

# MODERNIZE BUILDING ENERGY CODES

Reducing climate emissions and saving Coloradans money on their energy bills

All Coloradans deserve homes and buildings that are efficient, resilient, healthy, and ready for the future.

## BACKGROUND

- Twice previously, in 2007 (HB 07-1146) and 2019 (HB 19-1260), Colorado passed legislation establishing minimum requirements for building energy efficiency codes adopted by local governments. This legislation ensured that cities and counties with building codes adopt relatively up-to-date energy codes.
- With recent improvements in model energy codes as well as Colorado's targets for dramatically cutting climate emissions, it is timely and important to update the state's minimum energy code requirements.

## ABOUT THE BILL

- By Jan. 1, 2025, cities and counties with building codes must adopt at least the 2021 International Energy Conservation Code (IECC). This adoption must include electric and solar ready provisions in order to prepare new homes and buildings for electric vehicles, rooftop solar, and high efficiency electric appliances.
- By Jan. 1, 2030, covered cities and counties must adopt and start enforcing a near zero carbon energy code, either based on a model code issued by the Colorado Energy Office or a functionally similar one. This code will include pathways for both all-electric and mixed fuel homes and buildings.
- The legislation also directs the energy office to issue a model Green Code which local governments may adopt and start enforcing if they so choose, in addition to the required energy code. The model Green Code addresses materials, water use, indoor air quality and other environmental attributes of new homes and buildings.
- The energy office will continue to offer technical assistance and training for local governments, builders, and trades.



SAVES MONEY

SAVES ENERGY

CUTS CLIMATE  
EMISSIONS

PROTECTS  
HOMEBUYERS &  
RENTERS

PROTECTS  
HEALTH & SAFETY

IMPROVES  
DISASTER FUNDING  
& INSURANCE RATES





# EFFECT ON LOCAL GOVERNMENTS AND BUILDERS

- As was the case in the 2007 and 2019 laws, this proposed law includes cities and counties that have adopted building codes. It also includes state agencies that set building codes (DOLA and the state architect).
- The legislation does not affect those very small jurisdictions that have not yet adopted building codes.
- The legislation leaves building energy code amendments and enforcement in the hands of local governments.
- Local city and county agencies have the authority to exceed the minimum standards, and can also adopt compliant codes sooner.
- The legislation improves our eligibility for additional federal disaster and resilience funding that requires statewide minimum codes.
- Most builders, architects, and design teams are already accustomed to building to the latest energy code, and having a more consistent minimum code streamlines the design and construction process.



# EFFECT ON HOUSING AFFORDABILITY

- The bill improves total housing affordability since monthly utility bills are lower, more than offsetting any small increase in mortgage payments.
- The bill helps protect against price spikes like those seen last year.
- A quarter of households in Colorado are energy-burdened, and will help limit the energy bills paid by lower income families as they migrate to new or renovated buildings in the future.
- "Building right the first time" by incorporating EV-ready, solar-ready, and electric-ready wiring saves homeowners and building owners thousands of dollars off the cost of retrofitting in these technologies.
- Studies show no correlation between energy code adoption and home prices, since home prices are determined by so many other location-based and aesthetic factors.
- All-electric homes cost approximately \$500 less to build, and have \$1,500 lower lifecycle costs compared to a new home with gas heating and appliances.
- Owners and occupants of existing homes and buildings are not affected until the home or building undergoes a major renovation or addition.



# ADDITIONAL IMPACTS

- The bill ensures residents in most of the western slope, mountain communities, eastern plains, and other areas of the state have the same high-quality, energy-efficient construction as communities along the front range.
- The bill protects homebuyers and renters who often aren't in a position to demand better energy efficiency at the time of construction.
- New construction built to the latest energy code is more resilient and durable in the face of extreme weather or natural disasters.
- This legislation will reduce the carbon and other climate pollutants associated with new homes and buildings, thereby helping Colorado meet its climate goals



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