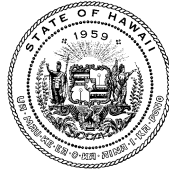


DAVID Y. IGE
GOVERNOR



CURT T. OTAGURO
COMPTROLLER
AUDREY HIDANO
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

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

WRITTEN TESTIMONY
OF
CURT T. OTAGURO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE ON
GOVERNMENT OPERATIONS

TUESDAY, FEBRUARY 9, 2021, 3:05 P.M.
CONFERENCE ROOM 016, STATE CAPITOL

S.B. 141

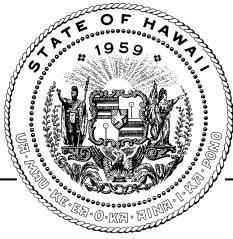
RELATING TO THE COMPTROLLER.

Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee, thank you for the opportunity to submit testimony of S.B. 141.

The Department of Accounting and General Services (DAGS) appreciates the intent of S.B.141 and would like to offer the following comment:

The State Building Code Council plays a key role in supporting State building codes. However, due to the current economic climate, DAGS believes now is not the appropriate time to fund additional positions for this function.

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



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
HOUSE COMMITTEE ON GOVERNMENT OPERATIONS

Tuesday, February 09, 2021
3:05 PM
State Capitol, Conference Room 016

Comments in consideration of
SB 141
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 SB 141 which would appropriate funds to establish a full time program director and a full time staff member to assist the Hawai'i State Building Code Council (SBCC) in carrying out its duties as described in Chapter 107 of the Hawaii Revised Statutes.

Since its inception in 2007, the SBCC has served as a voluntary organization comprised of building code professionals from the private and public sectors serving without compensation. Updating building codes is an extremely complex and time-consuming process. The SBCC has only recently been able to adopt current building codes in synchronization with the national three-year cycle of updating codes. The addition of a full-time program director would allow the SBCC to stay abreast of all emerging code updates and track code amendments from other states that may improve the health, safety and energy efficiency of Hawai'i's emerging codes.

The SBCC assessed the workload and determined that a staff assistant would not be necessary which would reduce the appropriation needed to \$250,000.

HSEO supports this bill provided that its passage does not replace or adversely impact priorities indicated in the Executive Biennium Budget.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR

JOSH GREEN
LIEUTENANT GOVERNOR



LATE

ANNE E. PERREIRA-EUSTAQUIO
DIRECTOR

JOANN A. VIDINHAR
DEPUTY DIRECTOR

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February 9, 2021

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

Dear Chair Moriwaki:

Subject: Senate Bill (SB) 141 Relating to the State Building Code Council (SBCC)

I am Manuel P. Neves, Chair of the State Fire Council (SFC) and Fire Chief of the Honolulu Fire Department (HFD). The SFC and the HFD strongly support SB 141, which seeks to appropriate funds to establish two full-time staff positions and other associated costs to effectively carry out the responsibilities of the SBCC.

In 2007, the Hawaii State (State) legislature created the SBCC, which is comprised of subject matter experts and government agency and construction industry representatives, with the authority to establish a comprehensive suite of codes applicable to all building construction in the State. The status of fragmented building requirements in Hawaii was of serious concern to those involved in building ownership, design, construction, and insurance.

In 2010, the process successfully implemented a unified set of nearly comprehensive building codes based on the 2006 editions of national codes. This was the first time ever since statehood that the building codes of the State and all four counties were coordinated. Since that time, it has taken the SBCC over three years to review, edit, and adopt the 2018 editions of the various building codes, which include building, residential, plumbing, electrical, fire, and energy. These codes prescribe minimum safety requirements for structural, earthquake, wind, water, and energy efficiency.

