

FACT SHEET: Biden-Harris Administration Launches Initiative to Modernize Building Codes, Improve Climate Resilience, and Reduce Energy Costs

JUNE 01, 2022 • STATEMENTS AND RELEASES

New Building Codes Initiative will boost resilience to the impacts of climate change, lower utility bills for homes and businesses, and prioritize underserved communities

Today, the Biden-Harris Administration is announcing a National Initiative to Advance Building Codes that will help state, local, Tribal, and territorial governments adopt the latest, current building codes and standards, enabling communities to be more resilient to hurricanes, flooding, wildfires, and other extreme weather events that are intensifying due to climate change.

Modern building codes and standards provide a range of smart design and construction methods that save lives, reduce property damage, and lower utility bills—for example, by ensuring that roofs can withstand hurricane winds, that construction materials are resistant to flood damage, and that insulation keeps heating and cooling costs low. With extreme weather events threatening millions of homes each year, and taking a greater toll on underserved communities, every dollar invested in building code adoption provides eleven times more in savings by reducing damage and helping communities recover more quickly.

Additionally, modernized energy codes can save households an average of \$162 dollars each year on utility bills, which is especially significant in reducing energy burden for low-income households. Unfortunately, nearly two out of every three communities in the U.S. have not adopted the latest building codes and, as a result, are vulnerable to climate impacts and higher energy costs.

President Biden is committed to lowering costs for families and protecting communities from extreme weather—especially communities that have long been underserved and are disproportionately impacted by climate change. Earlier this year, President Biden’s National Climate Task Force approved the new National Initiative to Advance Building Codes to

accelerate the adoption of modern building codes to improve resiliency, create good-paying jobs, and lower energy bills. Through this initiative, the Biden-Harris Administration will:

- **Comprehensively review federal funding and financing of building construction**, to ensure federally-supported housing and other building projects follow modern building codes and standards to the greatest extent feasible, while creating good-quality jobs and advancing Administration efforts to boost affordable housing supply, with agencies reporting to the National Climate Task Force on progress. For example, the Department of Housing and Urban Development (HUD) will promote resilient and efficient building standards in new construction supported by Community Development Block Grant-Disaster Recovery funds, which primarily aid low- and moderate-income persons in disaster recovery.
- **Harness \$225 million in Bipartisan Infrastructure Law funding** for the Department of Energy (DOE) to support implementation of updated building energy codes and create good-quality jobs, including through workforce training partnerships and direct support to state and local agencies, while prioritizing the needs of disadvantaged communities and advancing the President’s Justice40 Initiative.
- **Provide incentives and support for communities to adopt current building codes and standards** by providing technical assistance, implementing proven strategies and best practices—such as those in the new Federal Emergency Management Agency (FEMA) Building Codes Strategy—across all relevant agencies in the federal government, and using mapping tools that help track code adoption based on energy efficiency and local hazards such as flood, earthquake, tornado, and hurricane risk.
- **Lead by example across the federal building portfolio**, by seizing opportunities to advance “above-code” resilience and energy efficiency standards in new projects, as well as developing the first Federal Building Performance Standards to help achieve net-zero emissions across new and existing federal buildings by 2045.

To announce the National Initiative to Advance Building Codes, FEMA Administrator Deanne Criswell and Deputy National Climate Advisor Ali Zaidi are in Miami, Florida today meeting with experts in climate resilience and building safety and efficiency.

NATIONAL INITIATIVE TO ADVANCE BUILDING CODES

Modern, consensus-based codes—developed and updated by the International Code Council, National Fire Protection Association, American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE), and other organizations that rely on expert input from

scientists and engineers—provide sets of model standards for several aspects of building design, including energy efficiency and improving resilience to various hazards such as wildfires, hurricanes, and floods. Communities that have adopted modern building codes are already saving an estimated \$1.6 billion a year in avoided damage from major hazards, with projected cumulative savings of \$132 billion through 2040—a figure that will become much higher if more communities adopt modern codes.

A recent analysis from FEMA categorized states based on their building code uptake and found that 39 states fell into the lowest category—meaning less than 25% of the state’s communities were covered by the latest hazard-resistant codes. Nationwide, only about 35% of counties, cities, and towns have the latest codes in place, leaving millions of Americans more vulnerable to extreme weather and higher energy costs.

