

DAVID Y. IGE
GOVERNOR



DOUGLAS MURDOCK
Comptroller

AUDREY HIDANO
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

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

TESTIMONY
OF
DOUGLAS MURDOCK, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE
ON
FINANCE
ON
FEBRUARY 26, 2016

H.B. 2051, H.D. 1

RELATING TO THE STATE BUILDING CODE COUNCIL

Chair Luke and members of the Committee, thank you for the opportunity to submit written testimony on H.B. 2051, H.D. 1. The Department of Accounting and General Services (DAGS) supports the intent of H.B. 2051, H.D. 1 (the measure).

We support the intent of this measure as the State Building Code Council (the Council) requires dedicated administrative support to achieve its objectives provided the appropriation of any general funds does not have a negative impact on the administration's executive supplemental budget and initiatives submitted for fiscal year 2017.

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



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

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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Statement of
LUIS P. SALAVERIA
Director

Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON FINANCE

Friday, February 26, 2016
1:00 p.m.
State Capitol, Conference Room 308

in consideration of
HB2051, HD1

RELATING TO THE STATE BUILDING CODE COUNCIL.

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

The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of HB 2051, HD1 which makes an appropriation to fund the State Building Code Council.

We appreciate the overall concept of this bill which includes initiatives supportive of our goals and objectives, provided the appropriation of funds does not have a negative impact on the Administration's Executive Supplemental Budget and initiatives submitted for fiscal year 2017.

Thank you for the opportunity to offer these comments.

DAVID Y. IGE
GOVERNOR



DOUGLAS MURDOCK
Comptroller

AUDREY HIDANO
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE BUILDING CODE COUNCIL

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

February 25, 2016

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

Dear Chair Luke:

Subject: House Bill (HB) 2051, House Draft (SD) 1 Relating to the State Building Code Council (SBCC)

I am Socrates Bratakos, Chair of the SBCC, Administrator of the Hawaii State Fire Council (SFC) and Assistant Chief of the Honolulu Fire Department (HFD). The SFC has been a voting member of the SBCC since its formation in 2007. The SBCC, the SFC and the HFD strongly support HB 2051, SD 1.

The SBCC, which is administratively attached to the State of Hawaii's Department of Accounting and General Services, is comprised of subject matter experts, government agencies, and construction industry representatives with the authority to establish a comprehensive suite of codes applicable to all building construction in the State of Hawaii in accordance with Hawaii Revised Statutes § 107-24. The National, model codes and standards, which are updated every three years, establish minimum requirements to protect life, property, and the general welfare of our citizens for the built environment. The SBCC is responsible to establish statewide, uniform building standards for the following:

1. State Fire Code
2. State Plumbing Code
3. State Building Code
4. State Residential Code
5. State Electrical Code

The Honorable Sylvia Luke, Chair
Page 2
February 25, 2016

6. Energy Efficiency and Conservation
7. Additional codes and standards include, but are not limited to, elevators, mechanical systems, hurricane, flood and tsunami, existing buildings, and onsite sewage disposal.

The currently adopted State building, residential, electrical, plumbing and energy efficiency codes are in excess of 9 years from national standards. This negates the dedicated efforts of 11 unpaid volunteers who have individually expended hundreds of hours over the past 8 years. Since its inception in 2007, there has been no funding for the SBCC, which is needed for support staff or contracted services and related rule adoption expenses.

There are approximately 60,000 Hawaii homeowner flood insurance policies that could be jeopardized by the State failing to stay in compliance with the requirements of the National Flood Insurance Program (NFIP). Moreover, the Federal Emergency Management Agency is not obligated to provide disaster assistance funds to any state that is not in compliance with the NFIP requirements, nor make available any disaster mitigation grants. Also, private insurance and re-insurance companies consider the building codes adopted by the state in determining natural hazard risks and insurance rate structures.

We anticipate the annual operating costs of the SBCC to be between \$100,000 and \$150,000 and we strongly urge your committee's support and passage of HB 2051, SD 1.

Should you have questions, please contact me at 723-7105 or sbratakos@honolulu.gov.

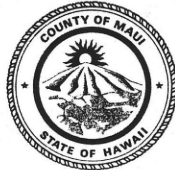
Sincerely,



SOCRATES BRATAKOS
Chair, State Building Code Council

SB/EYS:clc

ALAN M ARAKAWA
MAYOR



JEFFREY MURRAY
FIRE CHIEF

ROBERT SHIMADA
DEPUTY FIRE CHIEF

COUNTY OF MAUI
DEPARTMENT OF FIRE & PUBLIC SAFETY

200 DAIRY ROAD
KAHULUI, HI 96732
(808) 270-7561
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February 24, 2016

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

Dear Chair Luke:

Subject: House Bill (HB) 2051, House Draft (SD) 1 Relating to the State Building Code Council (SBCC)

I am Jeffrey A. Murray, Member of the Hawaii State Fire Council (SFC) and Fire Chief of the Maui Fire Department (MFD). The SFC and the MFD strongly support HB 2051, SD 1.

