

**Testimony of the Board of Professional Engineers, Architects, Surveyors, and
Landscape Architects**

**Before the
Senate Committee on Commerce & Consumer Protection
Wednesday, March 29, 2023
10:01 a.m.
Conference Room 229 and Videoconference**

**On the following measure:
H.B. 217, H.D. 1, S.D. 1, RELATING TO HOME RENOVATIONS**

Chair Keohokalole and Members of the Committee:

My name is Sheena Choy, and I am the Executive Officer of the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects (Board). The Board offers comments on this bill.

The purpose of this bill are to: (1) update the cost valuations of work on certain residents for the work to qualify for an exemption from the requirement that plans and specifications for construction projects be prepared by a licensed engineer or architect; and (2) clarify work that shall not be exempted from the requirement that plans be prepared by a licensed engineer or architect.

The Board acknowledges that inflation has increased, affecting the cost of work and materials. However, the increase to the cost exemptions will significantly raise the cap on the cost valuations of work on buildings for renovation project serviced by an unlicensed professional; this may jeopardize the health, safety, and welfare of consumers. The Board would have no recourse to take action against an unlicensed person who provides substandard plans on increasingly substantial projects.

The Board respectfully requests that this measure be held in Committee, and encourages further discussion between the proponents of this measure and other stakeholders to address the increase in cost exemptions and the impacts those increases may have on consumers.

Thank you for the opportunity to testify on this bill.



March 29, 2023

TO: Honorable Jarrett Keohokalole, Chair
Honorable Carol Fukunaga, Vice Chair
Senate Committee on Commerce and Consumer
Protection

FROM: Reid Mizue, AIA
President / Legislative Advocacy Committee Co-Chair
American Institute of Architects, Hawaii State Council

SUBJECT: **Re: House Bill 217 SD1
Relating to Home Renovations**

The American Institute of Architects

AIA Hawaii State Council
828 Fort Street Mall, Suite 100
Honolulu, HI 96813

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aiahonolulu.org/AIAHawaiiStateCouncil

Dear Chair Keohokalole, Vice-Chair Fukunaga
and Members of the Committee,

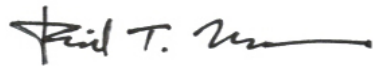
My name is Reid Mizue, President, American Institute of Architects (AIA) Hawaii Council writing in **SUPPORT** of House Bill 217 SD1. AIA is pleased that Senator Chang's Housing Committee included language for SD1 that AIA had requested. We are currently working with City & County of Honolulu Department of Planning & Permitting on proposed Bill 6(23) for Self-Certified Professional Program whereby architects will self-approve compliance with building code. Once passed by City Council, this Program can be expected to ease current building permit process now averaging 300 days; longer than the average house takes to be constructed! AIA realizes the state legislature is not venue to solve county permit problems. However, HB 217 can be expected to offer relief to some projects.

Exempting "big ticket items" from county permit valuations / use of trade permits

With respect to dollar values, Honolulu exempts kitchen cabinets (often costing \$30K to 40K) from home renovation building permit valuation. New Honolulu Bill 56(2022) CD1 adds more exemptions. Exempting "big ticket" items from home renovation permit \$ valuation is good practice, because the remaining non-exempt dollar value is some indication of actual impact on life safety. Honolulu also issues "trade permits" to contractors for window replacement often costing \$40K to 50K. Thus HB 217 dollar increase could actually allow Honolulu home renovations worth total \$186,000.

As part of AIA national agenda to promote resilient community design, we are considering local County action to exempt the material cost of solar energy panels and batteries from home renovation permits, similar to Honolulu's exemption for kitchen cabinets. This would allow more home renovations to fit within the exemptions being updated by this bill.

After changing defective date, please pass this bill **unamended**. Thank you for this opportunity to **SUPPORT** House Bill 217 SD1. Sincerely,

A handwritten signature in black ink, appearing to read "Reid T. Mizue". The signature is fluid and cursive, with a long horizontal stroke at the end.

Reid Mizue, AIA
American Institute of Architects (AIA), Hawaii State Council

HB-217-SD-1

Submitted on: 3/24/2023 6:12:36 PM

Testimony for CPN on 3/29/2023 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Andrew Crossland	Testifying for Crossland Engineering, LLC	Support	Written Testimony Only

Comments:

I support this Bill.



