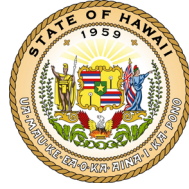


DAVID Y. IGE
GOVERNOR

JOSH GREEN
LIEUTENANT GOVERNOR



ANNE E. PERREIRA-EUSTAQUIO
DIRECTOR

JOANN A. VIDINHAR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813
www.labor.hawaii.gov
Phone: (808) 586-8844 / Fax: (808) 586-9099
Email: dlir.director@hawaii.gov

March 15, 2021

The Honorable Sharon Moriwaki, Chair
Committee on Government Operations
The State Senate
State Capitol, Room 223
Honolulu, Hawaii 96813

Dear Chair Moriwaki:

Subject: House Bill (HB) 1131, House Draft (HD) 1 Relating to the State Building Code Council (SBCC)

I am Steven Goble, Vice Chair of the State Fire Council (SFC). The SFC strongly opposes HB 1131, HD 1, which asks the SBCC to consider the financial impact on the cost, including the impact on amortized utility costs for single- and multi-family homes, when considering the adoption of any code or standard. It would require an annual written report to the Governor, including a financial impact assessment on each code and standard adopted by the SBCC, to determine whether there is a substantial benefit to the residents of the state.

National codes and standards establish minimum provisions that adequately protect public health, safety, and welfare, and these provisions do not necessarily increase construction costs, or restrict the use of new materials, products, or methods of construction. These national codes and standards are developed by technical committees comprised of experts representing government regulators, the building industry, and trades organizations. The SBCC makes amendments to the national codes based on the state's unique conditions, such as topography, climate, and susceptibility to natural disasters, such as hurricanes, earthquakes, and tsunamis. These measures prevent the massive loss of life from fire, collapse, and other catastrophes to building structures that are commonly experienced in third world countries.

The Honorable Sharon Moriwaki, Chair
Page 2
March 15, 2021

Building codes and standards is not the primary reason for Hawaii's high building prices. The more obvious reasons are the high costs of land, labor, building materials being shipped into the state and the demand exceeding the supply.

Since its formation in 2007, the SBCC has never had funding for staff, operating expenses, or training. Its 11 voluntary members do not receive compensation for any work performed on behalf of the state. Since statewide amendments require extensive time and effort from members who have full-time jobs, the SBCC has struggled to timely review, approve, and adopt approximately seven different codes and standards. Adding additional requirements for cost benefit assessment reports to the Governor does not help the SBCC meet its current mandates. Therefore, without the allocation of financial resources, the SBCC in its current form cannot comply with the requirements of HB 1131, HD 1.

The SFC urges your committee's deferral of HB 1131, HD 1.

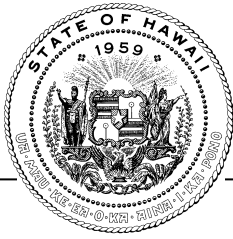
Should you have questions, please contact SFC Administrative Specialist Lloyd Rogers at 723-7176 or lrogers@honolulu.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Goble', with a stylized flourish at the end.

STEVEN GOBLE
Vice Chair

SG/GL:st



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-3807
Fax: (808) 586-2536
Web: energy.hawaii.gov

Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Tuesday, March 16, 2021
3:00 PM
State Capitol, Conference Room 016

Comments in consideration of
HB 1131, HD1
RELATING TO THE STATE BUILDING CODE COUNCIL.

Chair Moriwaki, Vice Chair Dela Cruz, and Members of the Committee, the Hawaii State Energy Office (HSEO) offers comments on HB 1131, HD1, which would require the Hawai'i State Building Code Council (SBCC) to consider the cost impact of each proposed code or standard on single-family and multi-family homes built in the State. It would also require a written financial impact assessment on each adopted code or standard.

