



**To: Todd Hunter, Chairman
Members, House Committee on State Affairs
From: Cyrus Reed, Conservation Director, Lone Star Chapter, Sierra Club,
512-888-9411, 512-740-4086**

**The Sierra Club Supports SB 2453 (Menendez/Rep Hernandez):
Common-Sense Statutory Fix to Allow the State Energy Conservation
Office to Move Forward on Residential, Commercial, and State- funded
building energy codes. The bill is supported by the Sierra Club, Texas Chemical
Council and Texas Association of Builders among others.**

Under Chapter 388 of the Health and Safety Code, the State Energy Conservation Office has full authority to adopt energy, water and high performance building code standards for state-funded buildings, and the ability to adopt the latest energy codes of the International Code Council. Currently, SECO has adopted the 2015 International Energy Conservation Code and the Energy Chapter of the 2015 International Residential Code as a result of both this authority and a bill approved by the Legislature in 2015. Similarly, under Chapter 447 of the Government Code, and Chapter 55 of the Education Code, SECO and Universities have the authority to adopt high performance standards and specific water and energy conservation standards for state-funded buildings. **Because of concerns in the senate, an amendment was added to require a cost-benefit analysis for any future code adoption and allow for amendments to the code itself. We are in full support of this common-sense amendment to assure that any changes in the state's energy code will be cost-effective and beneficial to consumers.**

While SECO began a rulemaking process to adopt the 2021 IECC and the energy chapter of the 2021 IRC, a legal interpretation of a bill from 2019 - HB 2439 (Phelan-Buckingham) has prevented SECO from moving forward. That bill - which was focused on preventing local government from picking specific products within building code adoption - had the unfortunate impact of freezing movement forward on the 2021 codes, as well as on energy and water conservation standards for state-funded buildings. Specifically, because SECO is

considered a “governmental agency” under the bill, and because the 2021 IECC includes two provisions that could be interpreted as “picking products” - one provision on lighting efficacy and one provision on an efficiency package for builders choosing to follow the “prescriptive” path, SECO has interpreted the bill as blocking them from moving forward. Interestingly, several large cities, including the City of Austin, City of Houston, City of Dallas and City of San Antonio have all moved forward with adoption of the 2021 standards, though with amendments. (SECO is not allowed to adopt amendments to the code).

Multiple organizations are supporting SB 2453 as a fix to assure that SECO can move forward on rulemaking both for code adoption for state-funded, residential and commercial energy and related codes. The 2021 IECC - and 2021 IRC Energy Chapter have been shown through an analysis by Energy Systems Laboratory, part of the Texas Engineering Experiment Station, a state agency, to be 5-10 percent more energy efficient than the current state code for both residential and commercial buildings. Allowing SECO to move forward will assure that new construction will be more efficient, save consumers money and strain the grid less.

The bill simply adds exceptions to the list of exceptions already contained in the statute added by HB 2439. Last session as an example, the Legislature added dark sky provisions. This proposed bill adds three exceptions:

(15) an energy code as adopted by the State Energy Conservation Office under Section 388.003(a) or (b), Health and Safety Code;

(16) an energy and water conservation design standard established by the State Energy Conservation Office under Section 447.004; and

(17) a high-performance building standard approved by a board of regents under Section 55.115, Education Code.

In addition to the benefits for the state of allowing SECO to move forward on potential code adoption, the bill should also help the state qualify for additional DOE competitive grants for advanced energy code adoption. States that have or are in the process of adopting the 2021 code can have an advantage of obtaining these funds. Indeed some pots of money are only available to states that are in the process or have adopted the 2021 IECC.