

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON SENATE BILL 2581 SD2, HD1
A BILL RELATING TO STATE BUILDING CODE

PRESENTATION TO
THE HOUSE COMMITTEE ON FINANCE

BY

DOUG MAYNE
VICE DIRECTOR OF STATE CIVIL DEFENSE
March 27, 2014

Chair Luke, Vice Chair Nishimoto, Vice Chair Johanson, and Members of the House Committee on Finance.

I am Doug Mayne, the Vice Director of State Civil Defense. I am testifying in **SUPPORT** of Senate Bill 2581 SD2 HD1.

Modern building codes are necessary to protect the Hawaii ohana by providing safer places for people during earthquakes, tsunamis and hurricanes.

This bill will strengthen the building code council by:

- Adding members from the State Energy Office, the building industry or general contractors' associations and the subcontractors' association.
- Provide funding so the building code council can continue its work in ensuring Hawaii's building codes support survivability and resilience during disasters. Without this funding, there is no mechanism for the council to update the codes and conduct research and rule making. It is most critical for our future safety and resilience to fund the needs of the council.

Thank you for the opportunity to provide testimony in **SUPPORT** of Senate Bill 2581 SD2 HD1.

NEIL ABERCROMBIE
GOVERNOR



DEAN H. SEKI
COMPTROLLER
MARIA E. ZIELINSKI
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY
OF
DEAN H. SEKI, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE
ON
FINANCE
ON
March 27, 2014

S.B. 2581, S.D. 2, H.D. 1

RELATING TO THE STATE BUILDING CODE

Chair Luke and members of the Committee, thank you for the opportunity to submit written testimony on S.B. 2581, S.D. 2, H.D. 1.

The Department of Accounting and General Services (DAGS) supports the intent of S.B. 2581, S.D. 2, H.D. 1, which, among other things, allows the State Building Code Council to stagger the adoption of model building codes and provides for clarifying language. DAGS supports this measure provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to submit written testimony on this matter.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
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Statement of
RICHARD C. LIM
Director
Department of Business, Economic Development, and Tourism
before the

HOUSE COMMITTEE ON FINANCE

Thursday, March 27, 2014
4:00 p.m.

State Capitol, Conference Room 308

in consideration of
SB 2581, SD2, HD1
RELATING TO THE STATE BUILDING CODE.

Chair Luke, Vice Chairs Nishimoto and Johanson, and Members of the Committee.

The Department of Business, Economic Development, and Tourism offers comments on this bill, which modifies the composition of the Hawaii building code council and funds an executive director's position. We support the intent of this bill, but caution that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

To be more effective, an executive director with appropriate technical credentials in the administrative rule process must oversee and facilitate the work of the Council. Proposed new members of the council include construction industry specialists with expertise on industry practices and the practicality and cost effectiveness of proposed codes.

An expected outcome of the bill's passage would be expedited adoption of the 2012 International Energy Conservation Code. The code provisions should measurably reduce energy use in homes and buildings and move Hawaii closer to its goal of energy independence.

Thank you for the opportunity to provide this testimony.

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honolulu.dpp.org • CITY WEB SITE: www.honolulu.gov

KIRK CALDWELL
MAYOR



GEORGE I. ATTA, FAICP
DIRECTOR

ARTHUR D. CHALLACOMBE
DEPUTY DIRECTOR

March 27, 2014

The Honorable Sylvia Luke, Chair
and Members of the Committee on Finance
State House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Luke and Members:

SUBJECT: Senate Bill No. 2581, SD2, HD1
Relating to the State Building Code

The Department of Planning and Permitting (DPP) **supports** Senate Bill No. 2581, SD2, HD1, which modifies the composition, quorum, and duties of the Hawaii State Building Code Council, as well as other housekeeping language as appropriate. Most importantly, it appropriates funding to the Department of Accounting and General Services for the State Building Code Council to function in its mandated responsibilities.

The City strongly supports the State Building Code Council's mission to provide for the continued review and adoption of building codes to be used as the standard for building construction in the State of Hawaii, while preserving the home rule rights of the counties. This Council combines the resources of the State and four counties with members of the industry and the public to review and update the codes that regulate the building industry.

