii residents. We support this effort to reduce the frequency of these changes so that County departments and residents can build homes in a reasonable fashion without unnecessary complexity, delay, and confusion caused by the current law.

Housing is a key area within HCF's CHANGE Framework under the "C" sector of Community and Economy. It is undeniable that housing cost is unattainable for many families and ALICE families are impacted at a greater rate and severity because of our current housing market. With multiple factors impacting this inequity, HB2089 reasonable addresses one of important element in our housing market.

In our work with communities statewide, we have had multiple discussions with each County Mayor and leadership. Through these discussions, we have heard the difficulties and acknowledgements of how the current system of constant change to the building code makes it very difficult to accomplish the goals of helping our housing opportunities. Similarly, the development and construction industries have shared the time delays and cost impacts that the current system produces.

HB 2089 will change the current three-year cycle to a six-year cycle. We believe this will be a significant improvement for all stakeholders to understand the code for an amount of time that will allow housing to be built faster and at a lesser cost. Furthermore, from our discussions with Counties, developers, and builders, we do not believe the timing change creates any significant risk for our communities.

HB 2089 is a practical solution that contributes to a more housing for our community, and HCF is happy to support it.



#### Statement of Meli James Cofounder Mana Up

HB 2089, Relating to the State Building Code

Aloha,

As a small business owner, I write in support of HB 2089, which pertains to the State Building Code. The primary aim of this bill is to ensure that any adoption, amendment, or update of a building code or standard by the State Building Code Council occurs within two years of each official publication date of a code or standard.

Mana Up is a statewide initiative that helps provide entrepreneurs in Hawai'i with the resources and tools to grow their business and scale globally. As these entrepreneurs continue to grow, they also help contribute to our expanding our local economy. As part of our mission, we aim to sustain the local economy through economic diversification, local job creation, community giveback, investment, and a regenerative culture of entrepreneurship – providing a better future for generations to come here in Hawai'i. To keep these types of entrepreneurs in Hawai'i and even expand our entrepreneurial ecosystem, though, these small businesses need a place to live that they can afford — especially as they're building up their companies — and our current building code process makes that difficult.

Under the current system, building codes remain in place for three years. However, this complexity poses challenges. When a new code is adopted, it takes at least one to two years for stakeholders (including county permitting officials, plan reviewers, and design professionals) to develop a common interpretation.

The proposed change to a six-year code cycle allows for smoother operations. After an initial adjustment period, stakeholders would have four to five years for timely plan submissions, reviews, and approvals. This efficiency will lead to cost savings in home building, and ultimately in more affordable homes for our local residents.

HB 2089 is a practical solution that contributes to a more affordable housing market for our community, and Mana Up is happy to support it.

Sincerely,

Meli James Cofounder, Mana Up

### Michael Mohr 493 Portlock Road Honolulu, Hawaii 96825

February 27, 2024

Aloha Chair Nakashima, Vice Chair Sayama, and members of the Committee,

I write in support of HB 2089, which pertains to the State Building Code. The primary aim of this bill is to ensure that any adoption, amendment, or update of a building code or standard by the State Building Code Council occurs within two years of each official publication date of a code or standard.

Under the existing system, building codes remain in effect for three years. However, this complexity creates hurdles. When a new code is adopted, it takes at least one to two years for stakeholders (including county permitting officials, plan reviewers, and design professionals) to establish a shared understanding.

The suggested shift to a six-year code cycle promises smoother operations. After an initial adjustment period, stakeholders would have four to five years for timely plan submissions, reviews, and approvals. This efficiency will result in cost savings in home construction, ultimately leading to more affordable housing for our local residents.

As a practical solution, this bill contributes to a more affordable housing market for our community. This is personally important to me as I'd like to make sure my kids and my grandchildren can afford to build homes lives here along with all local working families.

Mahalo,

-Mike Mohr



February 27, 2024

#### Testimony in support of HB 2089, Relating to the State Building Code Council

Aloha Chair Nakashima, Vice Chair Sayama, and Committee Members,

We write in support of HB 2089, Relating to the State Building Code, which will require that the adoption, amendment, or update of a building code or standard by the State Building Code Council be within two years of every other official publication date of a code or standard.

Title Guaranty of Hawai'i is the oldest and largest title company in the state. We have been owned and operated by a kama'aina family since 1896 and we are proud to employ over 250 residents who work in our branches across the state. As an organization that has worked for over a century to help connect local families with housing, we know how dire the housing cost situation in Hawai'i has become for local families. Here's how we think this bill could help:

- Cost-of-Living Challenges: Hawai'i's high cost of living affects everyone, including small businesses. HB 2089 tackles this issue by enhancing efficiency and reducing expenses, while still prioritizing safety in home construction.
- Streamlined Process: Currently, building codes undergo updates every three years, resulting in a complex and time-consuming process for stakeholders. The shift to a sixyear cycle would allow for a more efficient and cost-effective approach. After an initial adjustment period, stakeholders would have four to five years to submit, review, and approve plans, minimizing the need for repeated submissions and corrections.
- Impact on Home Building Costs: By streamlining the process, we can expect lower home construction costs. This will help residents by making housing more affordable.
- County-Specific Amendments: The extended code cycle also benefits counties. It provides them with additional time to propose amendments tailored to their unique needs, such as building materials and standards suited to their specific geography and climate. Safety remains a priority, but unnecessary costs are reduced.

In summary, HB 2089 is a practical solution that will to a more affordable housing market for our community, helping to keep local residents in Hawai'i.

Sincerely,

Mike B. Pietsch President and Chief Operating Officer Title Guaranty of Hawai'i



Title and Escrow is our business. Hawaii is our home.



45 North King Street, Suite 500 • Honolulu, Hawai'i 96817 • HawaiiEnergy.com • P: (808) 839-8880 • F: (808) 441-6068

Before the House Committee on Consumer Protection & Commerce Tuesday, February 27, 2024 at 2:00 p.m.

Testimony Providing Comments on: HB2089 HD1: Relating to the State Building Code

Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

Thank you for the opportunity to testify and provide comments on House Bill 2089 HD1.