The SBCC, which is administratively attached to the State of Hawaii's Department of Accounting and General Services, is comprised of subject matter experts, government agencies, and construction industry representatives with the authority to establish a comprehensive suite of codes applicable to all building construction in the State of Hawaii in accordance with Hawaii Revised Statutes § 107-24. The National, model codes and standards, which are updated every three years, establish minimum requirements to protect life, property, and the general welfare of our citizens for the built environment. The SBCC is responsible to establish statewide, uniform building standards for the following:

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3. State Building Code
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5. State Electrical Code
6. Energy Efficiency and Conservation

The Honorable Sylvia Luke, Chair
Page 2
February 24, 2016

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The currently adopted State building, residential, electrical, plumbing and energy efficiency codes are in excess of 9 years from national standards. This negates the dedicated efforts of 11 unpaid volunteers who have individually expended hundreds of hours over the past 8 years. Since its inception in 2007, there has been no funding for the SBCC, which is needed for support staff or contracted services and related rule adoption expenses.

There are approximately 60,000 Hawaii homeowner flood insurance policies that could be jeopardized by the State failing to stay in compliance with the requirements of the National Flood Insurance Program (NFIP). Moreover, the Federal Emergency Management Agency is not obligated to provide disaster assistance funds to any state that is not in compliance with the NFIP requirements, nor make available any disaster mitigation grants. Also, private insurance and re-insurance companies consider the building codes adopted by the state in determining natural hazard risks and insurance rate structures.

We anticipate the annual operating costs of the SBCC to be between \$100,000 and \$150,000 and we strongly urge your committees' support and passage of HB 2051, SD 1.

Should you have questions please contact me at (808) 270-7561 or fire.dept@mauicounty.gov.

Sincerely,



JEFFREY A. MURRAY, Chief
Maui Fire Department



LAND USE RESEARCH
FOUNDATION OF HAWAII

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February 24, 2016

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

Testimony in Strong Support of HB 2051, HD1, Relating to the State Building Code Council. (Appropriates an unspecified sum to the State Building Code Council.)

FIN Hearing: Friday, February 26, 2016, 1:00 p.m., Conference Room 308

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF is in **strong support of HB 2051, HD1**, which appropriates an unspecified sum to the State Building Code Council.

Thank you for the opportunity to present testimony regarding this measure.

1065 Ahua Street
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Email: info@gcahawaii.org
Website: www.gcahawaii.org



GCA of Hawaii
GENERAL CONTRACTORS ASSOCIATION OF HAWAII
Quality People. Quality Projects.

Uploaded via Capitol Website

February 26, 2016

TO: HONORABLE SYLVIA LUKE, CHAIR, HONORABLE SCOTT NISHIMOTO, VICE CHAIR, HOUSE COMMITTEE ON FINANCE

SUBJECT: **SUPPORT OF H.B. 2051, HD1 RELATING TO STATE BUILDING CODE COUNCIL.** Appropriates an unspecified sum to the state building code council.

HEARING

DATE: Friday, February 26, 2016
TIME: 1:00 p.m.
PLACE: Conference Room 308

Dear Chair Luke and Vice Chair Nishimoto and Members,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over five hundred seventy general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. 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 **supports** H.B. 2051, HD1, Relating to State Building Code, which proposes to fund the State Building Code Council, whom since its inception has not been funded. Yet, the members of the State Building Code Council continue to meet monthly and engage industry stakeholders and government agencies who are interested in addressing model building codes that govern how both public and private buildings are constructed.

In 2007, this body recognized its importance and memorialized such in a Committee report 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.

In order for the State Building Code Council to deliver on the adoption of uniform building codes -- it is necessary that they have administrative support to successfully complete their duties.

The GCA appreciates the Committee hearing this measure and thank you for the opportunity to share our support of this measure.



AMERICAN COUNCIL OF ENGINEERING COMPANIES
of Hawaii

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February 25, 2016

House Committee on Finance

Hearing Date: Friday, February 26, 1:00 p.m., Conference Room 308

Honorable Representatives Sylvia Luke, Chair; Scott Y. Nishimoto, Vice Chair; and Members of the House Committee on Finance

Subject: **HB 2051, HD1, Relating to the State Building Code Council
TESTIMONY in SUPPORT**

Dear Chair Luke, Vice Chair Nishimoto, and Committee Members:

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

The health and safety considerations related to the codes are of statewide interest, especially relating to emergency disaster preparedness. The State Legislature recognized in Act 82 (2007) that "(t)he status of fragmented building requirements in Hawaii is of serious concern to those involved in building ownership, design, construction, and insurance," and passed a bill to establish the State Building Code and Council. The State Building Code Council determines the amendments necessary to make national model codes and standards appropriate for Hawaii. These state codes are also used as the starting basis for the local county codes, so that unnecessary divergences between the building codes adopted by the counties are avoided.