In 2009, the State Building Code Council adopted a series of State Building Codes, which provided uniformity in the application of codes throughout the State. Because of the lack of funding, there has been no update since this initial rule adoption. We defer to the Legislature to work out the finer details of the appropriation amount.

Thank you for this opportunity to communicate our strong support of Senate Bill No. 2581.

Very truly yours,

A handwritten signature in blue ink that reads "George I. Atta".

George I. Atta, AICP
Director

GIA:cl
SB2581SD2HD1-th

SAH - Subcontractors Association of Hawaii

*1188 Bishop St., Ste. 1003**Honolulu, Hawaii 96813-2938*

Phone: (808) 537-5619 ✦ Fax: (808) 533-2739

March 27, 2014

Testimony To: House Committee on Finance
Representative Sylvia Luke, Chair

Presented By: Tim Lyons
President

Subject: S.B. 2581, SD 2, HD 1 - RELATING TO THE STATE BUILDING CODE

Chair Luke and Members of the Committee:

I am Tim Lyons, President of the Subcontractors Association of Hawaii. The SAH represents the following nine separate and distinct subcontracting organizations which include:

HAWAII FLOORING ASSOCIATION
ROOFING CONTRACTORS ASSOCIATION OF HAWAII
HAWAII WALL AND CEILING INDUSTRIES ASSOCIATION
TILE CONTRACTORS PROMOTIONAL PROGRAM
PLUMBING AND MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII
SHEETMETAL CONTRACTORS ASSOCIATION OF HAWAII
PAINTING AND DECORATING CONTRACTORS ASSOCIATION
PACIFIC INSULATION CONTRACTORS ASSOCIATION
ELECTRICAL CONTRACTORS ASSOCIATION OF HAWAII

We generally support this bill.

The Committee may be aware that a similar bill passed last year but was vetoed by the Governor. We think this bill addresses those concerns and therefore we recommend its passage.

Thank you.



March 26, 2014

Representative Luke, Chair and Committee Members, House Committee on Finance

RE: ICC Supports Passage of SB2581 SD2 HD1

Dear Chair and Committee Members:

The International Code Council is a 50,000 member, non-profit public benefit corporation dedicated to helping the building safety community and construction industry provide safe, sustainable, energy-efficient and affordable construction through the development of codes and standards used in the design, build and compliance process by state and local governments including the State of Hawaii and its Counties.

The Hawaii State Building Code Council (SBCC) was conceived by the Legislature in 2007 as a mechanism for the State and Hawaii's Counties to maintain a current and consistent set of up-to-date regulations for building, fire, life-safety, energy-efficiency and sustainable practices as uniform construction code requirements applicable statewide.

The many stakeholders from the design professions, the construction trades, the state and its regulatory agencies and local government officials participate in the SBCC process, and have come to rely on it as a forum to discuss construction and code related applications and to adopt codes which have produced great benefits and safety for the state.

We urge passage of SB 2581 SD2 HD1 with a change to section 14 of the bill to include an effective date of July 1, 2014 because an adequately funded SBCC will allow the good work of the SBCC and the participating stakeholders to continue to benefit the State, its counties and citizens.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kraig Stevenson", is written over a light blue horizontal line.

Kraig Stevenson, CBO
ICC Government Relations
kstevenson@iccsafe.org
562-201-9209

1065 Ahua Street
Honolulu, HI 96819
Phone: 808-833-1681 FAX: 839-4167
Email: info@gcahawaii.org
Website: www.gcahawaii.org



GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

March 27, 2014

TO: HONORABLE SYLVIA LUKE, CHAIR, HONORABLE SCOTT NISHIMOTO
AND HONORABLE AARON JOHANSON, VICE CHAIRS AND MEMBERS
OF THE HOUSE COMMITTEE ON FINANCE

SUBJECT: **SUPPORT OF S.B. 2581, SD2, HD1 RELATING TO THE STATE
BUILDING CODE.** Modifies the composition, quorum, and duties of the Hawaii
state building code council and revises the state building code, including
clarifying terminology, the code adoption process, and the staggering of code
adoptions. Prohibits the adoption of code provisions that conflict with laws
governing contractors. Makes appropriation. Effective July 1, 2112.