Hawai'i Energy works to empower island families and businesses on behalf of the Hawai'i Public Utilities Commission (PUC) to make smart energy choices to reduce energy consumption, save money, and pursue a 100% clean energy future. Energy efficiency – the energy we do not use – is the cheapest option to help us achieve our 100% clean energy goal by eliminating waste and being more efficient. We believe updated energy codes are critical in this effort and part of a global movement to make progress on climate change mitigation through codes and standards.

This bill would replace the current three-year cycle for adopting updated International Building Code and International Residential Code, excluding energy codes via the International Energy Conservation Code, in Hawai'i with a six-year cycle. Skipping every other iteration of updated state building codes would undoubtedly give stakeholders additional time to comprehend and implement each round of changes, but doing so for energy codes would also negatively impact Hawai'i's ability to meet our 2030 and 2045 clean energy goals by leaving potential energy efficiency gains on the table. Given that the goal of updating building energy codes is to ultimately save Hawai'i residents money on their electric bills, which remain the highest in the country, we appreciate that HB 2089 HD1 does *not* skip every other energy codes adoption cycle.

We also want to highlight another existing tool to improve the building codes adoption process in Hawai'i, as described by HRS §107-23, the so far unused opportunity to staff the Hawai'i State Building Code Council with an executive director, executive assistant, and other staff as necessary to support the updated building codes adoption process.

Hawai'i Energy certainly appreciates the intent of HB 2089 HD1 to allow all stakeholders involved in the state building code adoption process more time to fully digest each round of changes being discussed and implemented. We are supportive of the decision to leave energy codes out of the proposed changes, too. And we would just urge the legislature to explore and consider other avenues and tools already at its disposal to improve the building codes adoption process for all stakeholders before making additional foundational changes to it.

Thank you for the opportunity to provide comments on House Bill 2089 HD1.

Sincerely, Caroline Carl Executive Director Hawai'i Energy



Shaping Tomorrow's Built Environment Today

180 Technology Parkway, NW · Peachtree Corners, GA 30092-2977 · Tel: 404.636.8400 · Fax: 404.321.5478 www.ashrae.org

Ginger Scoggins 2023-2024 ASHRAE President

Engineered Designs, Inc. 1151 SE Cary Pkwy., Ste. 200 Cary, NC 27518 Phone: (919) 851-8481 Email: gscoggins@engineereddesigns.com

February 26, 2024

The Honorable Mark Nakashima The Honorable Jackson Sayama House Committee on Consumer Protection and Governance Hawai'i State Capitol 415 South Beretania St. Honolulu, HI 96813

Re: House Bill 2089 "Relating to the State Building Code"

Dear Chair Nakashima and Vice Chair Sayama:

I am writing on behalf of ASHRAE, the American Society of Heating Refrigerating, and Air Conditioning Engineers, to **offer comments regarding Hawai'i House Bill 2089**, titled "Relating to the State Building Code" that sits before you in the House Committee on Consumer Protection and Governance. ASHRAE, founded in 1894, is a global professional society of more than 53,000 members, including more than 250 in Hawai'i , that focuses on building systems, energy efficiency, indoor air quality, resiliency, and sustainability. Through our research, standards writing, publishing, certification, and continuing education, ASHRAE shapes tomorrow's built environment today.

House Bill 2089, though well intentioned, would in its original formulation have seen Hawai'i change from a three-year update cycle for the state's building energy code to a six-year cycle. The stated intent behind this legislation is to reduce housing costs. However, the underpinning idea, that Hawai'i 's adoption of modern energy codes and standards is responsible for high housings costs, and that ceasing to adopt up-to-date energy codes and standards would bring down housing costs, is incorrect. This message was conveyed to the House Committee on Land and Water, and they amended this legislation so that the longer cycle between building code updates would only apply to the International Building Code and the International Residential Code published by the International Code Council, not to the state's building energy codes and are alleviated by the amendment offered by the House Committee on Water and Land. We support that amendment and are pleased that building energy codes will be updated on a 3-year cycle.

In conclusion, ASHRAE strongly believes that the adoption and enforcement of the most up-to-date building codes and standards creates a safe, healthy, and sustainable built environment for all. Furthermore, ASHRAE believes that the continued timely adoption of our 90.1 energy standard is a crucial component of Hawai'i 's climate change mitigation efforts. This legislation's unamended original language would have resulted in an outdated body of energy codes and standards in Hawai'i and would have created several associated negative externalities to the detriment of the state's economy, environment, and residents. However, the amendment offered by the House Committee on Water and Land alleviates our concerns by amending this legislation so that the longer update cycle does not apply to the

state's energy code. On behalf of our more than 250 members in Hawai'i, thank you for your consideration of ASHRAE's comments.

Sincerely,

-11

Ginger Scoggins ASHRAE President

Enclosure: Testimony submitted for WAL hearing on 2/13/24



Shaping Tomorrow's Built Environment Today

180 Technology Parkway, NW • Peachtree Corners, GA 30092-2977 • Tel: 404.636.8400 • Fax: 404.321.5478 www.ashrae.org

Ginger Scoggins 2023-2024 ASHRAE President

Engineered Designs, Inc. 1151 SE Cary Pkwy., Ste. 200 Cary, NC 27518 Phone: (919) 851-8481 Email: gscoggins@engineereddesigns.com

February 12, 2024

The Honorable Linda Ichiyama The Honorable Mahina Poepoe House Committee on Water and Land Hawai'i State Capitol 415 South Beretania St. Honolulu, HI 96813

Letter sent via email to: <u>repichiyama@capitol.hawaii.gov</u> <u>reppoepoe@capitol.hawaii.gov</u>

Re: House Bill 2089 "Relating to the State Building Code"

Dear Chair Ichiyama and Vice Chair Poepoe:

I am writing on behalf of ASHRAE, the American Society of Heating Refrigerating, and Air Conditioning Engineers, to **oppose the goals of Hawai'i House Bill 2089**, titled "Relating to the State Building Code" that sits before you in the House Committee on Water and Land. ASHRAE, founded in 1894, is a global professional society of more than 53,000 members, including more than 250 in Hawai'i , that focuses on building systems, energy efficiency, indoor air quality, resiliency, and sustainability. Through our research, standards writing, publishing, certification, and continuing education, ASHRAE shapes tomorrow's built environment today.

