116th Congress Policy Priorities

The High-Performance Buildings Coalition (HPBC) is a coalition of approximately 200 organizations providing guidance and support to the High-Performance Buildings Caucus of the U.S. Congress, co-chaired by Rep. Peter Welch (D-VT) and David McKinley (R-WV).

Buildings Are a Critical Part of America's Infrastructure

- Providing sufficient federal funds to invest in our nation's aging building, transportation, energy, and water infrastructure is vital to the country, the economy, and the U.S. building industry. Recent studies have demonstrated that every $1 billion invested in nonresidential construction would add $3.4 billion to the gross domestic product (GDP), add $1.1 billion to personal earnings, and create or help sustain millions of jobs. *We urge Congress to recognize the critical role buildings play in public safety, national security, economic growth, and as a critical part of our nation's infrastructure. We also encourage Congress to ensure that opportunities to promote high-performance and resilient systems in buildings and to promote the retrofitting of older buildings with these systems are included in infrastructure proposals that Congress will consider.*
- ***Promote the Growth of Skilled Trades and Workers.*** Skilled trades face significant workforce shortages. A trained workforce is critical to ensuring infrastructure investments now and in the future are built to last and are well maintained. The Coalition supports, as part of federal infrastructure investment, federal assistance for worker training for building professionals through both secondary and post-secondary education and non-profit organization-led instruction and certifications.
- ***Support Grid Modernization and Security Measures.*** Enact sections 31101 and 31201 of "The Leading Infrastructure for Tomorrow's America Act" (H.R. 115-2479). The provisions seek to deploy smart grid technology and efficiency upgrades to enhance the resilience, reliability, and energy security of the grid. The Coalition supports additional elements to engage the private sector and technology developments in the changing grid environment.
- ***Require Federal Infrastructure Investment be Done to the Latest Codes and Standards.*** Adopting and effectively implementing current model building codes and standards is the nation's best defense against natural disasters – saving lives, protecting public property, and reducing the need for future federal disaster assistance.

Save Taxpayer Dollars by Increasing Efficiency of Federal Buildings

- ***Set Resource Efficiency Goals of the Federal Government.*** Set energy intensity reduction targets, water savings targets, and codifying requirements for agency-established goals for the federal government.
- ***Expand the Use of Energy and Utility Saving Performance Contracts (ESPC)s/(USPC)s.*** Under this financing mechanism, private sector service companies finance and install new energy and water efficient equipment at minimal or no upfront cost to the federal government. Federal agencies repay this investment over time with funds saved on utility costs. The private sector contractors measure, verify and guarantee these energy savings.
- ***Reform the Federal Buildings Personnel Act (PL 111-308) and Support Research Relative to the Impact of Workforce Training on Building Performance.*** The Coalition supports effective implementation of this law, including enhancing accountability for its implementation and other reform measures contained in GAO's October 2015 report.
- ***Improve Federal Building Performance Requirements.*** Requiring new federal buildings to be net zero ready where feasible or to exceed the most recent code by 30% when making major modifications. Similar language is found in the All-of-the-Above Federal Building Energy Conservation Act of 2018. Also, require more common and routine building alterations to comply with the most recent energy code.
- ***Improve Federal Leased Space Performance.*** Require the GSA Administrator to submit and publish a report on its implementation of the Better Buildings Act of 2015 and expand and strengthen requirements for leases in terms of energy efficiency and performance.
- ***Renewable Energy Certainty Act.*** Allow all federal agencies to enter into 30-year power purchase agreements (PPAs) for energy generated from renewable resources or cogeneration.
- ***Extend Flood Risk Standards for Non-Defense Buildings and Infrastructure.*** Implement appropriate floodplain management practices, ensuring that public projects increase resilience from flooding.
- ***Support the Reintroduction and Passage of the Building Training and Assessment Centers and the Smart Building Acceleration Provisions from S. 1460, the Energy and Natural Resources Act of 2017.***