Hearing

DATE: Thursday, March 27, 2014
TIME: 4:00 p.m.
PLACE: Capitol Room 308

Dear Chair Luke, Vice Chairs Nishimoto and Johanson and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of approximately six hundred (600) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. The GCA's mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

GCA is in **support** of S.B. 2581, SD2, HD1 Relating to the State Building Code, which proposes, among other things, to modify the composition, quorum and duties of the Code Council, clarifies the code adoption process and ensures there are no conflicts with Chapter 444, HRS. Particularly, the measure proposes to amend the membership of the Hawaii State Building Code Council (SBCC) to increase the representation of members of the construction industry and also proposes an appropriation to assist with the administration of the SBCC.

The GCA believes that by involving the building industry technical experts on the SBCC, it will expedite the implementation of the codes once they are approved because the people who actually have to construct with the new codes would have been involved in the entire adoption process and are able to bring up any constructability issues from the start. Thus, by adding the builders onto the council, these constructability issues can be addressed while the codes are still being discussed. GCA members have been actively participating on the State Building Code Council and recognize its importance in bringing private industry and government entities together to discuss uniform building codes and regulations, especially if any conflicts may arise.

In 2007, the Senate Ways and Means committee recognized the importance of the formation of the State Building Code Council when it said,

[t]he adoption of a uniform set of statewide building codes applicable to one and two family dwellings, all other residential uses, commercial and industrial buildings, and state buildings would make it possible for building owners, designers, contractors, and code enforcers within the State to apply a consistent standard. The health and safety considerations related to the codes are of statewide interest, especially relating to emergency disaster preparedness. Hawaii State Legislature. S. Comm. Rpt. 784, March 2, 2007.

Last session the Senate Committees on Public Safety, Intergovernmental and Military Affairs and Ways and Means recognized the importance of the construction industry's involvement in the State Building Code Council in the Standing Committee Report of H.B. 763, H.D. 1, S.D. 1 (2013) when it said,

[y]our committees find that representatives from the construction industry should be included on the Council because they will provide valuable input regarding the impacts of code changes on construction projects, costs, and whether materials to meet the new requirements are available in Hawaii. Hawaii State Legislature. S. Comm. Rpt. 1311, April 5, 2013.

GCA remains willing to participate on the Hawaii State Building Code Council and requests a viable appropriation be highly considered in this measure.

Thank you for this opportunity to support this measure.



Testimony of Cindy McMillan
The Pacific Resource Partnership

House Committee on Finance
Representative Sylvia Luke, Chair
Representative Scott Y. Nishimoto, Vice Chair
Representative Aaron Ling Johanson, Vice Chair

SB 2581, SD2, HD1 – RELATING TO THE STATE BUILDING CODE
Thursday, March 27, 2014
4:00 P.M.
State Capitol – Room 308

Aloha Chair Luke, Vice Chairs Nishimoto and Johanson, and Members of the Committee:

The Pacific Resource Partnership (PRP) is a labor-management consortium representing over 240 signatory contractors and the Hawaii Regional Council of Carpenters.

PRP **strongly supports** SB 2581, SD2, HD1 – Relating to the State Building Code, a bill that modifies the composition, quorum, and duties of the Hawaii State Building Code Council and revises the state building code, including clarifying terminology, the code adoption process, and the staggering of code adoptions. It also prohibits the adoption of code provisions that conflict with laws governing contractors.

While Chapter 107 requires the SBCC to consult with the construction industry, we do not have a vote. We are making a reasonable proposal that the construction industry have a voice on the SBCC. As voting members, the construction industry would be able to provide valuable input to the SBCC regarding the impacts of code changes on construction practice, costs, and whether materials to meet the new requirements are even available in our State.

Adding representatives from the construction industry would be consistent with the practices of many other states. According to the International Code Council, at least 25 state building code councils include representation from the construction industry.

This bill also provides much-needed funding for the SBCC. Since its creation in 2007, the SBCC has been operating with no funding. \$250,000 was originally appropriated but was never released. The role of the SBCC is significant to the public health and safety of Hawaii's residents, as well as to provide a forum for all stakeholders to review national codes and discuss and approve those provisions that benefit, and are appropriate for, Hawaii. Funding is critical for the continuance of the SBCC.