Hawaii Solar Energy Association
Serving Hawaii Since 1977

Testimony of The Hawaii Solar Energy Association (HSEA) Regarding HB217 HD1 SD1, Relating to Home Renovations, Before the Senate Committee on Commerce and Consumer Protection

Wednesday, March 29, 2023

Aloha Chair Keohokalole, Vice Chair Fukunaga, and committee members:

The Hawaii Solar Energy Association (HSEA) **offers comments on HB217 HD1 SD1**, which updates the cost valuations for work on buildings exempted from statutory design professional requirements. ***We support the intent of the measure but offer an amendment below to clarify that building permit authorities may use and continue to use online permitting tools to aid in their efforts.***

HSEA members include the majority of locally owned and operated renewable energy companies doing business in the state along with leading global cleantech manufacturers and service providers that invest and sell in our market. We employ thousands of residents in diverse green economy jobs that are innovating, designing, and building Hawaii's pathway to a renewable energy future. We advocate for policies that help Hawaii achieve critical climate and resilience goals by enabling residents and businesses to invest in and benefit from the transition to clean energy. Rooftop solar PV is the leading contributor to Hawaii's clean energy portfolio, making up 44.6% of all renewable energy in the state.¹ These investments provide resilient power that reduces energy cost burden for all and contributes to energy security and reliability as we decarbonize our economy and electric grid.

Permitting delays and unnecessary or overly stringent process requirements can add cost and time to simple rooftop solar and energy storage projects and threaten Hawaii's renewable energy transition. This impacts all residents and businesses in Hawaii, particularly those that have not yet been able to install or participate in a solar and energy storage project. As costs come down and systems become more available and accessible to underserved members of our community, permitting delays have emerged as a primary obstacle to progress.

HB217 HD1 SD1 addresses ongoing permitting challenges by updating fixed dollar thresholds that exempt small private projects from statutory design professional standards. The thresholds

¹ See Hawaiian Electric's "Key Performance Metrics, Renewable Portfolio Standard compliance" available at <https://www.hawaiianelectric.com/about-us/key-performance-metrics/renewable-energy>.



Hawaii Solar Energy Association
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have not been updated since they were first established in 1979. Since that time, the U.S. dollar has inflated by over 300% with one dollar in 1979 equaling over \$4 today. Adjusting these thresholds to account for some of this inflation makes common sense and will reduce construction costs across all sectors in Hawaii.

HSEA supports the intent of this measure but is concerned that a recent amendment in the SD1 draft could potentially preclude, limit, or bar the use of advanced online permitting tools that aid building permit authorities and are **currently in use** or under consideration. For clarification, we recommend adding the following amendment to subsection (d)(2) at page 5, line 2 [highlighted below]:

(2) Any structure or improvement for which public officials having jurisdiction require the use of an appropriately licensed design professional, including but not limited to structures within special management areas, flood hazard districts, and special design districts; or improvements resulting from conditional use or other discretionary zoning permits, code compliances or variances, and building permit expediting procedures, provided that any project submitted through an officially sanctioned online permitting tool remains exempt under subsections (a) and (b); and

HSEA supports the intent of HB217 HD1 SD1 **but urges the committee to adopt this critical clarifying amendment** to allow building permit authorities to continue to innovate, improve processes, and save taxpayer resources.

Thank you for the opportunity to testify.

Respectfully,

/s/ Rocky Mould

Rocky Mould
Executive Director

HB-217-SD-1

Submitted on: 3/28/2023 9:50:45 AM

Testimony for CPN on 3/29/2023 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Dave Mulinix	Testifying for our Revolution Hawaii	Comments	Written Testimony Only

Comments:

Aloha Chair Keohokalole, Vice Chair Fukunaga, and members of the CPN committee,

On behalf of Our Revolutions 5,000 members and supporters statewide we offer comments to this measure as we have concerns that the newly-added subsection (d)(2) in the SD1 draft would negatively impact the ability of building permit authorities to use online permitting tools to aid in their work. We recommend clarifying that projects submitted through officially sanctioned online permitting tools remain exempt under subsections (a) and (b).

