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2024-2025 ASHRAE President

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February 17, 2025

The Honorable Terrell McKinney
Committee on Urban Affairs
Nebraska State Capitol
1445 K St,
Lincoln, NE 68508

RE: Opposition to LB 531 “Provide an exception to the requirement that buildings constructed with state funds comply with the 2018 International Energy Conservation Code”

Dear Senator McKinney:

I am writing on behalf of ASHRAE, the American Society of Heating, Refrigerating, and Air Conditioning Engineers. We are a professional and technical society of more than 55,000 members dedicated to energy efficiency, indoor air quality, resiliency, and sustainability in the built environment. Through our Society’s research, standards writing, publishing, certification, and continuing education, ASHRAE shapes tomorrow’s global built environment today. As one of the premier subject matter experts on the built environment, and on behalf of our 415 members in the state of Nebraska, we wish to convey our opposition to NE LB 531 and urge you to vote the bill down in your committee.

LB 531 would, if passed, create an exemption in the state’s building code, where new construction that receives funding from the Affordable Housing Trust Fund would no longer need to meet the minimum requirements of the state’s building energy efficiency code.

Simply put, this proposed policy is pennywise and pound foolish. While it may result in lower upfront construction costs, it would also lock in a lifetime of higher utility bills. This legislation provides no alternative minimum standard to meet, instead it is a blanket exemption from complying with any energy efficiency code or standard whatsoever. This makes it hard to quantify the cost savings, but what we would expect to see is that housing that is exempted from complying with any energy code will be substantially less energy efficient. This in turn will

burden the building's owners or tenants with higher utility bills every single month. This is concerning because mortgage default rates are lower for homeowners who have homes built to modern energy standards; they simply have more money in their pocket each month and subsequently have an easier time keeping their heads above water.¹ Inversely, Nebraskans living at or below the poverty line are much more likely to be energy burdened, that is to say, they are more likely to spend a disproportionately high percentage of their income paying their utility bills.² We would expect this legislation to exacerbate this trend.

In contrast, a family living in a home built to an updated, modern energy code should expect to save \$163 more per year on their utility bills versus the current standard adopted in Nebraska.³ These savings, and perhaps even more, would be lost if the housing detailed in this legislation is allowed to be exempted from the state's building energy code requirements.

There are also community wide resilience improvements created by having a more energy efficient building stock in Nebraska. When extreme weather hits, buildings that are drawing less power help the grid stay online for everyone. If the power does go out during extreme weather, buildings constructed to a modern energy standard keep their occupants safer for longer than buildings constructed to outdated codes.⁴ Again, these resiliency benefits would be lost if the housing detailed in this legislation is allowed to be exempted from the state's building energy code requirements.

For these reasons, ASHRAE opposes NE LB 531 and urges you to vote down this legislation in your committee. If you have any questions or need additional information, please feel free to contact GovAffairs@ashrae.org. Thank you for your work to improve building performance and improve the lives of Nebraska residents.

Sincerely,



M. Dennis Knight
2024-2025 ASHRAE President

¹ "Home Energy Efficiency and Mortgage Risks." n.d. https://imt.org/wp-content/uploads/2018/02/IMT_UNC_HomeEEMortgageRisksfinal.pdf.

² Mills, Ryan. 2023. "1 in 7 Families Live in Energy Poverty. States Can Ease That Burden." RMI. December 18, 2023. <https://rmi.org/1-in-7-families-live-in-energy-poverty-states-can-ease-that-burden/>.

³ "Nebraska Can Save Energy, Money, and Mitigate the Effects of Climate Change through Building Energy Codes." n.d. Accessed February 13, 2025. https://www.energycodes.gov/sites/default/files/2021-07/EED_1365_BROCH_StateEnergyCodes_states_NEBRASKA.pdf.

⁴ Franconi, Ellen, Luke Troup, Mark Weimar, Yunyang Ye, Chitra Nambiar, Jeremy Lerond, Eliza Hotchkiss, et al. 2023. "Enhancing Resilience in Buildings through Energy Efficiency Pacific Northwest National Laboratory." https://www.energycodes.gov/sites/default/files/2023-07/Efficiency_for_Building_Resilience_PNNL-32727_Rev1.pdf.