House Bill 2089, though well intentioned, would see Hawai'i change from a three-year update cycle for the state's building energy codes to a six-year cycle. The stated intent behind this legislation is to reduce housing costs. However, the underpinning idea, that Hawai'i 's adoption of modern energy codes and standards is responsible for high housings costs, and that ceasing to adopt up-to-date energy codes and standards would bring down housing costs, is incorrect. The actual outcome of skipping every other iteration of the International Energy Conservation Code and ASHRAE's Standard 90.1 *Energy Standard for Buildings Except Low-Rise Residential Buildings*, which are published on a three-year cycle that syncs up with HI's code updates, would be:

- Energy efficiency gains left on the table.
- Business owners, homeowners, and tenants pay higher utility bills.
- Thousands of tons of unmitigated greenhouse gas emissions.
- Greater difficulty meeting Hawai'i 's 2030 and 2045 climate targets.
- Inability to access some federal funding opportunities.
- Missing out on job creation associated with energy code adoption.
- No meaningful reduction in housing or construction costs.

I wish to expand upon these points to show and substantiate how hamstringing updates to the state's building energy code would be detrimental to the people of Hawai'i while also failing to deliver on the bill's intentions.

#### Energy Efficiency Gains Will Be Left on the Table:

Building energy standards establish minimum efficiency requirements for new construction, ensuring reductions in energy use and greenhouse gas emissions over the long life of a structure. The two energy codes in question, the 2021 edition of the International Energy Conservation Code and the 2019 edition of ASHRAE's 90.1 *Energy Standard for Buildings Except Low-Rise Residential Buildings* deliver substantial energy efficiency gains over their predecessors. Over the last two decades, each new edition of these resources delivers ever greater energy efficiency gains.<sup>1</sup> The 2019 edition of ASHRAE's 90.1 energy code is about 4.3% more efficient than the preceding edition.<sup>2</sup> Subsequently, on a national level, building energy codes represent an opportunity to reduce utility bills by over \$130 billion and avoid 900MMT of CO<sub>2</sub> emissions by 2040<sup>3</sup> On a state level, in Hawai'i the adoption of the newest editions of these minimum energy efficiency requirements is expected to result in a reduction of 8,132 metric tons of CO<sub>2</sub> emissions in the first year alone, according to DOE studies conducted by the Pacific Northwest National Laboratory (PPNL).<sup>45</sup>

## Business Owners, Homeowners, and Tenants Will Pay Higher Utility Bills While Also Releasing Thousands of Tons of Unnecessary Greenhouse Gas Emissions:

The reduction in utility bills from energy efficiency gains can be substantial. Per the PNNL studies, a combined energy cost savings for Hawai'i home and building owners of nearly \$3 million is expected in the first year, and over \$1 billion in cost savings is expected in a 30 year cumulative period.<sup>67</sup> In terms of Hawai'i 's individual homeowners, the average residential home's downpayment would be expected to increase by only \$288 while the homeowner would see a \$896 yearly reduction in their utility bills; they would be cashflow positive immediately.<sup>8</sup> For commercial construction in Hawai'i we would expect to see similar reductions in utility bills while *also achieving less expensive construction costs*. This is possible due to the cost savings delivered by LED lighting and through better insulation allowing for less expensive HVAC units.

Failing to adopt up-to-date energy codes and standards by virtue of skipping every other cycle will change the economic and environmental gains associated with updated code and standard adoption into costs that will be borne by Hawai'i residents. This is especially troubling considering that Hawai'i has the highest electricity retail price of any state, and this electricity is largely sourced from fossil fuels.<sup>9</sup>

#### This Will in Turn Make Meeting Hawai'i 's Climate Goals More Difficult:

Hawai'i has set laudable climate goals that this legislation will, if passed, make it much more difficult to meet. Hawai'i has set a goal of reducing electricity consumption by 4,300 GWh by 2030 through measures such as building retrofits, construction policies, energy saving technologies, and energy saving practices; this legislation runs directly counter to that goal.<sup>10</sup> More generally, Hawai'i is not currently on track to meet its climate goals of reducing emissions 50% below 2005 levels by 2030, and achieving net-zero by 2045.<sup>11</sup> Energy codes and standards and the efficiency gains they deliver are tools in the toolbox that Hawai'i can use to get back on track and keep emissions in line with these goals. Mandating longer lag times between energy code updates can then be seen as an active hinderance toward meeting these climate goals.

#### Updating Energy Codes is not the Primary Driver of Construction Costs:

<sup>&</sup>lt;sup>1</sup>https://public.tableau.com/app/profile/doebecp/viz/HistoricalModelEnergyCodeImprovement/CombinedHistoricalCodeImprovement\_1

<sup>&</sup>lt;sup>2</sup> https://www.ashrae.org/file%20library/about/government%20affairs/public%20policy%20resources/briefs/climate-change-and-the-built-environment\_2023.pdf

<sup>&</sup>lt;sup>3</sup> https://www.energycodes.gov/sites/default/files/2021-07/EED\_1365\_BROCH\_StateEnergyCodes\_states\_HAWAII.pdf

<sup>&</sup>lt;sup>4</sup> https://www.energycodes.gov/sites/default/files/2021-07/HawaiiResidentialCostEffectiveness\_2021.pdf

<sup>&</sup>lt;sup>5</sup> https://www.energycodes.gov/sites/default/files/2021-07/Cost-effectiveness\_of\_ASHRAE\_Standard\_90-1-2019-Hawaii.pdf

<sup>&</sup>lt;sup>6</sup> https://www.energycodes.gov/sites/default/files/2021-07/Cost-effectiveness\_of\_ASHRAE\_Standard\_90-1-2019-Hawaii.pdf

<sup>&</sup>lt;sup>7</sup> https://www.energycodes.gov/sites/default/files/2021-07/HawaiiResidentialCostEffectiveness\_2021.pdf

