April 22, 2022

The Honorable Charles Schumer

Majority Leader

U.S. Senate

Washington, DC 20510

Dear Leader Schumer:

As you know, in November 2021, the House passed H.R. 5376, the *Build Back Better Act*, which included many provisions to curb housing, healthcare, and energy costs by improving our national resilience to natural disasters, dramatically reducing wasted energy to mitigate the impacts of our changing climate, and by providing meaningful and much needed additional investments towards the health, safety, and welfare of our nation’s communities and people.

The High Performance Building Coalition works to support legislation and policies that promote innovative building technologies, enhancing U.S. economic competitiveness, increasing energy and water efficiency in the built environment, advancing sustainable and resilient communities, and supporting the development of private sector standards, codes, and guidelines that address these priorities.

With the Senate’s renewed efforts to refine H.R. 5376 and the likelihood of it being further focused, the Coalition urges the Senate to ensure the following key components are maintained in any eventual compromise measure to mitigate inflation pressures and reduce housing, healthcare, and energy costs:

**Sustaining $450 million for current energy and hazard-resistant code adoption and implementation –** Congress has recognized the importance of energy conservation codes and standards for realizing reductions in wasted energy and concurrently reducing the impacts of our changing climate. [According to DOE](https://www.energycodes.gov/impact-analysis), the adoption and effective implementation of up-to-date energy codes is projected to save $138 billion in energy costs and 13.5 quads of primary energy while avoiding 900 MMT in CO2 emissions. These savings equate to the annual emissions of 108 million homes. To support these goals, we ask that you retain Section 30422 of the House-passed bill and 70132 of the Senate proposal that would provide $300 million in assistance for current and zero building energy code adoption and implementation.

As with energy conservation codes, Congress has a bipartisan track record of supporting the adoption and implementation of hazard resistant codes and standards. Resilient building infrastructure is critical towards mitigating the impacts of our changing climate. Because of climate change, hazard risk is increasing markedly. [Per FEMA](https://www.fema.gov/sites/default/files/2020-11/fema_building-codes-save_brochure.pdf), adoption and effective implementation of hazard resistant building codes is one of, if not the, most effective mitigation measures against hazard risk. Absent stronger codes, thousands of buildings will sustain avoidable damage, in many instances, irreparably so, resulting in significant environmental costs that are associated with building new replacement infrastructure and repairing existing infrastructure. Buildings built to strong energy codes that are highly energy efficient or even net zero energy will not realize climate benefits if they are damaged or destroyed because they were not constructed to withstand hazard risk.

Requiring current hazard-resistant codes could prevent roughly $14,000 in losses per building in areas where codes have not been updated in the past two decades, an [$11 to $1 return on investment](https://www.nibs.org/projects/natural-hazard-mitigation-saves-2019-report) in many of these areas that will mitigate loss of life and injuries, property damage, business interruptions, as well as first responder and annual homeownership costs. [Per FEMA](https://www.fema.gov/sites/default/files/2020-11/fema_building-codes-save_study.pdf), in recent years, 30% of new construction has taken place in these areas. Section 110008 of the House-passed bill and Sec. 50015 of the Senate-proposed text both provide FEMA with $150 million for federal assistance to state, local, tribal, and territorial governments to ensure that future construction within their jurisdictions is resilient, with corresponding loss avoidance benefits [equivalent](https://www.sparisk.com/pubs/Porter-2021-MSv2-CO2.pdf) to preserving 15,000 new homes, and avoiding 1.5 million metric tons of CO2 emissions, per year.

**Providing educational assistance for skilled trades, workers needed for a resilient and clean energy future –** Skilled trades face significant workforce shortages, and a trained workforce is critical to ensuring infrastructure investments now and in the future are built to last and are well maintained. Targeted federal assistance for worker training for building professionals through both secondary and post-secondary education, registered apprenticeships, partnerships on industry-recognized credentials, non-profit organization-led instruction, and certifications is essential to ensuring the built environment is resilient, efficient, and kept in good repair. The inclusion of Section 22102, 22103, 26002, and 30411 from the House-passed package and Section 70123 of the Senate proposed text would provide resources for multiple career and technical education programs that are critical to ensuring a career pathway for these jobs vital to ensuring safe, healthy, and resilient communities.