The Honorable Aaron Ling Johanson, Chair
Page 2
February 9, 2021

Act 82 appropriated \$250,000 for fiscal years 2007-2008 and 2008-2009 from the Hawaii Hurricane Relief Fund's accrued interest to fund the SBCC's operations including hiring an executive director and an executive assistant. Those funds were never released and, to date, no administrative personnel or operating budget has been hired and approved, respectively. A previous appropriation by the State legislature was never released by the Governor. Without adequate funding, Hawaii will lag behind every state in the adoption of the latest national codes standards for the building environment. These state codes become the basis of the county building codes.

The SFC and the HFD urge your committee's support in the passage of SB 141.

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

Sincerely,



MANUEL P. NEVES
Chair

MPN/LR:cs



SENATE COMMITTEE ON GOVERNMENT OPERATIONS

February 9, 2021, 3:05 P.M.

Video Conference

TESTIMONY IN SUPPORT OF SB 141

Aloha Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee:

Blue Planet Foundation **supports SB 141**, appropriating funds to add two positions for the State Building Code Council (SBCC) and to provide for employment training, materials and supplies, and other costs associated with the SBCC. Personnel and resources are needed to ensure that the model codes developed by the state (and adopted by the counties) are timely and reflect the latest in technology, energy, health, and safety.

Investment in expertise and management of the SBCC will pay off many times over through the quicker adoption of up-to-date and Hawai'i-specific building codes.

Blue Planet is particularly concerned about the SBCC's current ability to timely vet and adopt modern building energy conservation codes. The energy efficiency and technology landscape is rapidly evolving. The International Code Council produces an updated version of the International Energy Conservation Code (IECC)—upon which Hawai'i develops its code—every three years. The most recent version adopted by the state was the 2015 IECC, which replaced the 2006 IECC that was in place at the time of adoption. A decade is too long to wait to put in place updated minimum energy standards and building practices that will save building owners and residents significant money (not to mention reduce Hawai'i's carbon emissions).

Energy efficiency is the most cost-effective energy resource available in the state, costing a fraction of fossil fuel-powered electricity.¹ The anticipated energy savings arising from the 2015 IECC were tabulated in a May 2016 Report prepared for the Department of Business, Economic Development & Tourism.² The overall savings to residents and businesses in the state totaled over \$1.4 billion.

¹ Energy savings delivered by the state's Hawai'i Energy program in 2014 cost 2.4 cents per kWh. See *Hawaii Energy 2014 Annual Report*, available at https://hawaiienergy.com/images/resources/ProgramYear2014_AnnualReport.pdf. Even with today's relatively low oil prices, electricity from oil-fired power plants costs around five times more. See *DBEDT Monthly Energy Trends*, available at <http://dbedt.hawaii.gov/economic/energy-trends-2/>.

² See The Cadmus Group, Inc., *Energy Savings Forecast for the 2015 Int'l Energy Cons. Code with Haw. Amendments* (prep'd for DBEDT, May 2016), available at <https://energy.hawaii.gov/wp-content/uploads/2016/07/Energy-Savings-Forecast.pdf>.

Annual Savings	2016	2026	2030	2036
MWh per year	12,962	1,083,590	1,991,059	4,702,738
\$	\$4,000,000	\$337,000,000	\$619,000,000	\$1,463,000,000

(Note: energy cost savings calculated here utilize the average retail cost of electricity over the past five years;³ this provides a conservative estimate of cost savings, because it does not incorporate energy costs that are forecasted to rise in the future).

These savings will be realized thanks to the work of the SBCC, which analyzes and develops the model energy conservation code for the state. The state code is then adopted or amended by the counties.

Providing two positions and resources for the SBCC, as SB 141 proposes, is a wise investment in Hawai'i's future. **A staffed building code council will enable Hawai'i to capture more of these energy savings faster, while helping the state achieve its climate and clean energy goals.**

Thank you for the opportunity to provide testimony.

³ See DBEDT Monthly Energy Trends.

SB-141

Submitted on: 2/8/2021 11:27:10 AM

Testimony for GVO on 2/9/2021 3:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Bill Brizee	Individual	Support	No

Comments:

This funding is MUCH needed so that the building codes can be updated in a timely manner!