Through an all-of-government commitment across the Biden-Harris Administration, key federal agencies will collaborate to:

Increase Support and Incentives for Modern Code Adoption

Through the Mitigation Framework Leadership Group (MitFLG), a collaborative interagency body focused on improving resilience, senior agency officials will identify opportunities across federal programming to enhance outreach, technical assistance, and capacity building to states, Tribes, territories, and local governments on building codes. For example, agencies will advance the use of innovative incentives in federal funding to support and reward jurisdictions for code adoption and enforcement, to the extent allowed by law, with a focus on assisting historically underserved communities.

As part of this holistic review, which will be reported to the National Climate Task Force, specific efforts include:

- **FEMA will implement its new Building Codes Strategy**, which will integrate and, where legally permissible, require current building codes in its programs, policies and guidance; strengthen partnerships with other federal agencies, other levels of government, NGOs, and the private sector; and target FEMA outreach, education, and technical support efforts to increase building code adoption in underserved and vulnerable communities.
- **DOE will deploy \$225 million from the President’s Bipartisan Infrastructure Law** to support building energy code adoption, enforcement, training, and technical assistance at the state and local level. With these funds, DOE is launching a Resilient and Efficient Codes Implementation program to advance energy efficiency and resilience through building

codes by, among other things, supporting sustained state code implementation efforts, creating good-paying union jobs, and advancing environmental and energy justice priorities. DOE projects that through 2040, model energy codes will deliver \$138 billion in energy cost savings and prevent carbon emissions equivalent to what 195 million gasoline cars emit in a year.

- **FEMA will utilize and update the Building Code Adoption Tracking portal** to identify the status of building code adoption relative to known climate and other natural hazard risks in each community, with a particular focus on code adoption in underserved areas, to help local policymakers advance the adoption of modern, hazard-resistant building codes. DOE will continue to track the status of state energy code adoption.

Review Federal Funding and Financing to Incorporate Modern Codes

The federal government implements a wide range of programs that fund or finance building construction—from disaster recovery programs at FEMA and the Small Business Administration, to federally-assisted housing supported by the Departments of Agriculture, Veterans Affairs, Treasury, HUD, and other agencies.

To increase the use of modern building codes across these projects, the MitFLG will undertake a comprehensive review of agency programs that support new construction or substantial rehabilitation of homes and other buildings, through grants, loans, funding, financing, or technical assistance. Agencies will then work to update programs to incorporate the latest consensus-based codes, while also identifying opportunities for greater ambition. For example, HUD will:

- Require increased resilience and energy efficiency standards for residential properties newly constructed or substantially rehabilitated with the \$5 billion in 2020 and 2021 Community Development Block Grant-Disaster Recovery (CDBG-DR) funds. These funds can be used to provide assistance to residents of underserved communities who have been historically marginalized and are adversely affected by disasters.
- Seek to require above-code green and resilient construction standards in HUD-assisted housing wherever feasible, especially in competitive funding announcements, and continue developing new incentives for above-code standards, including through the Multifamily and Residential Healthcare Facility Green Mortgage Insurance Premium programs.

The goal of this interagency effort will be to ensure that building activities receiving federal funding or financing will meet or exceed the latest building codes to the greatest extent

feasible regardless of local code adoption, while balancing Administration policies to boost housing supply and lower upfront costs, and with flexibility for operational constraints, mission requirements, technical feasibility, enforcement feasibility, individual limitations, or Tribal, cultural, or traditional structures. The MitFLG will report on progress to the National Climate Task Force.

Lead by Example Across the Federal Building Portfolio

The Biden-Harris Administration will continue to expand its efforts to adopt ambitious, above-code resilience and energy efficiency standards across the federal building portfolio. As part of ongoing work to implement the President's Executive Order on Federal Sustainability:

- Federal agencies will design all large new construction and modernization projects (above 25,000 gross square feet), starting now in Fiscal Year 2022, to be **net-zero emissions**—which includes the use of all-electric equipment and appliances and efficiency measures significantly above current model codes.
- The Office of the Federal Chief Sustainability Officer, within the White House Council on Environmental Quality, will explore opportunities to integrate **innovative resilience standards**—including above-code protections against specific hazards like floods and wildfires.
- The Administration will implement the first-ever **Federal Building Performance Standards**, being developed by the White House Council on Environmental Quality, the General Services Administration, DOE, and the Environmental Protection Agency, to advance the retrofits of existing Federal buildings and establish metrics, targets, and tracking methods to reach the Administration's federal carbon emissions reduction goals—including a net-zero emissions building portfolio by 2045, with a 50 percent emissions reduction by 2032.

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