



Shaping Tomorrow's Global
Built Environment Today

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Bill McQuade
ASHRAE Society President, 2025-2026

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February 5, 2026

The Honorable Kyle T. Yamashita
The Honorable Luke A. Evslin
The Honorable Mark Jun Hashem
House Committees on Finance, Housing, and Water and Land
Hawai'i State Capitol
415 S. Beretania St.
Honolulu, HI 96813

Re: House Bill 1725 "Relating to Building Codes."

Dear Chairs Yamashita, Evslin, and Hashem, and members of the House Committees on Finance, Housing, and Water and Land:

I am writing on behalf of ASHRAE, the American Society of Heating, Refrigerating, and Air Conditioning Engineers. We are a professional and technical society of more than 54,000 members dedicated to energy efficiency, indoor air quality, resiliency, and sustainability in the built environment. Through our Society's research, standards writing, publishing, certification, and continuing education, ASHRAE shapes tomorrow's global built environment today. As one of the premier subject matter experts on the built environment, and on behalf of our 260 members in the state of Hawai'i, we wish to convey our opposition to "Part II" of Hawai'i House Bill 1725, which would change from a three-year to a six-year cycle for building codes updates.

While well intentioned, as we certainly sympathize with the stated goal of bringing down housing costs in Hawai'i, we believe that this proposal will not have the desired effect. The idea underpinning this proposal, that Hawai'i's adoption of modern building codes and energy standards is responsible for high housing costs, and that ceasing to adopt up-to-date building codes and energy standards will bring down housing costs, is incorrect. The failure to update the International Energy Conservation Code and ASHRAE's Standard 90.1 *Energy Standard for Buildings Except Low-Rise Residential Buildings*, which are published on a three-year cycle that syncs up with HI's code updates would cause:

- Energy efficiency gains to be left on the table along with the opportunity for operating cost reductions.
- Business owners, homeowners, and tenants to pay in sum nearly \$3 million in higher utility bills every year.
- Thousands of tons of greenhouse gas emissions to go unmitigated.
- Greater difficulty meeting HI's 2030 and 2045 climate targets.
- Failure to create jobs associated with energy code adoption.
- No significant reduction in housing purchase costs

Second, requiring a cost/benefit analysis that is only created in consultation with developers, contractors, and builders regarding code and standard updates is a departure from the current balanced and fair process. Privileging the voices of one coalition in this complex process could throw future energy standard and building code updates into jeopardy. An amendment requiring additional consultation with energy efficiency advocates and building science and technology organizations such as ASHRAE would help the process remain balanced but would still be an administrative burden.

We also wish to inform you that rigorous studies on the financial and environmental impact of energy code and standard adoption are already produced by the United States Department of Energy and the Pacific Northwest National Laboratory. These reports are an unbiased, science-based analyses of the costs and benefits of updating Hawai‘i’s energy codes and standards. The two most relevant reports for your attention are:

- [Cost-Effectiveness of ANSI/ASHRAE/IES Standard 90.1-2019 for Hawai‘i](#): this study shows the costs and benefits of updating the state’s commercial building energy code. In summary, no increase in construction costs are expected.
- [Cost-Effectiveness of the 2021 IECC for Residential Buildings in Hawai‘i](#): this study shows the costs and benefits of updating the state’s residential building energy code. In summary, homeowners can expect to be cashflow positive inside the first year.

There are many causes of high housing costs, and it would be outside our area of professional expertise to speak authoritatively on them. However, we can point to many counter examples of states that adopt the newest energy standard on cycle and have substantially lower housing and construction costs than Hawai‘i, indicating that at most energy standards and codes are a marginal factor in Hawai‘i’s housing crisis. For example, Montana, Florida, and Oregon all update to the newest edition of ASHRAE’s 90.1 energy standard every three years. According to one large real-estate data company, the median price of a single-family home in Hawai‘i is \$975,000. This can be compared to \$528,000 in Montana, \$433,600 in Florida, and \$521,500 in Oregon¹. More generally, we know that there is a substantial return on investment when it comes to building codes: up to date model building codes save \$11 for every \$1 invested through disaster mitigation benefits.² Additionally, a study has shown that the lower utility bills delivered by using up-to-date energy codes reduce mortgage default rates by about a third. Finally, numerous case studies have shown that updating to modern and more stringent building safety codes and energy codes is not associated with an increase in housing and construction costs.³⁴⁵

¹ McMillin, David. 2024. “Median Home Prices in Every State.” Bankrate. April 8, 2025.

<https://www.bankrate.com/real-estate/median-home-price/#median-price-by-state>.

² “PROTECTING COMMUNITIES AND SAVING MONEY The Case for Adopting Building Codes.” FEMA, November 2020. Accessed January 23, 2025. https://www.fema.gov/sites/default/files/2020-11/fema_building-codessave_brochure.pdf.

³ National Institute of Standards and Technology. “Cost Analyses and Benefit Studies for Earthquake-Resistant Construction in Memphis, Tennessee.” NEHRP, December 2013. Accessed January 23, 2025.

https://nhrp.gov/pdf/NIST%20GCR%2014-917-26_CostAnalysesandBenefitStudiesforEarthquakeResistantConstructioninMemphisTennessee.pdf.

⁴ Simmons, Kevin M., and Paul Kovacs. 2018. “Real Estate Market Response to Enhanced Building Codes in Moore, OK.” International Journal of Disaster Risk Reduction 27 (March): 85–93.

<https://doi.org/10.1016/j.ijdrr.2017.09.040>.

⁵ Quarles, Stephen, Ph.D., and Kelly Pohl M.Sc. “Building a Wildfire-Resistant Home: Codes and Costs.” Headwater Economics, November 2018. <https://headwaterseconomics.org/wp-content/uploads/building-costs-codesreport.pdf>.



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In conclusion, ASHRAE opposes Part II of HB 1725 and urges the swift dismissal of this provision in your committees. We are at your disposal to answer any questions, and to address any comments or concerns you might have. We also wish to make ourselves available to you at any time if you find yourself in need of subject matter expertise on building sciences and the built environment. We can be reached at GovAffairs@ashrae.org. On behalf of our 54,000 members worldwide and our 260 members in Hawai‘i, thank you for your consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Bill McQuade".

Bill McQuade
ASHRAE Society President, 2025-2026