



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
**SENATE COMMITTEE ON
PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS**

March 22, 2022
1:05 PM
State Capitol, Conference Room 229 & Videoconference

**OPPOSE
HB 1747 HD2
RELATING TO THE STATE BUILDING CODE COUNCIL.**

Chair Nishihara, Vice Chair DeCoite, and Members of the Committee, the Hawai'i State Energy Office (HSEO) opposes HB 1747, HD2, which requires the State Building Code Council (SBCC) to consult with building industry trade associations to gather cost data on the implementation of certain building codes or standards and calculate the financial impact of those codes and standards, including amortized utility costs, on the cost of single-family and multi-family homes built in the State; and requires the annual report to the governor to include the cost provided by building industry trade associations on certain codes and standards adopted by the council.

HSEO acknowledges that costs are a concern of some participants and stakeholders. It is important to look at the costs and benefits, particularly in light of the state's energy goals and today's spiking energy prices, which building codes can help alleviate through energy efficiency measures. The bill's requirements are not holistic. Building codes have up-front costs which are much more cost-effective than requiring improvements after the fact.

HSEO also notes that the SBCC already has significant trade association involvement. Hawai'i Revised Statutes Chapter 107 Part II¹, "State Building Code and Design Standards," which formed the SBCC, reads in part, "The council shall consult

¹ Hawai'i Revised Statutes, sections [107-21 through 107-31](#), inclusive.

with building trade associations to gather information and recommendations on construction practices and training relevant to building codes and standards.”² Also, the composition of the SBCC includes “One member representing the Building Industry Association of Hawai'i, or the General Contractors Association of Hawai'i, who has significant experience with building codes, with alternating four-year terms between the two organizations;”³ and representatives from the State Fire Council, the Department of Labor and Industrial Relations, and the Subcontractors Association of Hawai'i.

As a State entity, the SBCC abides by sunshine laws and welcomes representatives from the industry and unions to raise concerns regarding codes and construction costs. Participants in SBCC meetings include representatives from Pacific Resource Partnership, Hawai'i Regional Council of Carpenters, Plumbers & Fitters Local 675, Hawai'i Laborers and Employers Cooperation and Education Trust Fund, Hawai'i Construction Alliance, United Brotherhood of Carpenters, United Brotherhood of Carpenters and Joiners of America, Laborers International Union of North America Local 363 and the Laborers International Union of North America.

While the State Building Code statute refers to an “executive director and executive assistant,” and cites “budgetary requirements for conducting meetings, training, travel and other related responsibilities,”⁴ the SBCC has received no discrete funding. Adding a requirement to provide estimated costs for each new code provision and an annual report will require expertise, budgetary support, and necessitate staffing of the SBCC.

Therefore, HSEO believes this measure would add a significant unfunded cost burden and duplicates mandated and existing industry participation that already exists.

Thank you for the opportunity to testify

² Hawai'i Revised Statutes, section [107-24\(e\)](#).

³ Hawai'i Revised Statutes, [section 107-22\(a\)](#).

⁴ Hawai'i Revised Statutes, [section 107-23](#).



**SENATE COMMITTEE ON PUBLIC SAFETY
State Capitol, Via Videoconference
415 South Beretania Street
1:05 pm**

March 22, 2022

RE: HB 1747 HD2, RELATING TO THE STATE BUILDING CODE COUNCIL

Chair Nishihara, Vice Chair DeCoite, and members of the committee:

My name is Daryl Takamiya, 2022 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 1747 HD2, which would require the state building code council (SBCC) to consult with building industry trade associations to gather cost data on the implementation of building codes or standards and calculate the financial impact of those codes and standards, including amortized utility costs, on the cost of single-family and multi-family homes built in the state, and will require the annual report to the governor to include the cost provided by building industry trade associations on each code and standard adopted by the council.

The current 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. Certain 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. As the Legislature is aware, the cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. Approximately 153,967 U.S. households are priced out of buying a home for every \$1000 increase in price, according to the National Association of Home Builders (NAHB).