<sup>&</sup>lt;sup>8</sup> https://www.energycodes.gov/sites/default/files/2021-07/EED\_1365\_BROCH\_StateEnergyCodes\_states\_HAWAII.pdf

<sup>&</sup>lt;sup>9</sup> https://www.eia.gov/state/?sid=HI#tabs-1

<sup>&</sup>lt;sup>10</sup> https://climate.hawaii.gov/hi-mitigation/

<sup>&</sup>lt;sup>11</sup> https://health.hawaii.gov/cab/files/2023/05/2005-2018-2019-Inventory\_Final-Report\_rev2.pdf

There are many causes of high housing costs, and it would be outside our area of professional expertise to speak authoritatively on them. However, we can point to many counter examples of states that adopt the newest energy standard on cycle and have substantially lower housing and construction costs than Hawai'i , indicating that at most energy standards and codes are a marginal factor in Hawai'i 's housing crisis. For example, Montana, Florida, and Oregon all update to the newest edition of ASHRAE's 90.1 energy standard like clockwork. This legislation cites the median price of a single-family home in Hawai'i as \$825,000. This can be compared to \$609,900 in Montana, \$405,00 in Florida, and \$490,200 in Oregon.<sup>12</sup> More generally, we know that there is substantial return on investment when it comes to building codes: up to date model building codes save \$11 for every \$1 invested through disaster mitigation benefits.<sup>13</sup> Additionally, a study has shown that the lower utility bills delivered by using up-to-date energy codes reduce mortgage default rates by about a third.<sup>14</sup> Finally, numerous case studies have shown that updating to modern and more stringent building safety codes and energy codes is not associated with an increase in housing and construction costs.<sup>15,16,17</sup>

In conclusion, ASHRAE strongly believes that the adoption and enforcement of the most up-to-date building codes and standards creates a safe, healthy, and sustainable built environment for all. Furthermore, ASHRAE believes that the continued timely adoption of our 90.1 energy standard is a crucial component of Hawai'i 's climate change mitigation efforts. This legislation, while well intentioned, would unfortunately result in an outdated body of codes and standards in Hawai'i and create several associated negative externalities to the detriment of the state's economy, environment, and residents. On behalf of our more than 250 members in Hawai'i , thank you for your consideration of ASHRAE's comments.

Sincerely,

Ginger Scoggins ASHRAE President

Justin Choriki ASHRAE Hawai'i Chapter President

Kevin Luoma ASHRAE Hawaiʻi Chapter Government Affairs Chair

<sup>&</sup>lt;sup>12</sup> https://www.bankrate.com/real-estate/median-home-price/#median-price-by-state

<sup>&</sup>lt;sup>13</sup> https://www.fema.gov/sites/default/files/2020-11/fema\_building-codes-save\_brochure.pdf

<sup>&</sup>lt;sup>14</sup> https://www.imt.org/wp-content/uploads/2018/02/IMT\_UNC\_HomeEEMortgageRisksfinal.pdf

<sup>&</sup>lt;sup>15</sup> https://nehrp.gov/pdf/NIST%20GCR%2014-917-26\_CostAnalysesandBenefitStudiesforEarthquake-ResistantConstructioninMemphisTennessee.pdf

<sup>&</sup>lt;sup>16</sup> https://www.sciencedirect.com/science/article/abs/pii/S2212420917302819

<sup>&</sup>lt;sup>17</sup> https://headwaterseconomics.org/wp-content/uploads/building-costs-codes-report.pdf



#### **OUR MISSION**

To support and advance public policies that make Hawai'i affordable for all working families.

#### **OUR VISION**

Collaborative, sustainable, and evidence-based public policies that create a diverse and sustainable Hawai'i economy, an abundance of quality job opportunities, and a future where all working families living in Hawai'i can thrive.

BOARD MEMBERS

Jason Fujimoto Meli James, Board Chair Micah Kāne Brandon Kurisu Mike Mohr Brad Nicolai Mike Pietsch

#### ADVISORY COMMITTEE

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Page 1 of 2

#### **Committee:** House Committee on Consumer Protection & Commerce **Bill Number:** HB 2089, HD1, Relating to the State Building Code Hearing Date and Time: February 27, 2024 at 2:00pm (Room 329) **Testimony of Holomua Collaborative in support**

Aloha Chair Nakashima, Vice Chair Sayama, and Committee Members:

We write in support of HB 2089, Relating to the State Building Code. Under current law, existing building codes remain in place for three years at a time. The challenge this presents is that the building codes are complex, highly technical documents. Every time a new code is adopted, it invariably takes at least one to two years for county permitting officials, plan reviewers, and design professionals to develop a common interpretation of what that code means and how it must be implemented.

It is not a simple process.

Re:

And the way the process works in practice is that design professionals must submit plans over and over as they work to understand what the government officials reviewing the plans want to see to approve the plans. It is this process of repeated trial and error that eventually results in a common interpretation of the code between all stakeholders. But by the time that happens, only one-to-two years remain in which the process can now proceed smoothly.

By changing the code adoption cycle to be within two years of every *other* official publication date of the code, this bill effectively allows everyone to operate on a sixyear code cycle, rather than a three-year code cycle. This means that once the one-totwo-year period of trial and error is over, there are now four-to-five remaining years when plans can be submitted, reviewed, and approved in a timely fashion (as opposed to the one-to-two years that occurs under the current building code cycle system).

That means we are gaining meaningful years more time when the system is working smoothly, permits are being processed more quickly, and fewer mistakes are being made. This savings of time will invariably result in cost savings in home building costs, which will ultimately mean lower home prices for local residents.

It is also important to note that this additional time on a single code will give the counties more time and experience within each six-year code cycle to suggest amendments to the code as it relates to building materials, methods, and standards, which would be appropriate to their own respective geographies and climates. So, for example, if a model code was adopted that required insulated flooring, the counties



Page 2 of 2

now have time to make a reasonable change that maintains safety, while eliminating unnecessary cost.

This is a common-sense approach to maintaining safety, improving efficiency, and lowering costs.

As an organization devoted to finding ways to keep all local working families in Hawai'i by making sure they can afford to stay, we support this bill as a good approach to address urgent cost-of-living challenges-in this case by reducing the cost of home building for local families.