Leverage Tax Incentives And Provide Market Certainty

- ***Make the §179D Tax Credit Permanent.*** The "Energy-Efficient Commercial Building Tax Deduction" (IRC §179D) expired at the end of 2017. Before its expiration, it provided building owners or designers with a $1.80/square foot tax deduction for improving the energy performance of an entire building, or a building's lighting, heating and cooling, and envelope subsystems based on meeting pro-rated performance standards. Additionally, the Coalition supports efforts to strengthen this tax credit by extending its benefits to nonprofits.
- ***Extend §25C for Homeowners.*** The "Residential Energy-Efficiency Tax Credit" (§25C) expired at the end of 2017 and gave homeowners a $500 maximum tax credit for qualified improvements to their home's windows, doors, roofing, HVAC systems, hot water heaters and insulation. The credit offered homeowners modest financial incentives to reduce energy waste in their homes, with corresponding benefits for the U.S. economy and the environment.
- ***Extend §45L for Home Builders.*** The "Energy Efficient New Home Tax Credit" (§45L) expired at the end of 2017 and gave homebuilders $2,000 for homes that reduced heating and cooling by 50% over the 2006 IECC. Manufactured homes with energy use levels 30% below that standard, or that met ENERGY STAR requirements, were eligible for a $1,000 credit.
- ***Renewable Energy in §48 and 25D.*** Eliminate the ramp down of the 30% Investment Tax Credit (ITC) for still maturing technologies like solar thermal, fiber optic solar, qualified fuel cell and small wind, and the 10% ITC for qualified microturbine, combined heat and power system, and thermal energy property.
- ***Ensure the Equal Treatment of Water Efficiency Rebates Under Tax Law.*** Rebates from energy utilities are tax-exempt, but not rebates from water utilities. With the rapid growth of water-saving programs, millions of Americans face an unexpected tax bill once these rebates are reported to the IRS.

Encourage High Performance Homes and Commercial Buildings

- ***Pass Enhanced Provisions That Incorporate Energy Efficiency Improvements in the Underwriting for Home Mortgages (SAVE Act).*** Such efforts would allow lenders to consider a home's energy efficiency and expected monthly energy bills when determining the homeowner's ability to afford monthly mortgage payments.
- ***Support the Effective Implementation of Disaster Recovery Reform Act (DRRA) of 2018's Standard and Code Provisions.*** Strengthening the built environment is vital to shielding the public when an extreme weather event occurs. The DRRA encourages the adoption and enforcement of the latest standards – allowing FEMA to rebuild stronger to protect communities from future disasters. The Coalition supports collaboration with industry in the effective implementation of these programs and provisions.
- ***Promote Inclusive/Universal Design Through Federal Legislation & Regulation.*** Approximately 70% of fatalities during Hurricane Katrina were people with access and functional needs. Moreover, an estimated 70% of the deaths attributed to Hurricane Maria in 2017 were people age 70 or older. The Coalition supports government promotion of universal design, especially during the recovery and mitigation phases of disaster response.
- ***Encourage NIST's Water Quality and Efficiency Research.*** The design of premise plumbing systems in the United States is based in part on decades-old data. However, many important factors affecting these systems have changed and new technical information is needed to ensure that systems are designed, installed, and operated to maximize water efficiency, water quality, and energy efficiency.

Support the Use of Voluntary Consensus Standards

- ***Support the Effective Implementation of OMB Circular No. A-119.*** Federal law and policy require federal agencies to use voluntary consensus standards in lieu of government-unique standards, and to consult with voluntary, private sector, consensus standards bodies and participate in the development of such standards. Congress should ensure that federal agencies continue to leverage private sector testing, inspection, and certification, including supporting federal participation and expertise in informing the code and standard development process through basic and applied research and code and standards recommendations.
- ***Copyright Protection for Codes and Standards Must be Maintained.*** The private sector-led system for development of standards protects public health, safety, and security by creating standards lauded for their quality and relevance. Federal law and policy specifically recognize that reliance on voluntary consensus standards reduces costs to the government, while encouraging long-term growth for U.S. enterprises and promoting efficiency, economic competition, and trade. Codes and standards are works of authorship that, under both U.S. and international law, merit copyright protection, which is critical to the continuation of a private sector-led system for the creation and maintenance of codes and standards.