

April 11, 2025

COMMITTEE ON PUBLIC SAFETY AND MILITARY AFFAIRS

Sen. Brandon Elefante, Chair; Sen. Glenn Wakai, Vice Chair; and Committee Members

COMMITTEE ON ENERGY AND INTERGOVERNMENTAL AFFAIRS

Sen. Glenn Wakai, Chair; Sen. Stanley Chang, Vice Chair Public Hearing, April 11, 2025, 3:00 p.m. – Conference Room 225, State Capitol

TESTIMONY OF WILLIAM F. ANONSEN MANAGING PARTNER/PRINCIPAL OF THE MARITIME GROUP IN SUPPORT OF H.C.R. 67 H.D.1

My name is William F. Anonsen, the Managing Partner/Principal of The Maritime Group. I am submitting testimony in support of H.C.R. NO. 67, H.D. 1, which calls on the Governor, the State Building Code Council, county planning departments and mayors, and the respective housing committees of the Legislature to work together on a comprehensive strategy to adopt updated building codes across Hawai'i.

I had the privilege of serving as Chair of the Hawai'i Advisory Council on Emergency Management for 10 years (2011–2021), during which time I fully appreciated the critical role that strong, clear, and current building codes play in protecting lives, property, and infrastructure before, during, and after disasters. Hawai'i is uniquely vulnerable to a range of natural hazards, from hurricanes and wildfires to coastal erosion and seismic events.

Updated building codes are one of our first and most cost-effective lines of defense against these threats. They help ensure that homes and public structures are built to withstand current and future risks while also improving community resilience and enabling faster recovery. The unintended consequences of the 2023 Emergency Proclamation relating to affordable housing, including the suspension of the State Building Code Council and the reliance on unamended national codes, have created unnecessary uncertainty.

For example, building codes related to snow are irrelevant to Hawaii but were nonetheless included, underscoring the importance of having a functioning, Hawaii-based review and amendment process. Contractors, architects, and developers now face conflicting and unclear directives that threaten both the safety and the timely delivery of urgently needed housing.

H.C.R. 67, H.D. 1, provides a clear path forward by calling for a comprehensive, inclusive strategy that brings together the necessary government, industry, and community voices. Reinstituting and adequately funding the State Building Code Council is vital to this strategy. We must ensure that codes are adopted uniformly across counties, tailored to our local conditions, and feasible to implement and enforce. I support this resolution and respectfully urge its passage.

Respectfully submitted,

William F. Anonsen

Managing Partner/Principal THE MARITIME GROUP



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Removing barriers to Hawaii's prosperity

April 11, 2025, 3 p.m.

Hawaii State Capitol

Conference Room 225 and Videoconference

To: Senate Committee on Public Safety and Military Affairs Sen. Brandon J.C. Elefante, Chair Sen. Glenn Wakai, Vice Chair

Senate Committee on Public Safety and Military Affairs Sen. Glenn Wakai, Chair Sen. Stanley Chang, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: HCR67 — REQUESTING THE OFFICE OF THE GOVERNOR, STATE BUILDING CODE COUNCIL, BUILDING DEPARTMENTS OF EACH COUNTY, MAYORS OF EACH COUNTY, AND CHAIRS OF THE SENATE AND HOUSE OF REPRESENTATIVES STANDING COMMITTEES ON HOUSING TO DEVELOP A COMPREHENSIVE STRATEGY FOR ADOPTING UPDATED BUILDING CODES

Aloha Chairs, Vice Chairs and other members of the committees,

The Grassroot Institute of Hawaii **supports** <u>HCR67 HD1</u>, which seeks the cooperation of state and country stakeholders in developing a comprehensive strategy for adopting updated building codes.

Hawaii's convoluted building code-adoption process contributes to uncertainty, delays and higher building costs. Reforming that process is a necessary step in addressing the state's housing crisis.

State law currently requires the State Building Code Council to adopt every iteration of the International Building Code and related codes within two years of their release; the counties have an additional two years to adopt and make their amendments to the state code.

However, the Council and counties often struggle to meet these deadlines. For example, it was only in April 2021 that the State Building Code Council adopted the 2018 Interim Building Code,¹ and not until early 2023 that Honolulu fully adopted those amendments.²

Because of this staggered adoption process, county building officials, builders and architects must constantly re-learn the building code's requirements. For builders, this means navigating as many as four different codes, which takes time and training, increasing administrative costs.

The almost-constant nature of the building code updates also stresses already understaffed county planning and permitting departments and can exacerbate permitting delays, which research shows can affect the price of housing.³

As measured by the state's Honolulu Construction Cost Index, the cost for single-family homes in 2024 was 2.6 times higher than the cost in 2020. For highrises, the cost was 2.5 times higher.⁴

The state's strict land-use, zoning and permitting rules are a key driver of these costs. The Economic Research Organization at the University of Hawai'i has estimated that regulations comprise 58% of the cost of new condominium construction.⁵

Hawaii lawmakers should prioritize the creation of a streamlined and simplified building code for our state and put an end to the broken process that contributes to our high housing costs.

Thank you for the opportunity to testify.

Ted Kefalas

Director of Strategic Campaigns

Grassroot Institute of Hawaii

¹ "State Building Code Adoption," State Building Code Council, April 20, 2021, p. 1.

² "Interim Building Code (2018 IBC) Takes Effect," Honolulu Department of Planning and Permitting, April 20, 2023.

³ Paul Emrath, "<u>How Government Regulation Affects the Price of a New Home</u>," National Association of Homebuilders, Economics and Housing Policy Group, 2011, p. 5; and Adam Millsap, Samuel Staley and Vittorio Nastasi, "<u>Assessing the Effects of Local Impact Fees and Land-use Regulations on Workforce Housing in Florida</u>," James Madison Institute, Dec. 11, 2018, p. 19.

⁴ "Quarterly Statistical and Economic Report, 4th Quarter 2024," Hawaii Department of Business, Economic Development & Tourism, pp. 107-108.

⁵ Justin Tyndall and Emi Kim, "Why are Condominiums so Expensive in Hawai'i?", The Economic Research Organization at the University of Hawai'i, May 2024, p. 11.

<u>HCR-67-HD-1</u> Submitted on: 4/9/2025 2:35:09 PM

Testimony for PSM on 4/11/2025 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Frank Schultz	Individual	Support	Written Testimony Only

Comments:

I support this initiative.