

HOME BUILDERS & REMODELERS ASSOCIATION OF CONNECTICUT, INC.

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LABOR & PUBLIC EMPLOYEE COMMITTEE PUBLIC HEARING Testimony 03-05-2019

To: Chairwomen Kushner, Porter, Ranking Members Minor, Poletta and distinguished members of the Labor & Public Employees Committee.

From: Jim Perras, CEO Home Builders & Remodelers Association of Connecticut

Re: S.B. No. 354 (Raised): AN ACT ESTABLISHING A GREEN NEW DEAL FOR CONNECTICUT (Oppose)

The Home Builders and Remodelers Association of Connecticut (HBRA-CT) is a professional trade association with nearly 900 hundred business members statewide, employing tens of thousands of Connecticut residents. Our association of small businesses is comprised of residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to our diverse industry. We build between 70% to 80% of all new homes and apartments in Connecticut each year and engage in countless home remodeling projects.

Thank you, for the opportunity to provide testimony in opposition of SB 354. The HBRA appreciates the intent of this legislation and the importance of addressing and reducing the effects of climate change. However, the importance of the environment must be balanced with other public policy efforts such as ensuring adequate and affordable housing to meet the diverse needs of its residents and ensuring a stable and robust economy that offers opportunity for all. Unfortunately, we believe that this bill does not strike that proper balance.

Sec 1. of the bill would require the DEEP develop schedules that would culminate in emission standards 80% below 2001 standards by 2050. Those periodic schedules would include among other things proposed regulations, policies and strategies pertaining to performance-based sources of greenhouse gas emissions from residential buildings. This would potentially circumvent existing processes that have worked extremely well to date at ensuring that new construction is more efficient and resilient than ever before. In fact, new construction built to today's codes and standards are more than twice as energy efficient as the average resale home.

Our existing standards and codes adoption process is multifaceted. Model codes and standards are created by national non-profit code making bodies that expend enormous resources of time, money and expertise rigorously testing products and methods to ensure the health and safety of all Americans. Those codes are then adopted at the state level by the Connecticut Codes and Standards Committee with amendments to create a uniformed statewide code. The Codes and

Vision: "Building CT's Economy, Communities & Better Lives One Home at a Time."
Mission: "Using Effective Advocacy & New Knowledge to Solve our Member's Problems."

Standards Committee, made up of code experts with various disciplines, is already required by statute to take into consideration the energy efficiency and resiliency impacts of prospective codes. The HBRA of CT asks that the existing code and standards adoption process not be overrun by this bill which could jeopardize the health and safety of Connecticut residents.

The HBRA of CT also has grave concerns with Section 1(g) of this bill. This provision would create another level of bureaucracy within state government regarding the permitting approval process that could lead to construction delays and costly mitigation efforts. Connecticut already suffers from an acute housing affordability crisis causing many of our younger residents to flee to other states. Recent studies have shown that housing affordability is one of the most common reasons cited by individuals surveyed when moving out of Connecticut. Passage of this provision will only drive up housing costs further exacerbating the trend of outward migration that Connecticut is currently experiencing.

Finally, the HBRA of CT does support the intent behind Sec. 5 of this bill which would create a State-wide Healthy & Efficient Homes Account that would be used by DEEP to remove health and safety barriers to providing energy efficiency and weatherization services to low and moderate income household. However, the HBRA will reserve judgement on this provision until it is better understood how the account would be funded.

In conclusion, if passed, HB 354 would likely increase the cost of energy and its implementation would tax state agencies that are already overburden, causing further construction delays and bureaucratic inefficiencies thereby increasing the already high costs of housing in Connecticut. The HBRA of CT asks the Labor Committee to not give SB 354 a Joint Favorable Report.

Thank you, for the opportunity to provide testimony on SSB 354.