

**TESTIMONY OF
ROBERT C. WIBLE, DIRECTOR,
ALLIANCE FOR BUILDING REGULATORY REFORM IN THE DIGITAL AGE
BEFORE THE JOINT WAYS AND MEANS SUBCOMMITTEE ON
TRANSPORTATION AND ECONOMIC DEVELOPMENT
IN THE MATTER OF HB -2405 - THURSDAY, MARCH 1, 2007**

TESTIMONY SUMMARY STATEMENT

The Alliance for Building Regulatory Reform in the Digital Age is a national public-private sector partnership dedicated to identifying, sharing and helping to implement best practices that strengthen the ability of states and localities to enhance public safety and improve economic competitiveness.

The State of Oregon's e-permitting and related regulatory streamlining initiatives are at the top of the list among the best practices that the Alliance is promoting. The Alliance receives more requests for information on Oregon's programs than for information on any other state's activities.

Jurisdictions want to know how Oregon succeeded in reducing unnecessary construction costs and time delays caused by regulatory overlap, conflict and lack of uniformity in code administration and enforcement programs. Moreover, there is growing interest from a number of these states, including Oregon's neighbors California and Washington, on the benefits of a statewide e-permitting system to help speed permitting as well as disaster response and recovery from a major disaster, such as a level 8 or 9 earthquake.

Most recently, in the wake of Hurricanes Katrina, Rita and Wilma, Louisiana requested the Alliance's assistance in studying the Oregon statewide e-permitting system as a possible model to speed economic recovery and promote effective and efficient enforcement of Louisiana's newly adopted statewide building code.

The passage of HB 2405 and further implementation of the Oregon statewide e-permitting program is of national importance as a streamlining model that can be replicated in other states. Indeed, Oregon's e-permitting project was showcased as a part of our National Streamlining Conference held in Washington, D.C. and drew considerable interest from state and local building officials, and from construction industry associations from across the nation who attended our program.

The Alliance and its partners support the e-permitting initiative.

INTRODUCTION

I want to thank Chair Johnson and members of the Joint Ways and Means Subcommittee on Transportation and Economic Development for this opportunity to appear before you this afternoon regarding House Bill 2405.

I am Robert Wible, the Director of the Alliance for Building Regulatory Reform in the Digital Age, a national public-private sector partnership.

The Alliance was established in 2001 by national associations representing state and local government. Our partners include the National Governors Association, the Council of State Governments, U.S. Conference of Mayors, National Association of Counties, American Institute of Architects, American Society of Civil Engineers, Building Owners and Managers Association, National Association of Home Builders, and several federal agencies and organizations representing state and local building officials.

One of the Alliance's first national models was an Oregon program in the late 1990s that brought stakeholders together to identify ways of making state and local administration, and enforcement of the statewide building code more effective and efficient. Oregon's stakeholder development model has been widely copied by states and localities across the nation to identify and eliminate areas of regulatory overlap and confusion.

Oregon's subsequent identification of ways to strengthen codes administration and enforcement through the standardization of permitting forms and processes also has become an important national model

OREGON AS A NATIONAL MODEL

The Alliance has documented Oregon's successes and shared this information with members through a number of outlets including:

- The Alliance's 2002 and 2003 annual reports to the nation's governors, mayors and counties documented the establishment of the Tri-County Service Center, and its efforts to standardize permit processes, forms, and fee methodology, establish a statewide "minor label program," and pilot e-permitting program with the passage of Oregon's Senate Bill 713 in 2003, which became the Alliance's "Model State Streamlining Enabling Legislation" for e-permitting.
- The Alliance's 2004 annual report which included model legislation including Oregon's streamlining bills that allowed regional on-line permit processing, alternative permitting processes, the streamlining of the code, and support to local building departments for plan reviews

of complex structures and statewide plan approvals for complex projects.

Three 2006 Alliance work products tout Oregon's as a best practices model for its progress in implementing its statewide e-permitting pilot system:

- "Elected Officials Guide to Effective and Efficient Building Regulatory Processes."
- The 2006, "Fourth Annual Report to the Nation's Governors, Mayors and County Administrators"
- November 2006 "HUD Guide to Effective and Efficient Building Regulatory Processes through Information Technology" by the U.S. Department of Housing and Urban Development.

In recognition of his national leadership in Oregon's e-government and regulatory streamlining, HUD and the Alliance invited Oregon Governor Kulongoski to be the state government official signing the Guide's transmittal letter. Local government officials signing the HUD Guide's transmittal letter to their colleagues in state and local government were Salem Mayor Janet Taylor and Los Angeles City Chief Building Official Andrew Adelman.

The HUD Guide in several different chapters describes the benefits of Oregon's on going streamlining initiatives to both the public and private sector, and includes a link to the state's pioneering study issued in August of this year, "One-stop E-permitting: A Statewide Regulatory Streamlining Initiative." In addition, the Alliance's private sector partner, Intel Corporation, has been sharing its perspective of the benefits of Oregon's streamlining and e-permitting initiative with colleagues throughout the nation, urging private sector firms to encourage state and local governments to follow Oregon's example.

As noted in my summary statement, at our National Streamlining Conference held February 15-16 in Washington, D.C., building regulatory, construction industry and public interest groups drawn from across the nation uniformly expressed interest in and support for Oregon's e-permitting initiative. State building officials attending our conference from the states of Florida, Massachusetts and Wisconsin in particular expressed interest in exploring the possible application of a similar system within their states.