We appreciate the opportunity to express our strong support for HB 1747 HD2.

Plumbers and Pipefitters UA Local 675



HAWAII STATE SENATE REGULAR SESSION OF 2022

COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL AND MILITARY AFFAIRS

Senator Clarence K. Nishihara, Chair

Senator Lynn DeCoite, Vice Chair

NOTICE OF HEARING

Tuesday, March 22, 2022 at 1:05 pm, Conference Room 229
415 South Beretania St., Honolulu, Hawaii 96813

Re: Comments and Proposed Amendments to HB1747 HD2, on behalf of the Plumbers and Pipefitters UA, Local 675.

Mahalo for the opportunity to offer comments on HB1747 HD2.

The primary purpose of building codes and standards is to safeguard life, health, and general welfare. This measure appears very similar to HB1131 introduced in 2021 which intended to address concerns raised by the building industry regarding potential cost impacts caused by the adoption of codes and standards as they relate to energy efficiency¹² and ongoing utility costs associated with energy consumption³.

Although well-intended, initiatives that place cost over health and safety may have broad-sweeping and unintended consequences, and undermine other building codes and standards that serve the primary purpose and function stated above.

One such code, the plumbing code, establishes minimum standards of constructing plumbing systems in the built environment. Plumbing systems in the built environment play an integral role in safeguarding life, property, and general welfare against the spread of water and airborne toxins, pathogens and other micro

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.

bacteria. As an example, the spread of China's 2003 outbreak of Severe Acute Respiratory Syndrome (SARS), the predecessor of SARS/COVID 19 was determined to be caused by faulty plumbing systems, and resulted in numerous deaths.⁴

Should this measure move forward, we respectfully request that the amendments adopted in the House Committees on Consumer Protection & Commerce and Finance (SCR 241-22 and SCR 967-22 respectively) remain a part of the Bill.

Mahalo for the opportunity to provide input on this measure.

⁴ 2003 SARS Epidemic China; <https://www.who.int/news/item/26-09-2003-inadequate-plumbing-systems-likely-contributed-to-sars-transmission>



March 22, 2022

Senator Clarence K. Nishihara, Chair
Senator Lynn DeCoite, Vice Chair
Members of the Senate Committee on Public Safety,
Intergovernmental and Military Affairs
Thirty-First Legislature, Regular Session of 2022

RE: **HB 1747 – RELATING TO THE STATE BUILDING CODE COUNCIL**
Hearing Date: March 22, 2022 at 1:05 p.m.

Aloha Chair Nishihara and Members of the Committee,

Mahalo for the opportunity to submit testimony on behalf of D.R. Horton Hawaii LLC (“D.R. Horton”) in **SUPPORT** of HB 1747 – RELATING TO THE STATE BUILDING CODE COUNCIL. D.R. Horton is one of Hawaii’s largest home builders and has been providing affordable housing and first-time buyer homes for Hawaii’s families throughout Oahu for nearly fifty years. D.R. Horton agrees that it is critical to keep abreast of state building codes as building technologies continue to change, new life safety concerns continue to arise and the need for sustainable building practices continue to increase. D.R. Horton is a leader in building quality and sustainable home designs and has adopted an overall sustainability plan for its Ho’opili master planned community in East Kapolei. This commitment to our community and the overall health of the environment has resulted in energy efficient design in excess of current codes.

The primary purpose of building codes is to set minimum requirements of the built environment that protect the life, health and safety of its occupants. The primary purpose of energy codes is to set minimum requirements for the energy efficient design of buildings. Although well intended, some of the recent state building and energy codes proposed often exceeded these minimum requirements creating unintended consequences that resulted in substantial cost increases to critical industries such as housing. Over the last decade, there has been an increase in code content resulting in ever growing volumes of code categories and publications. Fueled by climate change and special interest groups, such as product manufactures, this uptick in code requirements has yielded “nice to have” added benefits versus need to have” minimum standards. While this can be beneficial to needed advancement in research and development of building products, it has without a doubt increased the cost of housing. New code requirements always add new costs, very rarely do they reduce cost.

