

March 23, 2020

Chairman David Price
Transportation, Housing and Urban Development
Subcommittee
House Committee on Appropriations
2358-A Rayburn House Office Building
Washington, D.C. 20515

Ranking Member Mario Diaz-Balart
Transportation, Housing and Urban
Subcommittee
House Committee on Appropriations
1016 Longworth House Office Building
Washington, D.C. 20515

Chairman Susan Collins
Transportation, Housing and Urban Development
Subcommittee
Senate Committee on Appropriations
Room S-128, The Capitol,
Washington, D.C. 20510

Ranking Member Jack Reid
Transportation, Housing and Urban
Subcommittee
Senate Committee on Appropriations
Room S-128, The Capitol,
Washington, D.C. 20510

Dear Chair Collins, Ranking Member Reid, Chairman Price, and Ranking Member Diaz-Balart:

On behalf of the undersigned organizations, we are writing in support of critical housing and infrastructure programs administered by the Department U.S. of Housing and Urban Development (HUD) in Fiscal Year (FY) 2021. These programs provide benefits and savings to American homeowners, consumers, and businesses many times greater than the public's investment. Furthermore, these activities, often through public-private partnerships, help the construction and manufacturing sectors with job creation throughout the United States. We urge you to support direction to HUD to ensure that these programs have the resources necessary to continue contributing to improved resiliency, efficiency and health in our nation's buildings and infrastructure and increased economic and energy productivity.

States and localities determine building standard adoption and application, which, correspondingly, varies state by state and jurisdiction by jurisdiction. According to FEMA, about two-thirds of communities facing hazard risks have not adopted hazard resistant building codes. Twelve states that adopt statewide energy requirements utilize energy codes that are roughly ten years old. This means that, absent minimum standards, the safety, resilience, and efficiency requirements for federally supported infrastructure investments will vary considerably depending on where the construction takes place. The Community Development Block Grant (CDBG) program has no minimum building requirements and the Housing Trust Fund (HTF) and Public Housing Capital Fund (PHCF) could permit standards close to 20 years old. HTF and PHCF do set energy conservation minimums, but they reference energy codes that are about 10 years outdated. Current codes are 25% more energy efficient.

Reducing overall utility consumption is key for the agency to be more effective with public dollars. HUD's programs and the ability to accomplish agency goals are affected by utility costs. As of 2007, HUD's own estimate indicates they annually spend over \$ 5 billion on heating, lighting, and cooling its portfolio of public and assisted housing and section 8 vouchers. Public Housing utilities cost more than \$1 billion per year.

These high utility bills, when paid for by the tenant, can also provide economic hardship. As reported by the U.S. Energy Information Administration's (EIA) Residential Energy Consumption Survey, 31% of U.S. households struggle to pay their energy bills or to adequately heat or cool their homes. These types of

households, often referred to as ‘energy insecure,’ are also more likely to earn less than \$20,000 annually. In fact, where the median U.S. energy burden is 3.5% of a household’s income, low-income households experience a median energy burden of 7.2%.

We ask you to, once again, include direction to HUD to ensure that investments made through funding in the bill be built in a resilient manner using up to date standards. We also support direction for partnerships between healthy homes and the Department of Energy weatherization assistance program for information on improved health outcomes. We request the addition of the following language to ensure that HUD is completing its statutory obligation to update energy codes utilized in HUD programs:

Energy Codes- The Committee is concerned the Department has yet to update minimum energy efficiency standards, as required under 42 U.S.C. 12709, since the 2009 International Energy Conservation Code and ASHRAE Standard 90.1-2007. Further, the Committee notes the Department of Energy findings that more recent model codes reduce energy use by more than 25% and are cost effective. The Committee urges the Department to take immediate steps to update the standards as required under the law, which will reduce operating expenses for HUD owned and subsidized properties.

As HUD invests in buildings and infrastructure Congress should ensure that HUD prioritizes long term durability and utility costs savings to avoid creating waste in the first place. We urge the Subcommittee to support this important direction for HUD in FY2021.

Thank you for your consideration of our request.

American Council for an Energy Efficient Economy
Alliance to Save Energy
ASHRAE
Building Performance Association
Business Council for Sustainable Energy
E4TheFuture
International Code Council
Institute for Market Transformation
National Association of Energy Service Companies (NAESCO)
National Association of State Energy Officials (NASEO)
U.S. Green Building Council