HSEO appreciates the intent of this measure to demonstrate, through financial impact assessments, the potential costs and benefits of changes in building codes. HSEO observes that the level of detail proposed by this measure may not be necessary. Before building codes reach Hawai'i and are considered for adoption by the SBCC, they are the product of extensive national hearings often involving hundreds of public and private sector participants testifying on behalf of the organizations they represent, including the National Association of Home Builders, which brings to light any proposals they consider to be not in the best interests of home builders and home buyers. Likewise, in Hawaii, SBCC members hear testimony from the Building Industry Association and others. Revisions appropriate to Hawaii are made to the code. HSEO agrees that additional analysis of Hawaii specific factors is warranted.

An informal agreement has been reached to form a working group on the 2021 International Energy Conservation Code (IECC). The working group, which will consist of various viewpoints, will use best practices to evaluate each proposal to weigh short term costs with long-term financial, environmental, and societal benefits. The discussions are to employ the ho‘oponopono method—that is, to continue meeting with mutual respect until agreement is reached.

HSEO believes that this approach is preferable, since undertaking specific statutorily-prescribed cost-benefit analysis for all proposed revisions, even those that are not controversial, would require substantial additional resources. The SBCC is unfunded, not staffed, and does not have the considerable resources that would be required to implement the requirements in this bill for each code and standard adopted. Therefore, HSEO is concerned about the effect of the proposed bill on the ability of the SBCC to update codes in a timely manner.

However, if the Committee chooses to move this measure forward as is, HSEO suggests that clarification regarding the meaning of “amortized” (page 2, line 4 and page 3, line 20) utility costs could be helpful.

In summary, HSEO supports the objective of considering costs and benefits, and looks forward to ongoing collaborative and informed discussions.

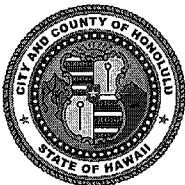
HSEO’s comments are aligned with its mission to promote energy efficiency, renewable energy and clean transportation for a resilient carbon free economy.

Thank you for the opportunity to testify.

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI
MAYOR



DEAN UCHIDA
DIRECTOR

DAWN TAKEUCHI APUNA
DEPUTY DIRECTOR

EUGENE H. TAKAHASHI
DEPUTY DIRECTOR

March 16, 2021

The Honorable Sharon Y. Moriwaki, Chair
and Members of the Committee on
Government Operations
Hawaii State Senate
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Moriwaki and Committee Members:

**Subject: House Bill No. 1131, HD 1
Relating to the State Building Code Council**

The Department of Planning and Permitting **supports** House Bill No. 1131, HD 1, which would require the State Building Code Council to make determinations on the financial impact, including the impact on amortized utility costs, of the adoption of a code or standard on single-family and multi-family homes. This Bill also would require the determinations in its annual reports to the governor.

The Code adoption process has evolved over time, from focusing on codes that protect public health and safety, to codes that mandate products that increase the construction cost of housing. Also, the present make-up of the State Building Code Council, with a majority of government officials and design professionals, does not consider the economic impacts of codes that mandate the use of products that are not required for protection of public health and safety.

Given Hawaii's high cost of housing, we need to be diligent in considering the economic impact of adopting new codes.

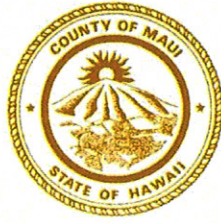
Thank you for the opportunity to provide comments on this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Dean Uchida".