Specifically, (2) Any structure or improvement for which public officials having jurisdiction require the use of an appropriately licensed design professional, including but not limited to structures within special management areas, flood hazard districts, and special design districts; or improvements resulting from conditional use or other discretionary zoning permits, code compliance or variances, and building permit expediting procedures, provided that any project submitted through an officially sanctioned online permitting tool remains exempt under subsections (a) and (b); and Thank you for the opportunity to testify on this measure.

Mahalo,

Dave Mulinix, Cofounder & Hawaii State Organizer

Our Revolution Hawaii



To: The Senate Committee on Commerce and Consumer Protection (CPN)
From: Sherry Pollack, 350Hawaii.org
Date: Tuesday, March 29, 2023, 10:01am

Comments on HB217 HD1 SD1

Aloha Chair Keohokalole, Vice Chair Fukunaga, and members of the CPN committee,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org offers comments on this measure, as we have concerns that the newly-added subsection (d)(2) in the SD1 draft would **negatively impact** the ability of building permit authorities to use online permitting tools to aid in their work. We recommend clarifying that projects submitted through officially sanctioned online permitting tools remain exempt under subsections (a) and (b).

Specifically, we suggest the following:

(2) Any structure or improvement for which public officials having jurisdiction require the use of an appropriately licensed design professional, including but not limited to structures within special management areas, flood hazard districts, and special design districts; or improvements resulting from conditional use or other discretionary zoning permits, code compliances or variances, and building permit expediting procedures, provided that any project submitted through an officially sanctioned online permitting tool remains exempt under subsections (a) and (b); and

There are serious longstanding permitting issues that impede progress on Hawaii's renewable energy and climate resilience goals. Currently, Hawaii's families are often waiting more than 8 months to receive their permit for a simple renovation residential solar project, with some families reporting waits *up to a year*. It is crucial that the recent amendments in the SD1 draft not inadvertently limit or bar the use of advanced online permitting tools for solar projects that aid building permit authorities and are currently in use or under consideration this session.

The current cost valuations for work on buildings, which are established by statute, are outrageously outdated. **They have not been updated since 1979**. An increase and an update to this statute is long overdue. However, in updating this statute, it would be a step backward to bar

the use of advanced online permitting tools for solar projects. This work can be done ***proficiently and safely*** by the licensed professionals solar companies already have on staff. Please ensure that this measure does not limit or preclude online tools that are crucially need to help us achieve our clean energy goals.

Mahalo for the opportunity to testify.

Sherry Pollack
Co-Founder, 350Hawaii.org

HB-217-SD-1

Submitted on: 3/26/2023 4:49:59 PM

Testimony for CPN on 3/29/2023 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Gerard Silva	Individual	Oppose	Written Testimony Only

Comments:

This is more Government Ripping off the Hawaii People!!!!

HB-217-SD-1

Submitted on: 3/28/2023 9:57:22 AM

Testimony for CPN on 3/29/2023 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Daniel G. Chun	Individual	Support	Written Testimony Only

Comments:

