

Overview

Decarbonized buildings incorporate energy efficiency upgrades, electrification, and design elements which can drastically lower U.S. energy demand while providing benefits such as cost savings, carbon pollution reduction, and improved indoor air quality. Commercial and residential buildings account for ~13% of U.S. emissions, largely due to burning gas, diesel, or heating oil. States that are proactive about building codes and standards can reduce emissions while creating jobs in retrofitting and weatherization.

Policy Options ('**' indicates bipartisan support)

Appliance Regulations

- **Colorado HB23-1161 (enacted 2023): requires new gas furnaces and water heaters sold in Colorado to reduce emissions of smog-forming nitrogen dioxide pollution; phases out the sale of mercury-containing fluorescent light bulbs; updates Colorado's energy and water-saving standards for five products while adding an additional nine products.
- **New Jersey A.5160/S3324 (enacted 2022): Updated efficiency standards for a set of 17 household and commercial
 appliances such as light fixtures and shower heads.
- New York S.9405 (enacted 2022): Updated the state's energy building codes to include considerations of climate impact and mitigation strategies; expanded the list of appliances and products that need to meet energy efficiency standards.

Building Codes and Standards

- Massachusetts H.5060 (enacted 2022): Gave 10 municipalities the ability to ban fossil fuel hookups in new construction or major renovation projects; allowed only cities and towns that have met the state's 10% affordable housing target to qualify; required participating municipalities to collect and report detailed data about emission reductions, construction costs and utility bills.
- Maryland S.B.528 (enacted 2022): Established a Building Energy Performance Standard, requiring large buildings to be net-zero by 2040.
- New York A.3006 (enacted 2023): included a statewide ban on fossil fuels in new buildings (originally introduced as the standalone policy, the "All-Electric Buildings Act"). Learn more here.

Heating

- Colorado S.B.21-264 (enacted 2021): Requires gas distribution utilities to cut emissions from delivering fuel to homes and businesses by 4% by 2025 and by 22% by 2030.
- <u>Vermont S.5</u> (enacted 2023): creates a performance standard for the heating fuel sector that will reduce climate pollution over time and increase the equitable deployment of cleaner heat options. <u>Learn more here.</u>

Retrofits

- **Colorado HB23-1252 (enacted 2023): authorizes the Colorado energy office to award grants for retrofitting existing buildings for installation of a geothermal system for heating and cooling; etc.
- Massachusetts S.2226 (introduced 2021): Targets a million retrofits over the next decade, while also creating jobs, with strong
 worker protections; expands the Low Income Weatherization Assistance Program services and Mass Save programs, while
 prioritizing environmental justice communities.
- Maryland H.B.0169 (enacted 2023): requires the Department of Housing and Community Development to develop a plan to
 provide energy efficiency retrofits to all low-income households.





Tax Credits and Incentives

- Colorado HB23-1272 (enacted 2023): creates a new tax credit for heat pump technologies and thermal energy networks;
 extends the state tax credit for installing energy-efficient home heating, cooling and hot water systems.
- New Mexico H.B.15 (enacted 2021): Updates Sustainable Building Tax Credit to require a higher LEED certification to qualify for
 the credit; provides tax credits for installing energy-conserving products in existing buildings and increased credits for installation
 of these products in affordable housing.
- <u>Utah S.B.188</u> (enacted 2022): Expanded opportunities for low-income individuals and families to receive grants that will help cover the cost of replacing wood-burning fireplaces and appliances with energy-efficient ones.

Workforce Development and Just Transition

- Connecticut S.B.356 (enacted 2021): Requires the Department of Housing to establish a housing energy efficiency retrofit
 program; prioritizes low-income households and applications that use the services of local contractors who pay the prevailing
 wage and make efforts to hire minority business enterprises.
- **New York S.9422 (enacted 2022): Promoted the development of thermal energy networks throughout the state and provided jobs to transitioning utility workers who have lost or are at risk of losing their employment.
- Oregon H.B.2842 (enacted 2021): Creates Healthy Homes Program and invests \$10M into energy weatherization for low-income households.

Additional Information

- The American Institute of Architects: State and Local Green Building Initiatives
- Institute for Market Transformation: <u>Building Performance Standards</u>
- Rocky Mountain Institute, Physicians for Social Responsibility, Mothers Out Front, Sierra Club: Gas Stoves: Health and Air Quality Impacts and Solutions
- US Green Building Council: Resources for State Legislators