Dean Uchida
Director

MICHAEL P. VICTORINO
Mayor
DAVID C. THYNE
Fire Chief
BRADFORD K. VENTURA
Deputy Fire Chief



DEPARTMENT OF FIRE & PUBLIC SAFETY

COUNTY OF MAUI
200 DAIRY ROAD
KAHULUI, HI 96732

March 16, 2021

LATE

The Honorable Sharon Moriwaki, Chair
Committee on Government Operations
The State Senate
State Capitol, Room 223
Honolulu, Hawaii 96813

Dear Chair Moriwaki:

Subject: House Bill (HB) 1131, House Draft (HD) 1 Relating to the State Building Code Council (SBCC)

I am David C. Thyne, member of the State Fire Council (SFC) and Fire Chief of the Maui Fire Department (MFD). The SFC strongly opposes HB 1131, HD 1, which asks the SBCC to consider the financial impact on the cost, including the impact on amortized utility costs for single- and multi-family homes, when considering the adoption of any code or standard. It would require an annual written report to the Governor, including a financial impact assessment on each code and standard adopted by the SBCC, to determine whether there is a substantial benefit to the residents of the state.

National codes and standards establish minimum provisions that adequately protect public health, safety, and welfare, and these provisions do not necessarily increase construction costs, or restrict the use of new materials, products, or methods of construction. These national codes and standards are developed by technical committees comprised of experts representing government regulators, the building industry, and trades organizations. The SBCC makes amendments to the national codes based on the state's unique conditions, such as topography, climate, and susceptibility to natural disasters, such as hurricanes, earthquakes, and tsunamis. These measures prevent the massive loss of life from fire, collapse, and other catastrophes to building structures that are commonly experienced in third world countries.

Building codes and standards is not the primary reason for Hawaii's high building prices. The more obvious reasons are the high costs of land, labor, building materials being shipped into the state and the demand exceeding the supply.

Since its formation in 2007, the SBCC has never had funding for staff, operating expenses, or training. Its 11 voluntary members do not receive compensation for any work performed on behalf of the state. Since statewide amendments require extensive time and effort from members who have full-time jobs, the SBCC has struggled to timely review, approve, and adopt approximately seven different codes and standards. Adding additional requirements for cost benefit assessment reports to the Governor does not help the SBCC

The Honorable Sharon Moriwaki, Chair

Page 2

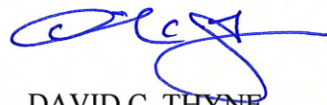
March 16, 2021

meet its current mandates. Therefore, without the allocation of financial resources, the SBCC in its current form cannot comply with the requirements of HB 1131, HD 1.

The SFC urges your committee's deferral of HB 1131, HD 1.

Should you have questions, please contact SFC Administrative Specialist Lloyd Rogers at (808) 723-7176 or lrogers@honolulu.gov.

Sincerely,



DAVID C. THYNE
Fire Chief

OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

CITY AND COUNTY OF HONOLULU

925 DILLINGHAM BOULEVARD, SUITE 257 • HONOLULU, HAWAII 96817
PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org



RICK BLANGIARDI
MAYOR

MATTHEW GONSER, AICP, CFM
EXECUTIVE DIRECTOR &
CHIEF RESILIENCE OFFICER

TUESDAY, MARCH 16, 2021, 3:00 P.M.

STATE OF HAWAII
SENATE COMMITTEE ON GOVERNMENT OPERATIONS

**TESTIMONY ON HOUSE BILL 1131, HD1
RELATING TO THE STATE BUILDING CODE COUNCIL**

BY,

MATTHEW GONSER
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Moriwaki, Vice Chair Dela Cruz, and Members of the Committee:

The City and County of Honolulu (City) Office of Climate Change, Sustainability and Resiliency (CCSR) **offers comments** on House Bill 1131, HD1, which requires the State Building Code Council (SBCC) to consider the impact of building codes and standards on the cost of single-family and multi-family homes built in the State, including the impact on amortized utility costs, and include a financial impact assessment on each code and standard adopted by the Council.

Given costs associated with developing housing in Hawaii'i, it is important to consider the impacts new codes may have on cost of living in the State. However, the SBCC may find it challenging to access the significant resources necessary to prepare a financial impact assessment in a timely manner acknowledging that it is unfunded and understaffed.

