

May 22, 2024

The Honorable Jeff Duncan
Chairman
Subcommittee on Energy, Climate, and Grid
Security
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Diana DeGette
Ranking Member
Subcommittee on Energy, Climate, and Grid
Security
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Duncan and Ranking Member DeGette

As the Subcommittee on Energy, Climate, and Grid Security considers the value of sustainable building policies, we write to call your attention to the well-documented return on investment that the adoption and effective implementation of building energy codes provides.

Three National Laboratories recently found that during prolonged weather-related power outages coupled with extreme heat or cold, modern energy codes can reduce deaths due to extreme heat by 80% and extreme cold by 30%. Benefit-cost ratios for these resilience benefits ranged from 1 to 26.1. These benefits are additive to the energy bill savings energy efficiency and energy codes provide and will only increase in impact with extreme heat events expected more than double this century. More than two thirds of all Americans were under heat alerts in 2023.

Contemporary research continues to find that modern, health- and safety-focused building codes do not negatively impact housing affordability^{4,5,6}—in fact, no peer-reviewed research has found otherwise.⁷ Although in theory additive code requirements could increase costs, including interest rates and land costs, have proven determinative. To illustrate, despite extensive code advancements since 2000 and a 67% increase in new square footage since the 1960s, the median sales prices of new homes and existing homes separated by less than 1.7% last summer.

Energy codes have been shown to promote housing affordability. In updating its code requirements for federally assisted housing, the U.S. Department of Housing and Urban Development and U.S. Department of Agriculture found that current energy codes for single-family homes create a positive

¹ DOE, [Enhancing Resilience in Buildings Through Energy Efficiency](#) (July 2023).

² U.S. Global Change Research Program, [Fifth National Climate Assessment](#) (2023).

³ Centers for Disease Control and Prevention, [Press Release: Heat Protection Measures to Prevent Illness](#) (Apr. 22, 2024).

⁴ Simmons, K. & Kovacs, P., [Real Estate Market Response to Enhanced Building Codes in Major U.S. Cities](#), *Investigative Journal of Risk Reduction* (Mar. 2018) (stronger building code had no effect on the price per square foot or home sales).

⁵ NEHRP Consultants Joint Venture, [Cost Analyses and Benefit Studies for Earthquake Resistant Construction in Memphis, Tennessee](#), NIST GCR-14-7-26 (2013) (adopting stronger codes would add less than 1 percent to the construction while reducing annualized loss in terms of repair cost, collapse probability, and fatalities by approximately 50 percent).

⁶ Porter, K., [Resilience-related building code changes don't affect affordability](#), SPA Risk LLC Working Paper Series 2019-01 (2019) (over the nearly 30-year period studied, codes only increased a home's purchase price by around a half a percentage point in earthquake country or in an area affected by riverine flood).

⁷ Claims that codes have higher upfront costs and more gradual payback periods are commonly rooted in non-scientific surveys lacking standardized methodology, response verification, representative and robust respondent pools, or statistical rigor.

⁸ Yourko, J. & Molloy, R., [Regulation and Housing Supply](#), *Handbook of Regional and Urban Economics*, Volume 5B Chapter

cash flow in less than two years, with savings for households reaching nearly \$400 annually and more than \$1,500 dollars over the span of a typical mortgage¹⁰

The U.S. Department of Energy is currently providing grants to support the adoption and implementation