

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
SENATE COMMITTEE
ON
WAYS AND MEANS
ON
MARCH 1, 2016

S.B. 2638

RELATING TO THE STATE BUILDING CODE COUNCIL

Chair Tokuda and members of the Committee, thank you for the opportunity to submit written testimony on S.B. 2638. The Department of Accounting and General Services (DAGS) supports the intent of S.B. 2638 (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

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS

Tuesday, March 1, 2016
1:40 p.m.
State Capitol, Conference Room 211

in consideration of
SB2638

RELATING TO THE STATE BUILDING CODE COUNCIL.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of SB 2638 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 29, 2016

The Honorable Jill Tokuda, Chair
Committee on Ways and Means
The State Senate
State Capitol, Room 207
Honolulu, Hawaii 96813

Dear Chair Kim:

Subject: Senate Bill (SB) 2638 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, SFC and the HFD strongly support SB 2638.

The SBCC, 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 3 years, establish minimum requirements to protect life, property, and the general welfare of our citizens. 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
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 Honorable Jill N. Tokuda, Chair
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February 29, 2016

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 SB 2638.

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

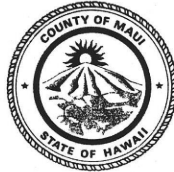
Sincerely,



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
Fax (808) 270-7919

February 29, 2016

The Honorable Jill Tokuda, Chair
Committee on Ways and Means
The State Senate
State Capitol, Room 207
Honolulu, Hawaii 96813

Dear Chair Kim:

Subject: Senate Bill (SB) 2638 Relating to the State Building Code Council (SBCC)

I am Jeffrey A. Murray, Member of the Hawaii State Fire Council (SFC) and Chief of the Maui Fire Department (MFD). The SFC has been a voting member of the SBCC since its formation in 2007. The SFC and the MFD strongly support SB 2638.

The SBCC, 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 3 years, establish minimum requirements to protect life, property, and the general welfare of our citizens. The SBCC is responsible to establish statewide, uniform building standards for the following:

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The Honorable Jill N. Tokuda, Chair

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February 29, 2016

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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 SB 2638.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey A. Murray", is written over a circular stamp or seal.

JEFFREY A. MURRAY, Chief
Maui Fire Department



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Akinaka & Assoc.
Ph: (808) 836-1900

Liana Choy, P.E.
Sato & Assoc.
Ph: (808) 955-4441

Ginny M. Wright
Executive Director
P.O. Box 88840
Honolulu, HI 96830
Ph: (808) 741-4772
Email: gwright@acechawaii.org
Website: www.acechawaii.org

February 27, 2016

**Senate Committee on Ways and Means
Hearing Date: Tuesday, March 1, 1:40 p.m., Conference Room 211**

Honorable Senators Jill N. Tokuda, Chair; Donovan M. Dela Cruz, Vice Chair; and Members of the Senate Committee on Ways and Means

Subject: **SB 2638, Relating to the State Building Code Council
Testimony in SUPPORT**

Dear Chair Tokuda, Vice Chair Dela Cruz, 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 the 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 State 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.

Respectfully submitted,
AMERICAN COUNCIL OF ENGINEERING COMPANIES OF HAWAII

Robin M. Lim, PE
President

AMERICAN INSTITUTE OF ARCHITECTS

March 1, 2016

Honorable Jill N. Tokuda, Chair
Senate Committee on Ways and means

Subject: **Senate Bill 2638**
Relating to the State Building Code Council

Dear Senator Tokuda 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 SB 2638 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 request is from general funds because 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** SB 2638.

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

THE VOICE OF THE CONSTRUCTION INDUSTRY

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P.O. BOX 970967
WAIPAHU, HAWAII
96797-0967

STREET
94-487 AKOKI STREET,
WAIPAHU, HAWAII 96797

P 808.847.4666
F 808.440.1198
E INFO@BIAHAWAII.ORG

WWW.BIAHAWAII.ORG

Testimony to the Senate Committee on Ways & Means Tuesday, March 1, 2016 1:40 PM. State Capitol - Conference Room 211

RE: S.B. 2638, Relating to the State Building Code Council

Dear Chair Tokuda, Vice-Chair Dela Cruz, and members of the Committee:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), 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. 2638, which provides an appropriation to the State Building Code Council (SBCC). We support the need to provide this body with the staff and resources to effectively review and implement revisions to the building codes for all of the counties.

Since building codes benefit the entire state population, utilizing general funds is the only appropriate way the SBCC should be funded.

Thank you for the opportunity to express our views on this matter.