However, there are presently no ongoing administrative activities to modernize building codes, due to the fact that the State Building Code Council under the Department of Accounting and General Services has not been funded since 2008. The State Building Code and its design standards are becoming severely out-of-date with the state-of-practice of the national standards used elsewhere in the country by architects, engineers, trade unions, and building officials, as well as the federal government. Hawaii is amongst only five states in the country that still uses 2006 or older building codes; it is three code versions behind the national model code, and it will be four code versions behind by the end of 2016.

Therefore, ACEC-Hawai'i strongly supports this bill to fund the State Building Code Council. By doing so, the State would be leveraging the hundreds of hours of volunteer effort expended by design and construction professionals that still assist the Building Code Council in deliberating the consensus agreement of the codes and standards that are best suited for current use in Hawaii. We appreciate the opportunity to provide testimony on this matter. Please do not hesitate to contact us if you have questions.

Respectfully submitted,
AMERICAN COUNCIL OF ENGINEERING COMPANIES OF HAWAII

Robin M. Lim, PE
President



American Public Works Association Hawaii Chapter

February 25, 2016

House Committee on Finance

Hearing Date: Friday, February 26, 1:00 p.m., Conference Room 308

Honorable Representatives Sylvia Luke, Chair; Scott Y. Nishimoto, Vice Chair; and Members of the House Committee on Finance

Subject: **HB 2051, HD1, Relating to the State Building Code Council
TESTIMONY in SUPPORT**

Dear Chair Luke, Vice Chair Nishimoto, and Committee Members:

The American Public Works Association Hawaii Chapter (APWA) represents numerous public works officials, engineers from State and Counties, utilities and private sector design professionals. The primary purpose of our building code is to establish design standards for buildings in order to protect public safety.

The health and safety considerations related to the codes are of statewide interest, especially relating to emergency disaster preparedness. The State Legislature recognized in Act 82 (2007) that "(t)he status of fragmented building requirements in Hawaii is of serious concern to those involved in building ownership, design, construction, and insurance," and passed a bill to establish the State Building Code and Council. The State Building Code Council determines the amendments necessary to make national model codes and standards appropriate for Hawaii. These state codes are also used as the starting basis for the local county codes, so that unnecessary divergences between the building codes adopted by the counties are avoided.

The State Building Code Council is under the Department of Accounting and General Services has not been funded since 2008. The State Building Code and its design standards are becoming severely out-of-date with the state-of-practice of the national standards used elsewhere in the country by architects, engineers, trade unions, and building officials, as well as the federal government. Hawaii is amongst only five states in the country that still uses 2006 or older building codes; it is three code versions behind the national model code, and it will be four code versions behind by the end of 2016.

APWA Hawaii Chapter strongly supports this bill to fund the State Building Code Council. By doing so, the State would be leveraging the hundreds of hours of volunteer effort expended by design and construction professionals that still assist the Building Code Council in deliberating the consensus agreement of the codes and standards that are best suited for current use in Hawaii. We appreciate the opportunity to provide testimony on this matter. Please do not hesitate to contact us if you have any questions.

Sincerely,
American Public Works Association Hawaii Chapter

Lester Fukuda

Lester Fukuda, PE, FACEC

AMERICAN INSTITUTE OF ARCHITECTS

February 26, 2016

Honorable Sylvia Luke, Chair
house Committee Finance

Subject: **House Bill 2051 HD1**
Relating to the State Building Code Council

Dear Chair Luke and Members of the Committee,

My name is Daniel Chun, Fellow of the American Institute of Architects, practicing local architect for 40 years and President of the American Institute of Architects Hawaii State Council. AIA is in **STRONG SUPPORT** of HB 2951 HD1 that provides much needed funding for the State Building Code Council.

AIA was a member of the original task force lobbying the statute that created SBCC and serves as voting member. We also volunteer many hours of volunteer time toward the amendment of each new building code published by International Building Code Council ICC. AIA is also supporting federal legislation that would increase FEMA disaster grants by 4% to states that maintain updated building codes.

It is with great frustration that Hawaii's architects see state administrations refuse to release funds appropriated by this legislature for every single year the SBCC has been in existence. The 2006 ICC code was amended and then passed as state building code; with every county following suit to improve public safety and architects' business efficiency with a single master code. But the 2006 code is now ten years old and fading into obsolescence in most other jurisdictions. Thus the state administration is putting flood insurance, disaster preparedness and improved building technology all at risk over a small amount of funding they refuse to release.

You did have the wisdom to appropriate general fund money to update the currently aging building code, but the Ige administration very unwisely allowed these funds to lapse. So we are here again to ask for funding. Volunteers can assist in technical review of new codes, but it is impossible for volunteers to amend Hawaii administrative rules.

The benefit from SBCC flow to a broad spectrum of the public; not just the construction industry. Hawaii is in increasing danger of poor community rating for flood and property insurance; with commensurate higher costs and lack of availability. Thank you for this opportunity to **STRONGLY SUPPORT** HB 2051 HD1.