SPECIFIC INTERESTS OF OTHER STATES IN OREGON'S STREAMLINING AND EPERMITTING SYSTEMS

Reducing Unnecessary Regulatory Costs and Time Delays

Why all of this interest in Oregon's streamlining and e-permitting work? In short, Oregon provides a relevant model that other states can replicate. Oregon's streamlining efforts have dramatically demonstrated what it takes to develop and sustain a cooperative working relationship with the governor, legislature, local government, the private sector, construction industry and citizens to act together to identify and take common actions to reduce construction costs caused by the confusion and time delays of regulatory duplication, conflict, and overlap. The Alliance has documented that this lack of uniformity adds annually billions of dollars of unnecessary costs to construction.

Major Disasters – Preparedness, Response and Recovery

The second major reason for national interest in Oregon's e-permitting program relates to Hurricane Katrina and potential disasters of similar region-wide impact.

A large-scale disaster of the magnitude of a hurricane or of a level 9 earthquake demonstrates the importance of two aspects of building codes administration and enforcement.

1. The importance of states and local government effectively and efficiently enforcing modern building codes with disaster resilience provisions.
2. The beneficial role that a uniform on-line permitting system can play in speeding disaster recovery. Such a system enables a state agency or local government not adversely impacted by the disaster to offer e-permitting, along with mobile inspection and even, in some cases, plan review services to that portion of the state devastated by the disaster.

Oregon's proposed e-permitting system would make such assistance possible. And in the future, enhancements in electronic plan reviews would enable Oregon to provide rapid uniform plans reviews to devastated areas.

In the wake of Katrina and the issuance last summer of the final report on the Blue Cascades III exercise, the Alliance has received inquiries from the California and Washington State Officers of Homeland Security and Emergency services to learn more about Oregon's e-permitting system. Florida has expressed similar interest due to its vulnerability to hurricanes.

Looking at last year's Blue Cascades III exercise, there is also potential for connections between the e-permitting and later electronic plan review systems between states within a region so that Oregon can assist Washington and California; and Washington and California can assist Oregon more effectively should a magnitude 9 earthquake event ever occur.

Lastly, this past November Louisiana State Uniform Construction Code Council asked the Alliance to share information on Oregon's e-permitting program to develop an Information Technology Roadmap, and to consider the legislative and administrative actions necessary to develop a state-based, but locally administered uniform e-permitting system of their own.

CLOSING STATEMENT

I want to thank you again, Madame Chair and members of this joint subcommittee, for the opportunity to share this national perspective on the critical importance of Oregon's statewide e-permitting initiative.

The Alliance believes that because of the potential to be readily replicated by other states, the Oregon e-permitting and streamlining initiatives have tremendous economic development and public safety benefit to not only the citizens and business community within Oregon, but to the Pacific Northwest region and to the nation as a whole.

Your counterparts in other states are now wrestling with many of the same regulatory streamlining issues for which you have already taken action. You are the national leaders in this area and your continued success is a major benefit to your colleagues and the citizens and industry within their states.

Thank you again for this opportunity this afternoon.

I am available to answer any questions. You can find the references I have made to our coverage of Oregon's programs on our website at www.natlpartnerstreamline.org

ATTACHMENT TO ROBERT WIBLE TESTIMONY

ALLIANCE PARTNERS

Members and affiliate members:

- American Institute of Architects
- Associated General Contractors of America
- Association of Major City/County Building Officials
- Boeing
- Building Owners & Managers Association International
- Civil Engineering Research Foundation (CERF)
- Commonwealth of Pennsylvania
- Commonwealth of Virginia
- Council of State Community Development Agencies
- *Design Build Institute of America
- Fannie Mae
- *Federal Emergency Management Agency
- Habitat for Humanity International
- Industrialized Buildings Commission
- Institute for Building Technology and Safety
- Intel
- International Alliance for Interoperability
- Marriott Corporation
- National Association of Counties
- National Association of Home Builders
- National Conference of States on Building Codes and Standards
- National Fire Protection Association
- National Governors Association
- National Institute of Building Sciences
- National Institute of Standards and Technology (NIST)
- Urban Land Institute
- U. S. Conference of Mayors
- U. S. Department of Agriculture
- U. S. Department of Energy
- U.S. Department of Housing and Urban Development (HUD) &
Partnership for Advancing Technology in Housing (PATH) &
*America's Affordable Communities Initiative - Bringing Homes Within
Reach Through Regulatory Reform*
- U. S. General Services Administration

*Commitment pending

Alliance affiliate partners:

- American Subcontractors Association
- Arizona State University Del E Webb School of Construction's Housing Research Institute
- Carnegie Mellon University
- City of Milpitas, California
- City of San Jose, California
- ComCARE Alliance
- Council for Excellence in Government
- Council of State Governments
- Fairfax County, Virginia
- FIATECH
- Harvard University's Joint Center for Housing Studies
- Massachusetts Institute of Technology
- National Association of State Chief Information Officers
- National Association of State Facilities Administrators
- National Science Foundation
- New York City
- Stanford University Center for Integrated Facility Engineering
- State of California
- State of Maryland
- State of Oregon
- State of Washington
- Virginia Tech Center for Housing Research

*Commitment pending

For more information: Alliance Director, Robert C. Wible at: rcwible@comcast.net or at 703-568-2323 or by visiting the Alliance website at: www.natlpartnerstreamline.org