HB 1747 would create a mechanism for the building industry as a collective whole to:

- Conduct a cost benefit analysis of proposed new building and energy codes that is essential to evaluating and finding a balance between well intended life safety and sustainability standards

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and the increased cost to housing. This analysis would help evaluate and determine whether such added costs are congruent with the added value of the new code requirement.

- Evaluate proposed code requirements through actual case study analysis on projects here in Hawaii, facilitating review for appropriateness and applicability to Hawaii's climate, construction types and housing market. This will help Hawaii adapt building and energy codes that were created for broad application across the United States.
- Evaluate material supply chain availability to avoid sole source or proprietary manufacturers in an already isolated and limited product distribution market.
- Solicit broad feedback to avoid an inherently flawed "one size fits all" approach to code adoption which may work for one type of housing but be detrimental to another.

One recent, and sobering, example of why HB 1747 is critically needed is the SBCC's adoption of code related to wind borne debris that resulted in a requirement for either impact resistant windows or a safe room shelter in new single-family homes. The unintended additional cost to much needed housing was astronomical. Impact resistant windows added approximately \$8-10K per home and the safe room alternative added \$17-20k per home. The adoption of this wind-borne debris code, while well meaning, inadvertently and unnecessarily inflated the cost of housing, something we are all collectively trying to decrease. Recognizing the misstep, industry leaders including contractors, structural engineers, architects and material suppliers met with the State Building Code Council's member from the Structural Engineers Association of Hawaii (SEAOH), Lyle Carden, to share supply chain challenges and cost impacts, discuss the code's life safety code intent and explore more cost-effective alternatives. The extremely efficient and effective collaborative effort resulted in a design modification to the current safe room design that drastically reduced the added cost of meeting the intent of the code to \$3-4k per home. This is how we need to work together.

HB 1747 is needed now, to set a managed and proactive approach to code adoption that brings building industry stakeholders together with the SBCC early and often to share, discuss, vet and ultimately find balanced solutions to move us forward in a rational and reasonable manner. HB 1747 will provide this mechanism to conduct such analysis prior to the codes being implemented.

For these reasons, D.R. Horton strongly urges the committee to pass HB 1747. Mahalo for your time and consideration, it is much appreciated.

Sincerely,

Tracy Tonaki
City Manager

NAIOP

COMMERCIAL REAL ESTATE
DEVELOPMENT ASSOCIATION

HAWAII CHAPTER

LATE

March 22, 2022

Senator Clarence K. Nishihara, Chair
Senator Lynn DeCoite, Vice Chair
Senate Committee on Public Safety,
Intergovernmental, and Military Affairs

RE: **HB1747 HD2 – Relating to State Building Code**
Hearing date: March 22, 2022 at 1:05PM

Aloha Chair Nishihara, Vice Chair DeCoite and Members of the Committee,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii **in SUPPORT of HB1747 HD2**. NAIOP Hawaii is the local chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders and other professionals. NAIOP Hawaii strongly supports the development of housing for Hawaii residents at all levels of income, especially affordable housing projects.

HB 1747 HD2 requires the state building code council to consult with building industry trade associations to gather cost data on the implementation of building codes or standards and calculate the financial impact of those codes and standards, including amortized utility costs, on the cost of single—family and multifamily homes built in the State. This measure offers an opportunity to discuss the economic impacts of implementing changes to Uniform Building Code (UBC) prior to its implementation.

The discussion between the state building code council and building industry trade associations provides the forum to address the impacts that adoption of UBC provisions would have on the State's ability to address: 1) the current high cost of housing; and 2) the affordable housing crisis. Industry associations are the best resource to provide cost implication data to the council which will allow for greater cost benefit analysis when contemplating code changes.

Ultimately, HB1747 HD2 offers greater information exchange that will lead to regulations which will enable to development of more affordable housing and reduce the current high cost of housing. NAIOP appreciates the Legislature's commitment to assisting in the development of affordable housing and look forward to working together.

Mahalo for your consideration,



Jennifer Camp, President
NAIOP Hawaii