

Washington Offering States \$1.2 Billion to Adopt More Stringent Energy Codes

The Biden Administration has launched several federal initiatives to reduce greenhouse gas emissions and improve the energy efficiency of buildings. Two are specifically designed to encourage state and local governments to update their building energy codes. These efforts represent an immediate and intense push for widespread energy code updates that is expected to continue at least through 2029.

Between now and then, countless municipalities will be considering or beginning to adopt increasingly stringent energy codes which will drive up construction costs and home prices. Members and HBAs need to be vigilant and steer them in the right direction. Are you ready?

1. The Infrastructure Investment and Jobs Act (IIJA) or Bipartisan Infrastructure Law (BIL) signed in November 2021, provides \$225 million (\$45 million per year from FY22 through FY26) for Department of Energy's Resilient and Efficient Codes Implementation (RECI) program.

f Funding is available to states or other entities in partnership with states, such as state/local g/c st c/w

sustainability, resilience, or climate goals.

- b) Workforce development/energy code training programs, advanced training on high performance and zero-net-energy buildings, as well as underlying building science and resulting economic benefits; and tools and resources to support efficient and advanced construction practices.
- c) Improving implementation and compliance through developing and implementing performance-based energy codes or compliance tools; research and validation studies; and implementing stretch codes, zero-energy and zero-carbon codes, or zoning ordinances that go beyond minimum energy codes in a sustainable fashion.

f To be eligible for 2023 funding, concept Papers must be submitted to the U.S. Department of Energy (DOE) by Jan. 31, 2023. Full Applications are due by Mar. 27, 2023. Complete details go to <https://eere-exchange.energy.gov> and click on DE-EOA0002813

2. The Inflation Reduction Act (IRA)

f \$300 million will be distributed through DOE to support the adoption of residential and commercial building energy codes that meet or exceed the 2021 International Energy Conservation Code (IECC)

- f \$670 million will be available for the adoption of building codes that meet or exceed the zero energy provisions in the 2021 IECC.
- f Funding will likely be available to states or other entities in partnership with states, such as state/local code departments, builders/HBAs or others.
- f These grants are intended to be available through 2029
- f The specific DOE Guidelines for the IRA grants are still in development.

Given the dollar amount of these incentives, many jurisdictions will find it difficult to ignore and will likely consider adopting energy code upgrades. And they will have plenty of help, as a number of groups are already taking steps to prepare jurisdictions to successfully obtain these federal dollars.

The International Code Council, in collaboration with other groups, formed the Strategic Energy Code Implementation Team (SECIT), which will support state and local governments seeking competitive funding.

The National League of Cities, along with other local government leaders, developed the Local Infrastructure Hub, which is aimed at helping cities and towns develop competitive funding applications. It estimates that 2,000 smaller communities will benefit from this assistance over the next two years.

The New Hampshire Municipal Association (and presumably others like it) provides advice and guidance on how to access JAF funds.