Sincerely,

John Wink

Josh Wisch President & Executive Director



February 26, 2024

	TO:	Honorable Mark Nakashima, Chair House Committee on Consumer Protection and Commerce
		Honorable Jackson Sayama, Vice-Chair House Committee on Consumer Protection and Commerce
	FROM:	Reid Mizue, AIA Vice President / Legislative Advocacy Group American Institute of Architects, Hawaii State Council
The American Institute of Architects	SUBJECT:	House Bill 2089 HD1
AIA Hawaii State Council 828 Fort Street Mall, Suite 100 Honolulu, HI 96813	Dear Chai	Relating to State Building Code r Nakashima and Vice-Chair Sayama,
T (808) 628-7243 contact@aiahonolulu.org aiahonolulu.org/AIAHawaiiStateCouncil		is Reid Mizue, President of the American Istitute of

Architects (AIA) Hawaii State Council, **OPPOSING** HB 2089 HD1 based on AIA National Policy and for negative effects on original intent of HRS 107-24 and Hawaii's 2030 and 2045 climate targets:

#### Negative effect on HRS 107-24 intent

AIA strongly supported original 2007 legislation intent on ensuring the state's building codes are current. At that time, Hawaii County had most out-of-date building code based on UBC 1991; over fifteen years behind the times! Hawaii County ranks nationally with jurisdictions having highest risk ratings. Hawaii Island legislators Senator Lorraine R. Inouye and late Representative Bob Herkes actively advanced the legislation with time schedule for adopting most current codes. Architects hoped for uniformity among county codes because state-wide uniformly-worded code is more efficient for design and construction industry.

#### Negative effect on Hawaii's 2030 and 2045 climate targets

All of the opposing testimony details negative effects and says Hawaii is falling further behind in meeting existential threats. Building codes are critical to long-term consumer protection. Buildings are among the most expensive purchases made by the public. Houses in particular are often bought after being constructed for developers who are understandably interested in lowest first-cost without much consideration for long-term costs. Analogous to buying an automobile, long-term performance cost like miles-per-gallon is government mandate upon automobile industry.

# AIA is also frustrated by seemly constant "churning" of code amendments

Bill proponents argue that HB 2089 is needed because of seemingly constant / repetitive process of amending model codes. However, AIA says the time-consuming process is mostly driven by amendments proposed at county levels and by some bill proponents. Some possible solutions:

- Amend §107-28 with express legislative/SBCC intent that county amendments be more stringent than the state building code. Currently, county-approved energy code amendments are tending to defeat state's 2030 and 2045 climate goals. Broadly deep concern in opposing testimony.
- Base county amendments on State Building Code SBC as "model code" instead of national model codes. SBC suite of codes has already been amended for Hawaii considerations by State Building Code Council. Focus county amendments on administrative issues not in SBC.

# Amending 107 has beneficial effect on Hawaii's "community rating"

(Excerpted from State of Hawaii Department of Defense testimony for HB 1033 before House CPC on February 3, 2023 with emphasis added) "Federal Emergency Management Agency grant monies are available to help communities with mitigation projects to reduce risks from natural and human-caused hazards and threats. However, Hawai'i has not been able to successfully compete for and obtain those funds, in large part as a result of the significant obstacle of the State's building code. **The State's code allows considerable variation from county to county. None of Hawai'i s counties meet the most current standards**, nor is Hawai'i rated by a designated national group as having a high commitment to building code enforcement "

A low "community rating" can adversely affect more than FEMA assistance because property insurance interests also making ratings affecting insurance costs and even availability of coverage. AIA long experience in state legislative issues shows that bills exempting some island regions from building code requirements are the same regions where property insurance is becoming more difficult to obtain. As an aside, AIA contends that any building to be covered by state property insurance policy has to meet the State Building Code. HRS 107-28 has unfortunate effect of reducing effectiveness of the state building codes. Eighty percent of the 50 states have state building codes as "minimum baseline" for building performance. States do this because most states are divided into numerous counties and rural counties often lack well-staffed building departments; if these even have building department. A state's larger cities typically have their own building codes that are more stringent than state building code. Larger cities logically have more stringent building codes because much greater square footage built in larger cities has greater impact upon natural and energy resources.

Hawaii has opposite situation. Assume 20% of Hawaii construction\* designed to meet "baseline" state building code and 80% designed\* to meet local county codes, typically amended to be less stringent than state building code. Under these assumptions, the overwhelming majority of square footage built in Hawaii is deficient with respect to SBC "baseline" requirements like energy conservation. So is this the reason Hawaii is falling farther behind in meeting 2030 and 2045 climate goals established as public policy by this legislature? It is reason for Hawaii's very low ranking for model code enforcement.

Nationally published charts of state building codes have some state codes with footnote saying "local government may restrict further." NONE of the state codes, including Hawaii, say "local government may relax further." Relying upon Hawaii AG opinion, local county governments have relaxed some provisions of SBC after frustrating rounds of local code amendment wrestling. This accounts for "churning" complaints from construction industry. It likely accounts for inability of some county building departments to keep up with current adoption schedule.

Code making is extremely detailed process and the second round of local code amending has AIA currently opposing county amendments such as amending SBC definition of "building" to include on-site motor vehicles! (is this included in permit valuation?) Another proposed county amendment revises long-standing IBC calculation of square footage; making all existing building stock into non-conforming buildings. County also proposes to revise longstanding building type designations. Complicates renovation permits.

#### HB 2089 has negative effect on volunteer staffing of SBCC

Skipping code cycle and greatly extending review period from makes it very difficult to maintain pool of focused committee volunteers. Work will just expand to fill the time OR the interim period will see no activity related to code updates. SBCC board members, including four crucial county building department representatives, are term-limited by state law. Similar to wasted opportunity for improved building performance, board expertise will be wasted by skipping code cycle.