Additionally, while the cost and benefits of code updates are already important elements of the SBCC's work, CCSR notes the potential impact this specific bill would have on the timeline for the SBCC code adoption process, which would ultimately delay the City's adoption of code updates. Delaying adoption of codes leaves O'ahu's residents and infrastructure more vulnerable to natural disasters and climate shocks and stressors, as well as hinders the long-term cost-savings and efficiencies building occupants should be able to realize through progressive code adoption.

In order to ensure effective analysis of new code amendments, CCSR offers the following comments:

- (1) The financial impact assessment should be completed by an independent third-party;
- (2) In addition to the HD1 amendment of assessing impact on amortized utility costs, a financial impact assessment should consider not only up-front costs of construction, but also a) benefits of the building codes, and b) the long-term financial impact of the building codes, with particular respect to the monthly utility payments of homeowners, renters, and businesses; and
- (3) Provide staffing and funding to allow the SBCC to effectively review both the short- and long-term financial impacts of the code adoption process.

Allowing an independent third party to conduct the assessment is a best practice measure, and, if funded, may alleviate concerns about delaying adoption. Additionally, by considering benefits alongside costs, and including both short- and long-term financial impacts, any potential financial impact assessment would present a more accurate picture of costs to homeowners, renters, and businesses than one considering solely up-front costs. This is important because codes may result in substantial savings on ongoing electric utility bills in the long-term or avoided losses in times of disaster, helping to increase the economic security and resiliency of residents, building occupants, and the community as a whole.

Thank you for the opportunity to testify and provide comments on HB1131, HD1.



**SENATE COMMITTEE ON GOVERNMENT OPERATIONS
State Capitol, Via Videoconference
415 South Beretania Street
3:00 PM**

March 16, 2021

RE: HB 1131 HD1, RELATING TO THE STATE BUILDING CODE COUNCIL

Chair Moriwaki, Vice Chair Dela Cruz, and members of the committee:

My name is Beau Nobmann, 2021 President 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.

BIA-Hawaii is in strong support of HB 1131, which would require the State Building Code Council (SBCC) consider the financial impact of building codes on residential properties when considering whether or adopt a new code or standard.

The current makeup of the SBCC does not take into consideration the cost implications of adopting new codes. Nationally, many of the new codes have mandates built-in that manufacturers and special interest groups have embedded into new code revisions. These mandates are not intended to protect the public health or safety, and ultimately increase the cost of housing. Requiring the SBCC to consider cost implications and report to the Governor would provide the public and the building industry with much-needed information.

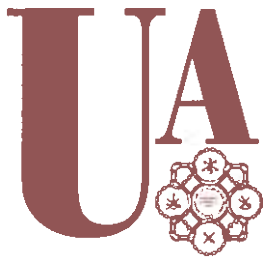
The state of Hawaii is in a dire housing crisis which has been further exacerbated by the ongoing pandemic situation. The building industry is one of the very few economic drivers in the state throughout the COVID pandemic, and giving them more opportunity to provide our residents with affordable housing would have a positive impact on our community.

We appreciate the opportunity to express our views on HB 1131 HD1.

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info@biahawaii.org



Founded 1889

PLUMBERS AND FITTERS LOCAL 675 UNITED ASSOCIATION



March 15, 2021

Senator Sharon Y. Moriwaki, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Senate Committee on Government Operations
State Capitol, 415 South Beretania Street, Video Conference
Honolulu, Hawaii 96813

Re: HB1131 HD1 Relating To The State Building Code
Tuesday, March 16, 2021 at 3:00 pm

Aloha Chair, Vice-Chair, and Committee Members;

Chartered in 1919, the Plumbers and Fitters UA, Local 675 is one of the oldest organized labor unions in Hawai'i and one of three 'licensed' skilled-construction trades, steeped in a rich history as one of Hawai'i's construction-industry pioneers.

Mahalo for the opportunity to provide testimony in opposition to HB1131 HD1.