March 27, 2014

Support for SB 2581, SD2, HD1 – Relating to the State Building Code

Page 2

For these reasons, we **strongly support** SB 2581, SD2, HD1. Thank you for the opportunity to share our comments on this important issue with you.

AMERICAN INSTITUTE OF ARCHITECTS

FIN
4:00 pm

March 27, 2014

Honorable Sylvia Luke, Chair
House Finance Committee

Re: **Senate Bill 2581 SD2 HD1**
Relating to the State Building Code

Dear Chair Luke and Members of the Committee,

My name is Daniel Chun, President of the American Institute of Architects (AIA) Hawaii State Council writing in **SUPPORT** of SB 2581 SD2 HD1.

Volunteers cannot fulfill all the legislative mandate of the State Building Code Council

AIA was one of the original supporters of the State Building Code Council (SBCC). Architects continue to offer significant volunteer efforts to update Hawaii's building codes. Other design professional societies and construction industry trade groups also volunteer needed time and expertise. The four counties volunteer the services of their building chiefs. However, the SBCC cannot fulfill its legislative mandate without staffing services to coordinate volunteer efforts and manage the Hawaii administrative rule making process.

AIA supports adding construction industry voting members.

AIA helped draft the original statute. AIA is an active voting member of the Council. Architects are strongly connected to the process of reviewing and updating Hawaii's building codes. We support allowing an increased time schedule to update the codes, but AIA cautions that too long of an extension can reduce consumer protection and endanger Hawaii's "community rating" with national property insurers. A poor "community rating" with insurers raises property insurance premiums.

Thank you for this opportunity to **SUPPORT** SB 2581 SD2 HD1.

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

THE VOICE OF THE CONSTRUCTION INDUSTRY

2014 Officers

President

Brian K. Adachi
BKA Builders, Inc.

President-Elect

Richard Hobson, Jr.
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Vice President

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Mark Kennedy
HASEKO Construction Management
Group, Inc.

Special Appointee-Associate

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Immediate Past President

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Complete Construction Services Corp.

Chief Executive Officer

Karen T. Nakamura
BIA-Hawaii

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Eric Bass

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Gary T. Okimoto

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Alan Shintani, Inc.

Mark Hertel

Inter-Island Solar Supply, Oahu-Maui-
Hawaii-Kauai

Marshall Hickox

Homeworks Construction, Inc.

Michael Watanabe

JW, Inc.

Ryan Engle

Bays Lung Rose & Holma

Stephen Hanson

simplicityHR by ALTRES

TESTIMONY TO THE HOUSE COMMITTEE ON FINANCE

Thursday, March 27, 2014

4:00 p.m.

State Capitol - Room 309

SUBJECT: S.B. 2581 S.D. 2 H.D. 1, RELATING TO THE STATE BUILDING CODE

Dear Chair Luke, Vice-Chairs Nishimoto and Johanson, and members of the Committee:

My name is Gladys Marrone, Government Relations Director for the Building Industry Association of Hawaii (BIA-Hawaii). BIA-Hawaii is the Voice of the construction industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit, professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-Hawaii strongly supports S.B. 2581 S.D.2, H.D. 1, with a proposed amendment. S.B. 2581 S.D. 2, H.D. 1 modifies the composition, quorum, and duties of the Hawaii state building code council and revises the state building code, including clarifying terminology, the code adoption process, and the staggering of code adoptions. Prohibits the adoption of code provisions that conflict with laws governing contractors. Makes appropriation.

We submit a **proposed amendment**, which allows the SBCC to stagger the adoption of codes, if appropriate, but not to exceed six years.

Page 5, lines 18-22 should read:

The council may adopt, amend, or update codes and standards pursuant to a staggered schedule established by the council, provided that the frequency of such adoption, amendment, or updating shall [occur at least every] not exceed six years and shall in addition be based on review and evaluation of the utility of the latest edition of the codes and standards identified in section 107-25, conducted upon their respective publication.

