BACKGROUND: Improving the energy efficiency of buildings is one of the easiest and most cost-effective ways to reduce energy consumption and achieve savings, and should be a part of America’s comprehensive domestic energy strategy.

Residential and commercial buildings account for 41 percent of all energy use in the United States (U.S.), while U.S. buildings alone accounted for 7 percent of global energy consumption in 2010. Significantly contributing to that energy consumption is the stock of nearly a billion single-pane and dual-pane clear windows still in use in residential buildings. The amount of energy lost each year through inefficient windows and doors is equivalent to the amount of oil the nation receives from the Alaska pipeline.

Federal legislation could provide for a variety of low-cost measures to make it easier for private sector energy users to become more efficient while also making the country’s largest energy user – the federal government – more efficient. Congressional action on these topics would mark the first significant piece of energy legislation since 2007. More than 200 businesses, trade associations, and environmental groups have endorsed legislation in previous Congresses.

BUILDING ENERGY CODES: Building codes and standards play a fundamental role in ensuring that public health, life safety and welfare are adequately provided for in the construction and renovation of residential and commercial buildings.

This Senate’s bill amends the Energy Conservation and Production Act (ECPA) to direct the Department of Energy (DOE) to support adoption of national model building energy codes, by states, Indian tribes and local governments and compliance with them through financial incentives. Currently the legislation would authorize $200,000,000, available until exhausted. In addition, it would direct DOE to support updating model energy codes by working with states, Indian tribes and local governments to establish energy savings targets.

The bill passed by the House of Representatives and backed by WDMA would prevent the DOE from supporting any code or standard proposal that results in a payback of greater than 10 years.

SAVE ACT: Growing consumer demand for energy efficient homes and renovations has resulted in significant energy savings for many home owners. However, these savings are not always considered when mortgage lenders evaluate potential buyers and when appraisers estimate a home’s value. Congress can include a change to these practices and allow energy-efficient homes to stay competitive in the market.

The SAVE Act, which offers a voluntary energy efficiency evaluation as part of the mortgage underwriting process, would help consumers and lenders better evaluate the true value of residences. Under the provision, when a home buyer offers an energy efficiency report to federal mortgage agencies, the lender must consider energy savings when assessing their financial eligibility to purchase a home. It would also instruct lenders to inform loan applicants
about the costs and benefits of energy efficiency, and to provide them with information about resources and financing options available for energy efficiency upgrades. The SAVE Act could result in close to 90,000 jobs and over $1 billion in energy savings by the year 2020.

**FEDERAL GREEN BUILDINGS:** Including language on green building ratings systems would ensure that those ratings systems used by the General Services Administration (GSA) do not exclude certain building materials. DOE would be required to conduct an ongoing review into private sector green building certification systems and to work with other agencies of the government to determine which system would encourage the most comprehensive and environmentally sound approach to certifying buildings.

**WDMA POSITION:** A balanced national energy policy is needed that includes energy efficiency as a key component and recognizes the value of reducing home and commercial building energy consumption. WDMA holds that:

- National model building codes and standards should be developed under nationally recognized accredited consensus procedures that allow for full participation by stakeholders;
- The Department of Energy’s role in the building code development process should be clearly defined and fair to all parties affected;
- DOE’s role and participation under the ECPA should be in accordance with these accredited consensus procedures and not result in undue influence or mandates.
- Standards should be developed that value energy efficiency in the appraisal and mortgage underwriting processes for both new and existing homes.

**STATUS:** In December, the House of Representatives passed the North American Energy Security and Infrastructure Act of 2015 (H.R. 8), which includes WDMA-backed building code language. Senator Lisa Murkowski (R-AK) escorted the Energy Policy Modernization Act of 2015 (S. 2012) to the floor of the Senate and is undergoing the amendment voting process. The bill does not contain the favorable building code language, but an amendment has been filed by Senator Bill Cassidy (R-LA). WDMA is currently advocating for the amendment to get a vote on the Senate floor and be included in the final bill.

**REQUEST:** WDMA urges the Senate to include language defining the Department of Energy’s role in the code development process and pass S. 2012 that will spur the use of energy efficient technologies in the residential, commercial, and industrial sectors of the economy, while also fostering job creation and better mortgage writing standards.

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