The primary purpose of building codes and standards are to protect public health and safety. HB1131 HD1 appears to attempt to address concerns raised by the local building industry advocates regarding potential cost increases and economic impacts caused by the adoption of codes and standards as they relate to energy efficiency¹² and ongoing utility costs associated with energy consumption³.

The concerns raised by proponents although well-intended, may have broad-sweeping and unintended consequences to the majority of other building codes and standards that are developed for the primary purpose of protecting public health and safety.

¹ See testimony submitted by the Building Industry Association of Hawaii, House Bill 1311, February 10, 2021 to the House Committee on Consumer Protection and Commerce, "The current makeup of the SBCC does not take into consideration the cost implications of adopting new codes. Nationally, many of the new codes have mandates built-in that manufacturers and special interest groups have embedded into new code revisions. **These mandates are not intended to protect the public health or safety, and ultimately increase the cost of housing.**

² See also testimony submitted by the City and County of Honolulu- Department of Planning and Permitting, Dean Uchida, House Bill 1131 House Draft 1, February 24, 2021 to the House Committee on Finance, "the State Building Code Council. . . **does not consider the economic impacts of codes that mandate the use of products that are not required for the protection of public health and safety.**"

³ See also testimony submitted by Blue Planet, House Bill 1131, February 10, 2021 to the House Committee on Consumer Protection and Commerce.



One such code is the plumbing code. It is well documented that plumbing systems in the built environment plays an integral role towards ensuring the public health and safety against the spread of deadly water and airborne micro bacteria as noted in China's 2003 outbreak of Severe Acute Respiratory Syndrome (SARS) that resulted in numerous deaths, and again more recently in China with the outbreak of COVID 19.⁴

In addition, the State Building Code Council (SBCC) since being established in 2007, has not received any resource funding to fulfill its primary purpose, functions, and legislative obligations, yet HB1131 HD1 as proposed places additional financial burdens and unfunded mandates on an already unfunded SBCC.

Lastly, the building code and standard adoption process is an open process that provides ample opportunity for all interested parties and stakeholders to actively participate in on behalf of their issue, interest, or industry. Public hearings are held and investigative committees are established to solicit input from a broad spectrum of public, private and industry partners. There are currently voting members from the local building industry that make up the SBCC and that have the opportunity to weigh in on any matter of concern regarding the adoption of building codes and standards. As an example, although Local 675 is not a member of the SBCC, we have remained consistently and actively involved with the SBCC, and have successfully advocated, influenced, and provided industry insight on many matters before the SBCC.

We believe that practically speaking, HB1131 HD1 although well-intended, will be very difficult to implement without the necessary funding and will have broad-sweeping and unintended consequences to other building codes and standards that are primarily developed to protect health and safety, therefore should not be mandated, but rather left to the SBCC and stakeholders to offer such information for consideration by the SBCC as codes and standards are being discussed for amendment and adoption as is currently available and practiced when applicable.

As such, we respectfully request this measure be held.

⁴ See "Can Coronavirus Spread through Defective Bathroom Sewage Pipes", Heather Murphy, PhD, P Eng, and Barbara Soule, RN, MPA, CIC, FSHEA, FAPIC, Water Quality & Health Council, February 21, 2020.

Painting Industry of Hawaii Labor Management Cooperation Trust Fund

Hawaii Tapers Market Recovery Trust Fund

Hawaii Glaziers, Architectural Metal Glassworkers Local Union 1889
AFL-CIO Stabilization Trust Fund

Carpet, Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund

March 15, 2021

Senator Sharon Moriwaki
Senate Committee on Government Operations
415 South Beretania Street
Honolulu, Hawaii 96813

Re: House Bill 1131, HD1 (Relating To The State Building Code Council)
Hearing date: March 16, 2021
Time: 3:00 p.m.