Staggering is helpful since each edition of the codes and standards are revised on a three-year cycle, are not all published in the same year, and changes from one three-year cycle to the next can be minor or non-substantive. Furthermore, if a particular code encounters stakeholder issues that could take several years to resolve, staggering allows meaningful discussions to continue.

Since its creation in 2007, the SBCC has been operating with no funding, but funding is critical if the SBCC is to continue review and adopt codes. In light of the recent downgrade in revenue projections by the Council on Revenues, we

Honorable Sylvia Luke, Chair
House Committee on Finance
March 27, 2014
S.B. 2581 S.D. 2, H.D. 1

respectfully request this Committee fund, at the very least, the two positions already allowed for in §107-23, Hawaii Revised Statutes.

S.B. 2581 S.D.2, H.D. 1 also reconfigures the composition of the voting members of the SBCC by adding representatives from the construction industry. According to the International Code Council, most building code councils nationwide include representation from the construction industry. The construction industry offers real guidance on what practically works and what does not, as well as input on the cost of code changes, which can have a tremendous impact on the cost of construction. We believe a cost-benefit analysis should have a place in new codes being adopted.

BIA-Hawaii **strongly supports** S.B. 2581 S.D. 2, H.D. 1, with a proposed amendment, and respectfully requests your favorable approval.

We appreciate the opportunity to share with you our views.



LABORERS' INTERNATIONAL UNION OF NORTH AMERICA LOCAL 368



PETER A. GANABAN
*Business Manager/
Secretary-Treasurer*

ALFONSO OLIVER
President

JOBY NORTH II
Vice President

TONI FIGUEROA
Recording Secretary

THOMAS CATHCART
Executive Board

JAMES DRUMGOLD JR.
Executive Board

LEIMOMI JOHNSON
Executive Board

MARK MAGUSARA
Auditor

MARK TRAVALINO
Auditor

JOSEPH YAW
Auditor

LEUMA L. LEATUMAUGA
Sergeant-At-Arms

March 25, 2014

Honorable Sylvia Luke, Chair
Honorable Scott Nishimoto, Vice Chair
Honorable Aaron Ling Johanson
Members of the House Committee on Finance

RE: **SB2581 SD2 HD1** Relating to the State Building Code
DATE: March 27, 2014
TIME: 4:00 pm
PLACE: Room 308
POSITION: **Support**

On behalf of Mr. Peter Ganaban, Business Manager, Secretary/Treasurer of the Hawaii Laborers' Union we strongly support SB2581 SD2 HD1.

In terms of the Hawaii construction industry, and the adopting of construction and installation codes for the public health and safety, this bill is a priority piece of legislation. If passed into law, there will finally be a fully operational agency with proper staffing and resources to carry out its function under HRS, Chapter 107.

Since the creation of the State Building Code Council in 2007, public works engineers from each county, the state and other representatives have performed on a voluntary basis because of the importance of reviewing new national codes and adopting certain ones that apply to Hawaii. We believe that the inclusion of members from the State Energy Office and the construction trade will provide additional technical review services for the entire State Building Code Council. We defer to Mr. Tim Hiu, Chair of the SBCC on his amendments.

We ask for your support of this bill.

Thank you for the opportunity to submit this testimony.

Sincerely,

Al Lardizabal
Government Relations

March 26, 2014

The Honorable Sylvia Luke, Chair
and Members of the Committee on Finance
House of Representatives
Hawaii State Capitol, Room 308
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Luke:

**Subject: Senate Bill No. 2581, S.D. 2, H.D. 1
Relating to the State Building Code**

The State Building Code Council (SBCC) strongly **supports** Senate Bill No. 2581 SD 2, HD 1, which modifies the composition, quorum, and duties of the SBCC, as well as other housekeeping language as appropriate. Most importantly, it appropriates funding to the Department of Accounting and General Services for this council to perform its mandated responsibilities.

This council over the years has performed its mandated duties of reviewing nationally recognized codes to regulate the building construction industry. In 2009, this council recommended a series of State Building Codes, and through the administrative rule process, these codes became the Hawaii State Building Code. For the first time in many years, the State of Hawaii was under one suite of building codes providing uniformity in the building industry.

In 2012 the SBCC recommended an updated series of codes to be the new Hawaii State Building Codes. However, due to the lack of funding, there have been no revised administrative rules to complete this process.

