February 11, 2025

RE: International Code Council Support for HB 80

Co-Chairs Representatives Fields and Hall and House Labor & Commerce Committee Members:

The International Code Council (ICC) is a U.S. based non-profit with members in Alaska and across the world including architects, engineers, contractors, manufacturers, and government officials. ICC is dedicated to helping the building safety community, government entities, and the construction industry provide safe, sustainable, resilient, energy-efficient, affordable, and accessible homes, businesses, and public buildings. Residents of Alaska deserve the safe and affordable housing provided by modern building codes.

ICC publishes model codes every 3 years to provide for new cost-saving materials and techniques and to help protect residents through updates such as requiring protection against windborne debris, rain, tsunami, wildfire risks, flooding, and updated loading requirements to protect structures from wind.

We are writing to urge your **support for HB 80 and its move towards a statewide code.** We also recommend including a prospective 3-year adoption schedule to match the model code adoption cycle and ensure codes adopted under the legislation are kept up to date.

Studies confirm the adoption and implementation of current model building codes is one of the best mitigation strategies for confronting natural hazards. **As noted during the invitation-only hearing for HB 80, National Institute of Building Sciences (NIBS) estimates that building to modern building codes saves $11 for every $1 invested** through earthquake, flood, and wind mitigation benefits, with an up to $8 to $1 return in wildfire mitigation savings.[1] Federal Emergency Management Agency (FEMA) projects that, if all future construction adhered to current codes, the nation would avoid more than $600 billion in cumulative losses from floods, hurricanes, and earthquakes – such as the 2018 Anchorage earthquake -- by 2060.[2]

In addition to mitigation savings, US Department of Energy (DOE) issued a determination that the 2024 International Energy Conservation Code (IECC) would result in national site energy savings of **7.8%**, source energy savings of **6.8%**, and energy cost savings of **6.6%**.[3]

Specific to Alaska, DOE's study on *Cost-Effectiveness of the 2021 IECC for Residential Buildings in Alaska* (single-family and low-rise multifamily residential buildings) **estimated**

[1] NIBS, *National Hazards Mitigation Saves* (2019).
[2] FEMA, *Building Codes Save: A Nationwide Study* (2020).
[3] https://www.energycodes.gov/determinations

$45,762 in life-cycle cost savings if the state updated to the 2021 IECC, with positive consumer cash flow within the first year of ownership.[4]

DOE has not released a state-level analysis for 2024 IECC yet, however the agency's nationwide numbers comparing the 2024 IECC to the 2021 version estimate an **additional $7,422 to $9,481 in savings** for Climate Zones 7 and 8.[5] **While many discussions on energy codes focus on upfront cost, the savings in the first year of ownership and over the lifespan of a building are also significant.**

Research shows that **modern model building codes have no appreciable implications for housing affordability**. **No peer-reviewed research has found otherwise**. One study considering the role of government regulation on home prices found that construction costs, including labor and materials, were flat from 1980 to 2013.[6]

Outdated or nonexistent building codes lead to deaths, injuries, property damage, emergency response costs, family displacement, longer recovery times, and business closures that could otherwise have been avoided or mitigated.

Resilient statewide residential codes would help Alaska residents save in avoided damage and reconstruction expenses and would also mitigate potential lost energy conservation opportunities, which are key in states like Alaska where the cost of transporting fuel and materials is substantial.

The bill represents an important step in ensuring a statewide code adoption for residential buildings and will help promote safe building practices. **ICC supports HB 80.**

Thank you.

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[4] https://www.energycodes.gov/sites/default/files/2021-07/EED_1365_BROCH_StateEnergyCodes_states_ALASKA.pdf
[5] https://www.energycodes.gov/sites/default/files/2025-01/2024_IECC_CostEffectiveness_Residential_Final.pdf
[6] Gyourko, J. & Molloy, R., *Regulation and Housing Supply*, Handbook of Regional and Urban Economics, Volume 5B Chapter 19 (2015).