Chair Moriwaki and Members of the Committee:

Thank you for this opportunity to submit testimony on behalf of the Painting Industry of Hawaii Labor Management Cooperation Trust Fund, Hawaii Tapers Market Recovery Trust Fund, Hawaii Glaziers, Architectural Metal Glassworkers Local Union 1889 AFL-CIO Stabilization Trust Fund, and Carpet, Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund **in opposition** to House Bill 1131, HD1. The aforesaid organizations are labor management cooperation funds between the Painters Union, Tapers Union, Glaziers Union, and Carpet and Soft Tile Layers Union and their signatory contractors.

This measure will require the State Building Code Council to consider the construction cost impact and utility assessment impact of adopting any new building code or standard. The measure further requires the State Building Code Council to undertake and furnish a financial impact assessment on any new building code or standard adopted by the Council to determine whether there is a substantial benefit to residents of the state.

The principal purpose of building codes has historically been to establish minimum guidelines to ensure the health, safety and welfare of building occupants.

While consideration of a proposed code or standard's impact on construction costs or the energy efficiency of a building's utility fixtures might be appropriate in some circumstances, such as with an energy conservation code, a blanket requirement that is applicable to adoption of all codes and standards is not appropriate. For most building codes, the primary focus in determining the appropriateness of a new code or standard should always be the health, safety and welfare of building occupants. This primary focus should not be mitigated or outweighed by concerns about potential increases in construction cost or energy efficiency.

Based on the foregoing, we urge that you defer HB1131 indefinitely or, at the very least, amend it to limit the scope of its application to only those building codes to which such a requirement is appropriate. Thank you again for this opportunity to voice our **opposition** to this measure.

LATE

HB-1131-HD-1

Submitted on: 3/16/2021 8:31:50 AM

Testimony for GVO on 3/16/2021 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lyle P Carden	Testifying for Vice Chair, State Building Code Council	Oppose	No

Comments:

This testimony is to oppose the proposed HB1131.

While it would be ideal for the State Building Code to do a cost benefit analysis on every code change proposal, the reality is that the Council is unfunded. As an organization volunteers we need to make the best judgements we can to fit the model national codes to Hawaii's unique social and geographical environment. We make the best judgements to we can to balance costs against the risks posed from different social and environmental hazards.

With this proposed bill, in the absence of funding to do any formal cost benefit analysis, we would be forced to rely on the model national code in situations where we currently have code amendments. This is expected to increase the cost of construction in many areas; for example seismic design in Honolulu, and; need for hurricane rated glazing throughout all buildings in a the windborne debris regions of Hawaii.

HB-1131-HD-1

Submitted on: 3/15/2021 2:17:26 PM

Testimony for GVO on 3/16/2021 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel G. Chun	Testifying for American Institute of Architects	Comments	No

Comments:

My name is Daniel Chun submitting COMMENTS on HB 1131 HD1 on behalf of American Institute of Architects. AIA is concerned the mandate will be significant administrative burden to State Building Code Council that relies only upon volunteers. If legislature mandates this in Annual Report, it also needs to fully fund SBCC.

The issue of cost impact upon single-family houses and other housing types is already supposed to be considered. This was achieved by revising original statute to include shared voting membership by Building Industry of Hawaii and General Contractors Association. AIA believes that the proposed unfunded mandate be shared by these voting members.

A very important consideration is always overlooked by the persistent critics of SBCC. SBCC is actually a "variance granting" body. It is allowed to amend nationally-written building codes to adapt to Hawaii conditions; while still establishing the "standard of care" for construction, insurability and home financing. As one example, national ICC mandate for fire sprinklering single-family homes is reviewed by our AIA Hawaii Codes Committee each time new IBC code is published. After deliberation and discussion, AIA Codes Committee has each code cycle recommended the mandate for this fire-sprinklering be AMENDED OUT of the building code. So to allege that SBCC process always increases housing costs is wrong. Without AIA volunteer professional service and SBCC volunteers' subsequent concurring decision, the ICC fire sprinkler mandate would automatically become Hawaii's building code. Thank you for allowing AIA to COMMENT on HB 1131 HD1.