# Please defer this assault on SBC original intent and Hawaii's energy conservation policies

AlA requests that House CPC defer the current HB 2089 HD1 or restrict county amendments that relax SBC requirements – especially with respect to energy conservation codes. Passing this bill for every other code cycle further degrades Hawaii's already low rating; making excessively-amended county codes also more-outdated. Thank you for this opportunity to **OPPOSE** HB 2089 HD1.

\*Assumptions for state-funded construction versus privately-funded construction are based on past survey of architect building design contracts and will vary over time. However, privately-funded buildings consistently exceed state-funded buildings by large margin.

Sincerely,

Reid Mizue, AIA American Institute of Architects, Hawaii State Council

#### THE GENTRY COMPANIES



February 26, 2024

The Honorable Mark M. Nakashima, Chair The Honorable Jackson D. Sayama, Vice Chair Members of the House Committee on Consumer Protection & Commerce State House of Representatives State Capitol Honolulu, HI 96813

> Subject: H.B. 2089, H.D. 1 RELATING TO THE STATE BUILDING CODE Hearing: Tuesday, February 27, 2024; 2:00 p.m. Conference Room 329, State Capitol

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee,

My name is Debbie Luning and I am testifying on behalf of Gentry Homes, Ltd. in strong **SUPPORT** of the subject bill.

Gentry Homes, one of Hawaii's largest production homebuilders, has constructed over 14,000 homes in Hawaii since 1968. Our company's founder, Tom Gentry, had a passion for building homes for first-time homebuyers, and building quality workforce homes for local families continues to be the core of Gentry's business today. However, it is getting increasingly difficult to produce homes for first-time homebuyers because of the high cost of land, infrastructure, construction, materials, and high interest rates. Compliance with an increasingly complex set of codes, rules, standards and laws only further complicates this delicate balance.

H.B. 2089, as amended, would help to reduce the complexity of code compliance by lengthening the period of time that Hawaii's State Building Code Council is given to adopt, amend, or update the International Building Code or the International Residential Code. It also makes adjustments to the counties' timeframes for amending the State Building Codes.

Under existing law, building codes remain in place for three years at a time. This presents a challenge inasmuch as building codes are complex and highly technical documents. Moreover, varying interpretations of the codes by government plan reviewers and the design community present additional challenges. As DR Horton points out in its testimony, the current process results in hurried reviews with inadequate discussion and little or no case study analyses of the benefits and/or negative cost impacts that the new codes could have on Hawaii's built environment, including much-needed housing.

Providing an alternating longer review and adoption cycle rather than a 3-year cycle would allow more time for projects to be planned, approved, and built under given codes. Lengthier code adoption cycles

#### THE GENTRY COMPANIES

H.B. 2089, H.D. 1 RELATING TO THE STATE BUILDING CODE February 26, 2024 Page 2

would also mean that permits could be processed more quickly and efficiently, thereby resulting in a reduction in homebuilding costs.

It is certainly not Gentry's intent to circumvent codes or building standards that ensure life, health and safety. In fact, Gentry has often exceeded the existing codes and standards when they are appropriate for our home buyers. However, we strongly believe that the current system of review and adoption could be considerably improved by allowing for more time to thoroughly vet any proposed code amendments.

We urge you to you to support the original version of this measure and to pass it out of your Committee. Mahalo for your consideration.

Sincerely,

GENTRY HOMES, LTD.

Debra M. A. Luning Director of Governmental Affairs and Community Relations

#### LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.



Testimony of Pacific Resource Partnership

House Committee On Consumer Protection & Commerce Representative Mark M. Nakashima, Chair Representative Jackson D. Sayama, Vice Chair

HB 2089 HD1—Relating To State Building Code Tuesday, February 27, 2024 2:00 P.M.

Aloha Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

Pacific Resource Partnership (PRP) is a nonprofit organization that represents the Hawai'i Regional Council of Carpenters, the largest construction union in the state with approximately 6,000 members, in addition to more than 250 diverse contractors ranging from mom-and-pop owned businesses to national companies.

PRP writes in **support** of HB 2089 HD1, which requires the adoption, amendment, or update of the International Building Code and International Residential Code by the State Building Code Council within two years of every other official publication date of the applicable code or standard.

HB 2089 HD1 would allow county agencies and professionals within the industry more time to interpret, understand, and collaborate on developing county amendments to state codes that protect the life, health, and safety of the occupant while ensuring that amendments do not add unnecessary costs to the construction of much needed affordable/workforce housing projects.

As such, we respectfully request your favorable decision on this measure. Thank you for this opportunity to submit written testimony.







February 26, 2024

Representative Mark Nakashima, Chair House Committee on Consumer Protection & Commerce Hawaii Legislature State Capitol, Room 432 415 S. Beretania St. Honolulu, HI 96813

Representative Jackson Sayama, Vice Chair House Committee on Consumer Protection & Commerce Hawaii Legislature State Capitol, Room 406 415 S. Beretania St. Honolulu, HI 96813

## RE: HB 2089 HD1, Oppose! The bill will harm consumers and Natural Hazard Preparedness & Mitigation and Federal Disaster Relief

Dear Chair and Vice Chair and Committee Members of the House Committee on Consumer Protection and Commerce:

The International Code Council respectfully requests HB 2089 a do not pass recommendation because:

- FEMA's grant and aid program criteria for being on a current adopted codes will be exceeded and potentially disqualify the State of Hawaii from hazard mitigation, post disaster recovery and resilient infrastructure federal program funding sources and;
- Building code update frequencies will exceed the adoption timelines that insurance companies & their actuaries use to calculate insurance premium discounts under the Building Code Effectiveness Grading Schedule (BCEGS) and;
- The State of Hawaii's Clean Energy Initiative, (Act 97 of 2015, HB 623) will find increased difficulty with accomplishing a transition away from imported fuels because the most currently modern codes and technologies will be less accepted when using older code editions and;
- 4. The State of Hawaii will cause bifurcation and conflict of the construction regulation industries as the US Dept. of Defense's Unified Facilities Criteria policy adopts the most current building and residential code editions.