This year the SBCC is working again to recommend another updated series of State Building Codes, but without any funding, these recommendations will again stall without an administrative rule update. Funding is essential to perform its mandated duties.

The appropriation contained in the Bill is needed for this body to perform its duties.

Thank you for this opportunity to communicate our **strong support** of Senate Bill No. 2581 SD 2., HD 1

Very truly yours;

Timothy Hiu, Chair
State Building Code Council

**HAWAII OPERATING ENGINEERS
INDUSTRY STABILIZATION FUND**



*Uniting our strengths and working together
Ae-o-hoia-hoia*

Affiliated AFL-CIO
C942U - 8 - AFL-CIO

March 26, 2014

Honorable Sylvia Luke, Chair
House Committee on Finance
Hawaii State Capitol
415 South Beretania Street, Room 306
Honolulu, HI 96813

Dear Chair Luke:

RE: Support of Senate Bill 2581, SD2, HD1 – Relating to the State Building Code

My name is Kimberly Ribellia, Government Liaison, of the Hawaii Operating Engineers Industry Stabilization Fund (HOEISF), a labor management fund representing 4000 unionized members in heavy engineering site work and 500 general contractors specializing in heavy site and vertical construction.

On behalf of HOEISF, I am testifying in support of Senate Bill 2581, SD2, HD1, which modifies the composition, quorum, and duties of the Hawaii state building code council and revises the state building code, including clarifying terminology, the code adoption process, and the staggering of code adoptions. The proposed bill prohibits the state building code council from adopting provisions in the Hawaii state building code that conflict with laws governing contractors and appropriates funds for the council's operating costs, including salaries.

HOEISF supports the change in the composition of the building code council to include a representative of the Building Industry Association of Hawaii or the General Contractors Association of Hawaii to provide technical expertise on proposed changes to the State building code.

HOEISF supports Senate Bill 2581, SD2, HD1. Thank you for your consideration in this matter.

Sincerely,

Kimberly Ribellia
Government Liaison
Hawaii Operating Engineers
Industry Stabilization Fund



March 26, 2014

LATE

To: The Honorable Sylvia Luke, Chair
Members, House Committee on Finance

From: Tim Shestek
Senior Director, State Affairs

RE: **SB 2581 HD1 – COMMENTS**

The American Chemistry Council (ACC) appreciates the opportunity to offer comments on SB 2581 HD1, legislation that will provide funding for the administration of the Hawaii State Building Code Council (SBCC) and allow for a six year period between adoption, amendments and updates to the state building code.

The SBCC was created in 2007 to establish a state building code which would eliminate the fragmented building requirements that exist between the counties. The goal was to provide consistent standards by establishing a comprehensive set of current national codes. Since its inception, the SBCC has been operating without any funding and consequently does not have the staffing to oversee the volunteer efforts of the council or manage the administrative rule making process leaving the council unable to fulfill its intended duties.

Passage of this legislation will provide funding for an executive director to oversee the work of the SBCC. This additional funding can hopefully help advance the adoption of updated building codes such as the 2012 International Energy Conservation Code (IECC), something which ACC certainly supports. Energy savings resulting from the up-front investment in energy efficient technology benefits the homebuyer monetarily from the moment they move into their home. Homeowners promptly recoup their investment as the realized savings on their energy bills quickly offsets any additional construction costs related to the installation of energy efficient products.

We do have concerns with provisions in the bill that provide for a six year code adoption cycle. This would create a significant lag time between building code updates. Today, most states update their building codes every three years to ensure that the most up-to-date safety practices, innovations in energy efficiency and other practical advances in construction are built into homes, offices, schools and government buildings.

ACC supports the amendments to the companion bill for this measure (HB 1633 HD1) to require that code updates be done every three years. We would encourage you to adopt the approach as contained in HB 1633 HD 1.

A new home is likely the biggest financial investment for families. Studies show that families can save thousands in energy costs during the years they live in an energy-efficient home, while safety improvements can reduce homeowners' insurance premiums. According to a report by the U.S. Department of Energy, adopting the 2012 energy code would **save homeowners in Hawaii 16.8 percent on their energy bills every year**, which translates into **\$541 in average annual energy savings**. The report also found that moving from the 2009 to the 2012 IECC would result in **\$8,860 in net savings (including both the costs of the improvements and the resulting energy savings) for Hawaii homeowners on average, over the first 30 years of the building's useful life¹**.

