

February 6, 2020

The Honorable Grier Hopkins Alaska House of Representatives State Capital Building Juneau, Alaska

Dear Representative Hopkins:

The Legislative Committee of the Alaska State Home Building Association voted unanimously to support the passage of House Bill 232, relating to energy efficient new construction tax credits.

As an organization with builder-members across the state, we have a long history of supporting, advocating for, and building energy efficient homes. That is why our organization also strongly supports House Bill 76, which would create a permanent statewide residential building code that includes an energy efficient standard.

HB232 would allow municipal governments to create a property tax credit program for the construction of energy efficiency improvements in both residential and commercial buildings. Please note that it is our hope the intent of the legislation is to allow municipalities to apply the tax credits towards the energy efficient construction of both new homes and retrofits of existing homes.

We appreciate that this program is discretionary for local municipal governments. The governing body of each community has the opportunity to choose whether or not they wish to authorize this program.

Section 1 of the bill appears to limit the opportunity to communities with air quality problems. We appreciate that this may assist air quality issues in the Interior, but hopefully the bill allows municipalities in other regions the opportunity to address other policy issues such as energy costs, housing affordability, and safety concerns.

Thank you for this opportunity to comment and express our support. We look forward to monitoring the advancement of HB232 this session.

Sincerely,

Victor Banaszak, President

Alaska State Home Building Association