The federal government and FEMA funding programs have a consistent policy that the latest published building codes shall be used. In a report published October 17, 2023 by the Congressional Research Service, entitled *"Building Resilience: FEMA's Building Codes Policies and Considerations for Congress"* it clearly states on page 21 of the report that the *"Disaster Recovery Reform Act of 2018 (DRRA) Section 1234 amended Section 203 of the Stafford Act—Predisaster Hazard Mitigation to allow use of predisaster mitigation funding to establish and carry out enforcement activities and implement the latest version of consensus-based codes. Section 1234 also expanded the criteria to be considered in awarding pre-disaster mitigation funds, including the extent to which the applicants have adopted hazard-resistant building codes and design standards. FEMA introduced a new program, Building Resilient Infrastructure and Communities (BRIC), in FY2020 to replace the Predisaster Mitigation Grant Program (PDM). In each of the first three years of BRIC, one of FEMA's main priorities has been to increase funding to applicants that facilitate the adoption and enforcement of the latest published editions of building codes."* 

The Stafford Disaster Relief and Emergency Assistant Act, Section 406(e)(1)(i)(ii) specifically indicates the cost recovery is based on conformity with the latest published editions of the consensus building codes. (The International Building Code and The International Residential Code.)

The Building Code Effectiveness Grading Schedule (BCEGS) rate and provide data as actuaries to the various insurance companies in setting insurance premiums. Adopting current codes is a criterion in this program. Hawaii and its citizens can be at a disadvantage when **insurance rates partially account in their calculations that current codes are adopted**. This fact is used in the formulary of insurance premium rate setting.

**The US Department of Defense** has the policy to **adopt current codes**. Each time a new code edition is published the DOD updates its adoption. The document that adopts building codes for the Department of Defense is known as the Unified Facilities Criteria and UFC 1-200 is continuously updated to adopt the current codes known as the International Building Code (IBC) and International Residential code (IRC).

The real **elephant in the room** is regarding the State Building Code Council (SBCC), as it does experience some dysfunctional abilities, as it is because **the SBCC lacks the permanent professional staff as required by HRS 107-23.** The SBCC is a fully volunteer agency. No other state building code agency in any of the other 49 states that adopts codes suffers such a condition. As a result, the SBCC is actually takes longer to adopt more current editions of codes than 3 years. Currently the statute requires 3 years plus an additional 2 years allowed for the counties to adopt the state code. **HB 2089 HD1 will cause greater confusion, inconsistency, and non-compliance** and the time from implementation will likely be **8 to 10 years between adopted editions**, and this will **cause non-compliance with FEMA Policy.** As other states adopt codes more frequently than Hawaii under the proposed legislation, then manufactures will look to dump non-code compliant less-quality and less-energy efficient products and building materials into the unsuspecting Hawaii market. Why allow a condition that will cause second quality products to come to Hawaii.

FEMA Fact Sheet: https://www.fema.gov/fact-sheet/hazard-mitigation-assistance-program-and-policy-guide-codes-and-standards-updates

FEMA's Building Code Policy: https://sgp.fas.org/crs/homesec/R47612.pdf

Building Code Effective Grading Schedule: https://www.isomitigation.com/bcegs/building-code-effectiveness-grading-schedule-bcegs-data-usage-and-applicability/

FEMA's Building Resilience: Building Codes Policies and Considerations for Congress:

https://sgp.fas.org/crs/homesec/R47612.pdf

DOD Unified Facilities Criteria Policy 1-200: https://www.wbdg.org/FFC/DOD/UFC/ARCHIVES/ufc\_1\_200\_01\_2022\_c1.pdf Robert T. Stafford Disaster Relief and Emergency Assistance Act: https://www.govinfo.gov/content/pkg/COMPS-2977/pdf/COMPS-2977.pdf The bill will take the wrong bite at HRS 107 and will cause less clarity in the statue because the proposed new language is not taking a comprehensive look at **what really needs to be solved in the statute that will allow the SBCC to function as is necessary.** If the legislature is so inclined to do service towards making the State Building Code Council and the statute function better, then one possibly, a solution could be to create a taskforce, blue-ribbon panel (as what created Act 82 of 2007, the HRS Building Code Act) to re-examine legislative intentions and goals for the SBCC.

Most importantly, the legislature needs to act on the recommendation of wildfire resiliency and construction requirements. The adoption of the International Wildland-Urban Interface Code (IWUIC) as recommended by the Hawaii House of Representatives' Wildfire Prevention Working Group's, 2023 Final Report, should be adopted as the IWUIC coordinates with and does not conflict with the International Building Code (IBC) and the International Residential Code (IRC) that the State of Hawaii adopts. Building codes help to mitigate against the negative impacts of natural and manmade disasters.

I fully understand the frustrations the design, construction and inspection and regulatory industries have with the current situation. I am available and at your service, willing to discuss solutions so intended legislative outcomes and the integrity of the adopted building and safety codes occurs.

Thank you for the opportunity to comment on this legislative proposal. Please feel free to contact me if you have any questions.

Sincerely,

Kraig M. Stevenson

Kraig M. Stevenson, CBO Sr. Regional Manager ICC Government Relations kstevenson@iccsafe.org 562-201-9209 mobile

FEMA Fact Sheet: https://www.fema.gov/fact-sheet/hazard-mitigation-assistance-program-and-policy-guide-codes-and-standards-updates

FEMA's Building Code Policy: https://sgp.fas.org/crs/homesec/R47612.pdf

Building Code Effective Grading Schedule: https://www.isomitigation.com/bcegs/building-code-effectiveness-grading-schedule-bcegs-data-usage-and-applicability/

FEMA's Building Resilience: Building Codes Policies and Considerations for Congress:

https://sgp.fas.org/crs/homesec/R47612.pdf

DOD Unified Facilities Criteria Policy 1-200: https://www.wbdg.org/FFC/DOD/UFC/ARCHIVES/ufc\_1\_200\_01\_2022\_c1.pdf Robert T. Stafford Disaster Relief and Emergency Assistance Act: https://www.govinfo.gov/content/pkg/COMPS-2977/pdf/COMPS-2977.pdf

#### HB-2089-HD-1

Submitted on: 2/26/2024 11:12:12 AM Testimony for CPC on 2/27/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Daniel G. Chun	Individual	Oppose	Written Testimony Only

Comments:

I am **OPPOSED** to HB 2089 because it undermines the original intent of keeping Hawaii building codes current. In 2006 I was governor's appointee to state task force to frame SBCC into law. There was active participation by property insurers who appreciate its value. Few years ago, SBCC faced strong challenge from bill requiring cost calculations for code amendments. Property insurers testified that there needs to be "guardrail" around life safety amendments because these are impossible to price. Energy code is regularly attacked. But energy requirements have already been cost analyzed for long-term costs and are long-term consumer benefit because Hawaii has by far the most expensive electricity in USA.