¹ See U.S. Department of Energy, *Hawaii Energy and Cost Savings for New Single- and Multifamily Homes* (September 2012) available at <http://www.energycodes.gov/sites/default/files/documents/HawaiiResidentialCostEffectiveness.pdf>



Thank you in advance for considering our views. If you have any questions or comments, please do not hesitate to contact me at 916-448-2581 or ACC's Hawaii based representatives Red Morris and/or John Radcliffe at 808-531-4551.





STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813
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Phone: (808) 586-8842 / Fax: (808) 586-9099
Email: dlir.director@hawaii.gov

March 27, 2014

LATE TESTIMONY

The Honorable Sylvia Luke, Chair
Committee on Consumer Protection
and Finance
House of Representatives
State Capitol, Room 306
Honolulu, Hawaii 96813

Dear Chair Luke:

Subject: S.B. 2581, S.D. 2, H.D. 1 Relating to the State Building Code

I am Manuel P. Neves, Chair of the Hawaii State Fire Council (SFC) and Fire Chief of the Honolulu Fire Department (HFD). The SFC and the HFD strongly support S.B. 2581, S.D. 2, H.D. 1, which proposes to clarify terminology, the code adoption process, and the staggering of code adoptions; modify the composition, quorum, and duties of the Hawaii State Building Code Council (SBCC); ensure laws governing building contractors do not conflict with Chapter 107, Hawaii Revised Statutes (HRS); and provide funding for SBCC staff and operating expenses.

We respectfully recommend the following amendment:

Section 107-24 (b) The council may adopt, amend, or update codes and standards pursuant to a staggered schedule established by the council, provided that the frequency of such adoption, amendment, or updating shall ~~occur at least~~not exceed every six years and shall in addition be based on a review and evaluation of the utility of the latest edition of the codes and standards identified in Section 107-25, conducted upon their respective publication.

Since each edition of the codes and standards are revised on a three-year cycle and all are not published in the same year, the intent of this section is to allow the SBCC to stagger the adoption of codes, if appropriate, but not to exceed six years. An appropriate reason may be that code changes from one three-year cycle to the next are minor, nonsubstantive, or encounters stakeholder issues that must be addressed and takes several years to resolve, thereby exceeding the three-year cycle.

The Honorable Sylvia Luke, Chair
Page 2
March 27, 2014

Section 107-24(e), HRS, requires the SBCC to review and adopt new model building codes within 18 months of the official publication date. This is the benchmark that the SBCC seeks to meet in keeping with its statutory purpose to review and adopt the latest editions of the national model building codes and standards.

The SFC has been a voting member of the SBCC since its inception in 2007. The SBCC is administratively attached to the State Department of Accounting and General Services (DAGS), whose duties include establishing a comprehensive set of current national codes and standards for design and construction. Subsequent to its creation, each county adopted ordinances that required codes and standards for its jurisdiction. Consequently, each county had different editions of the building codes that created challenges for designers and builders.

The SBCC seeks to create a more comprehensive composition of voting members to benefit the integrity of the code adoption process. An executive director and assistant are needed to oversee and facilitate the work of the SBCC to effectuate and maintain the administrative rule-making process with provisions for public input. Funding would be administered through the DAGS to eliminate the impact to their staff and resources.

The SBCC supports adding building industry representatives to provide their expertise on industry practices and the practicality and cost effectiveness of the proposed codes. The addition of a representative from the Department of Business, Economic Development & Tourism would provide expertise on industry development, economic diversification, energy efficiency, and conservation. Eliminating a representative from the Department of Health (DOH) will keep the SBCC membership to a manageable level, although input from the DOH may still be requested.

The SFC and the HFD urge your committee's passage of S.B. 2581, S.D. 2, H.D. 1, to meet its statutory responsibilities in an effective and efficient manner.

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

Sincerely,



MANUEL P. NEVES
Chair

MPN/LR:clc