**Expanding energy efficiency tax incentives –** Tax incentives such as the 179D commercial buildings energy-efficiency tax deduction encourage energy efficiency improvements to homes and buildings. In the Consolidated Appropriations Act of 2021, Congress made the 179D deduction permanent and strengthened the efficiency performance requirements for receiving the deduction. However, the 2021 update included technical implementation challenges and failed to increase the value of the deduction to accompany the strengthened performance requirements. We support an expanded deduction with more flexible approach such as that proposed in recent iterations of the Build Back Better Act that allows a sliding scale of 25% to 50% reduction over the most recent standard, with a corresponding deduction of $2.50 to $5 per square foot. Incentivizing action from building owners on building energy consumption will be essential to decarbonization efforts.

**Improving federal building performance to reduce federal spending –** The General Services Administration’s (GSA) Public Buildings Service (PBS) is responsible for a portfolio of nearly nine thousand buildings and manages more than 370 million square feet of workspace. While the GSA’s P100 standards document for federal buildings is commendable, implementation across the entirety of the PBS portfolio is lacking due to a shortfall of resources. Compared to legacy stock buildings, GSA’s high-performance buildings [have](https://protect-us.mimecast.com/s/MolECo2PDEUrZlgQs1IaCO?domain=gsa.gov) 23% lower energy use, 28% lower water use, 23% lower building operating expenses, 9% less waste landfilled, and higher overall tenant satisfaction. Sec. 110010 of the House-passed bill and Sec. 30805 of the Senate proposal would provide $500 million, available through Fiscal Year 2031, for the Federal Building Fund, for necessary services to support the delivery of high-performance green buildings, generating significant federal operations and maintenance savings.

**Ensuring robust federal assistance for lead service line replacement, lead remediation, and indoor air quality improvements –** The Centers for Disease Control and Prevention (CDC) and the Environmental Protection Agency (EPA) [agree](https://www.cdc.gov/nceh/lead/data/blood-lead-reference-value.htm?CDC_AA_refVal=https%3A%2F%2Fwww.cdc.gov%2Fnceh%2Flead%2Facclpp%2Fblood_lead_levels.htm) that there is no safe level of lead in a child’s blood, a lesson reinforced with the Flint water crisis. Lead exposure can be devastating to the human body, significantly impair psychological and physical development in children, damage the brain and nervous system, reduce fertility, and increase risks of cancer, heart and kidney diseases, and high blood pressure. Reducing lead in drinking water is a long-standing, bipartisan priority with far-reaching health benefits that reduce the burden on the U.S. health care system. Congress has provided the EPA with significant authority but limited resources to provide federal assistance to communities to remediate their lead service lines, of which conservative estimates tally at least six million of across the country. Section 30301 - as originally proposed by the Senate - would provide $9 billion in assistance to replace lead service lines, as well as for installation and maintenance of lead filtering and remediation technologies at schools and childcare facilities serving disadvantaged communities.

Indoor environmental quality directly affects how students perform and their overall health. Furthermore, students from low-income or disadvantaged communities are [more likely](https://pubmed.ncbi.nlm.nih.gov/29245126/) to attend public schools with higher ambient neurotoxicant exposure.  The inclusion of Section 30107 of the House-passed bill would provide EPA with $10 million to monitor and reduce air pollution at public schools in low-income and disadvantaged communities, delivering much-needed assistance to disproportionately affected communities.

Combined, the investment of taxpayer resources in the above areas will have measurable impacts on the lives of every American and across all communities. These efforts will pay dividends for decades to come, combating inflation, reducing healthcare and housing costs and wasted energy, bolstering resilience, and contributing to improvements in life and safety across the nation. We urge you to continue to include the sections noted above in any final measure passed by the Senate. Thank you for your efforts. If you have questions, please contact me at gmaser@ICCSafe.org.

Sincerely,

Gabe Maser

Chair, High Performance Building Coalition