"Locally Owned & Operated in Hawaii Since 1961`

99 134 Waiua Way, Aiea, HI 96701

February 26, 2024

#### Testimony to the House Committee on Consumer Protection & Commerce, Conference Room 325, State Capitol Februrary 27, 2024 at 2:00pm

#### **RE:** HB 2089 HD1 – RELATING TO THE STATE BUILDING CODE

#### Chair Nakashima, Vice-Chair Sayama and Members of the Committee,

My name is Anthony Borge and I am submitting testimony on behalf our company, RMA Sales and as a small business advocate. RMA Sales is a locally-owned/managed manufacturing and distributing company of louver jalousie windows, storm/security doors, screens and ancillary products here in Hawaii since 1961. I previously served 8 years on the State's Small Business Regulatory Review Board (SBRRB), the last 4 years as the Chair.

We are in **strong support of H.B 2089** in its **original** form. This bill, prior to HD1, required that the adoption, amendment, or update of the building code or standard by the State Building Code Council be within two years of every other official publication date or code standard.

The intent of the international and State Building Codes is to establish minimum standards in providing for the health, safety and well-being for our people. The current code standards are well beyond the minimum standards and is one of the contributors to the increase in the cost of building materials cost and construction.

Another negative side-effect of the current International Building Code 3 year updating cycle is for the regulatory departments (e.g. Planning & Permitting) that reviews and issues permits at the County level has been experiencing major bottlenecks with the issuance of building permits over the past 10 years. Complying with the International Building Code Cycle exacerbates this problem by requiring department personnel to be updated and well-versed in the new code prior to implementation.

For these reasons, we strongly urge the committee to pass **HB 2089** in its **origina**l form.

Thank you.

Respectfully submitted,

Anthony Borge RMA Sales 99-134 Waiua Way Aiea, HI 96701

#### HB-2089-HD-1

Submitted on: 2/26/2024 1:22:51 PM Testimony for CPC on 2/27/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Nimr Tamimi	Individual	Support	Written Testimony Only

Comments:

February 26, 2024

Re: HB 2089HD1 Relating to the State Building Code Council

Senate Committee on Consumer Protection & Commerce

Chair Nakashima, Vice Chair Sayama, and members of the committee,

Aloha and thank you for your time. My name is Nimr Tamimi, I am a principal of a Hawaii Island Based A/E firm that provides consulting engineering services statewide, including nationally and internationally. Our firm is very familiar with the building permit process and has had a lot of experience throughtout the years throughout the state. I personally have been involved in the permitting process for over 36 years.

I have been involved in a committee of stakeholders whose primary function is to investigate and provide recommendations towards the improvement of the permitting process statewide. We have been working on this for over a year. One of our findings through interviews and fact finding is that there are differences in code interpretation between the private sector and government sector. I believe that staggering the code cycle will allow the Counties to be on a code cycle for a longer period of time than the current cycle allows. A major issue that both the private and public sector deal with is learning a new code and interpretation of the code. With all new codes, it takes time to learn the new requirements let alone the interpretation of these new requirements. The design professional will design projects based on their understanding/interpretation of the code. At the same time, the government agencies are also learning the new code and developing their own interpretation of the code.

A lot of times the design professional and government agencies will differ on the interpretation of the code. Because of this, the government agency usually needs more time to review the design to catch the differences in interpretation of the code and how they are reflected on the design. Once these items are identified, the government agency will send the drawings back to the design professional for corrections. Sometimes this process has several iterations resulting in a substantial amount of time being spent on this process. Something similar also occurs during the construction process with the inspectors. The intent of being on the same code for longer periods of time is that both government and the design professional have more time to work on getting on the "same page" regarding the interpretation of the code. This could help reduce the amount of time the plan reviewer needs to spend on a project and reduce the number of iterations the design goes back and forth between the two groups, freeing up government assets to work on other permit applications, and ultimately speeding up the permitting process and reduce the need to hire addition staff. It will be our responsibility to work with the County agencies to help find a way to get/provide the training necessary so that we can all be on the "same page" with code interpretation, ultimately creating a better and more efficient permitting process.

I am not in favor of amending this bill to include only the IBC and IRC, we are in support of all codes being on a similar cycle.

The State Building Code Council has the ability to amend any current code as they feel necessary, this includes codes that have already been adopted. This should address the concern that we will "not be able to keep up with any new life/safety items". Real time amendments can be made to current codes to accommodate adopting the new life/safety items.

Per the information we received from our Federal Senator's office, the only area where there may be concern about the effect the code cycle will have on FEMA funding is in the Building Resilient Infrastructure and Communities (BRIC) grant. Per our Federal Senator's office, 20 out of 100 total points used to evaluate these grants are tied to States which have "adopted one of the two latest editions of model building codes published by the International Code Council. As of FY23 BRIC funding opportunity refer to the 2018 and 2021 codes." Our code cycle will have no effect on FEMA emergency funding. Per the FEMA website for the BRIC grants, they indicate that "100 of the 124 awarded grants went to states that had a mandated code cycle update vs states that don't", it did not specifically state the most current code, just that the State "had a mandated code cycle update."

I have also met with representatives of the trade unions, and they are supportive of changing the code cycle to every other code cycle.

I believe that a change to the code cycle will help both the private industry and government better manage the issues and costs associated with permitting and construction. We keep losing our residents to the mainland due to the high cost of housing and construction, we need to do something to help manage the cost of construction in our State, I believe, that one of the many components to help address this is our State Building Code and how we manage that.

Thank you very much for this opportunity to testify and for your consideration.