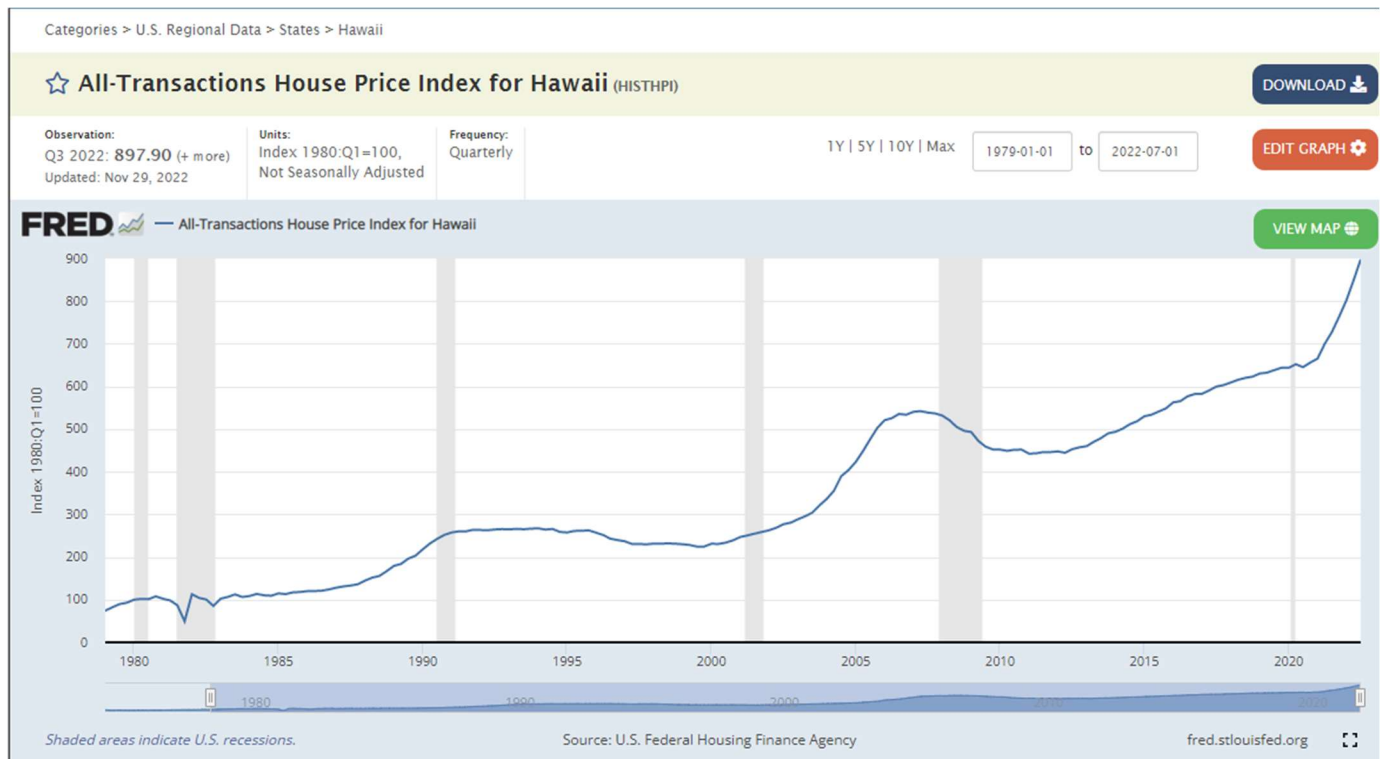
I SUPPORT this bill that is balance between updating dollar-based exemptions and allowing public officlals to safeguard public safety and welfare. Please pass unamended.

LATE

Aloha Chair Keohokalole, Vice Chair Fukunaga, and Committee Members

I support the intent of HD 217 HD1 SD1 which updates the cost valuations of work on buildings for the work to qualify for an exemption from the requirement that plans and specifications for construction projects be prepared by a licensed engineer or architect. HRS 464-13 was last revised in 1979 - 44 years ago. A generation of engineers and architects have come and gone since then.

Updating these values will reduce the financial burden, up to 15 percent of the construction cost, of updating homes for kupuna's mobility and safety needs or expanding homes to accommodate another generation because of high housing costs and low availability. I believe the proposed values should be much higher. The US Bureau of Labor Statistics data shows that the house price index for Hawaii has increased nine-fold from 1979 to 2022. The \$50,000 limit should be \$450,000.



Further, Hawaii is the most stringent in the nation for requiring plans and specifications to be stamped. New York is the next most stringent and requires a stamp for work over 1,500 square feet. California does not require a stamp for residential plans up to 2-stories. Converting square foot to dollars at the current construction rate of \$250 per square foot, New York equates to \$375,000.

These exemptions DOES NOT exempt a project from building permit and building code applicability. Building codes are to protect public health and safety and sets minimum standards for design and construction means and methods. The publication "*Professional Services for Construction Projects and Land Surveys*" by the State of Hawaii states "Building code officials devise and enforce building codes that are intended to protect the public's life, health and property".

Thank you for the opportunity to testify. I appreciate your time, consideration, and attention to this matter.

Stuart Shoji