GRASSROOT INSTITUTE OF HAWAII

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Removing barriers to Hawaii's prosperity

March 21, 2025, 9 a.m. Hawaii State Capitol Conference Room 430 and Videoconference

To: House Committee on Housing Rep. Luke A. Evslin, Chair Rep. Tyson K. Miyake, 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 Chair Evslin, Vice-Chair Miyake and other members of the Committee,

The Grassroot Institute of Hawaii **supports** <u>HCR67</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

¹ "<u>State Building Code Adoption</u>," 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.

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

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</u> <u>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, "<u>Why are Condominiums so Expensive in Hawai'i?</u>", The Economic Research Organization at the University of Hawai'i, May 2024, p. 11.



March 21, 2025

TO: Honorable Luke Evslin, Chair Honorable Tyson Miyake, Vice-Chair House Committee on Housing

FROM: American Institute of Architects, Hawaii State Council Legislative Advocacy Committee

SUBJECT: HCR 67

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

The American Institute of Architects (AIA) Hawaii State Council and the AIA Legislative Advocacy Committee are writing to express our opposition to HCR67, which seeks to address issues related to the State Building Code. While we support the goal of ensuring safe, up-todate, and effective building regulations, we believe this resolution is unnecessary if the State Building Code Council (SBCC) is allowed to meet and function as intended.

Since the Governor's emergency proclamation on affordable housing in the summer of 2023, the SBCC has been unable to meet or fulfill its duties. The inability of this critical body to convene has stalled essential work on building code updates, which are vital for public safety, resiliency, and the orderly development of housing and infrastructure across Hawai'i. Rather than pursuing resolutions that circumvent the council's intended role, the priority should be to reinstate and adequately fund the SBCC so that it can resume its mandate effectively.

The SBCC was established to provide an informed, collaborative process for adopting and updating building codes, ensuring consistency across jurisdictions while incorporating best practices. The suspension of its operations has created uncertainty for industry professionals, developers, and the public. If the SBCC were allowed to function as designed, it would be the appropriate entity to address the concerns outlined in this resolution.

For these reasons, we respectfully urge this committee to focus on reinstating and funding the SBCC rather than advancing HCR67. We appreciate your time and consideration on this matter and welcome any opportunity to further discuss how we can work together to strengthen Hawai'i's building codes and regulatory framework.

Sincerely, American Institute of Architects, Hawaii State Council Legislative Advocacy Committee

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