

Julia Bassett Schwerin
CAPE ELIZABETH
LD 445

Testimony for LD 445
Julia Bassett Schwerin
Cape Elizabeth

Representative Gere, Senator Curry, honorable members of the Housing and Economic Development Committee, thank you for the opportunity to offer my testimony against passage of LD 445.

I am Green Real Estate Broker with over 20 years of experience selling property in Southern Maine, and have served on the Maine Energy Code Coalition, a volunteer advocacy group, for over five years. I believe the majority of people in Maine like to save money, and the new building energy code has been proven to be a great deal for new home buyers, with just a 4.5 year simple payback period according to independent expert analysis. The average Maine household is calculated to save \$978 in utility bills on account of owning a home that conforms to the new 2021 IECC code, for a net annual consumer cash flow of \$762 in year one, a figure that can only increase with the rise in energy costs.

It has been demonstrated in the National Association of Realtors surveys that buyers are eager to pay a little more up front to save money on their energy bills for the life of the property. Yet despite this, despite the fact that the financial savings are demonstrably material, and despite that people keep buying up all the new homes which in Maine the past year have averaged \$583,951 in closed value, for whatever reason, the National Association of Home Builders persistently peddles this disinformation as a reason the supply of new homes cannot keep up with the demand. It is simply not true.

This bill proposes to reduce the number of people in Maine covered by the new building energy code from 64% to 34% by raising the population level of municipalities who need to enforce the code from 4,000 to 10,000. This shift is unacceptable, the premise is inaccurate, and the result is against the best interests of the people of Maine. Why would we want to deprive a third of our population of the ability to forever lower their energy bills, or if they sell later, to remove this as a selling point they can use to get the most return on their investment?

The legislature representing the people of Maine voted to advance the building energy code after its lawful progress had been politically blocked from advancing during the previous administration. The people's representatives did this because they realized we need to do some things all together to make them work. If we know seat belts save lives, we make them mandatory. If we want to fund the government, everyone must pay their share of taxes. If we know more efficient building energy codes save owners money and make buildings safer and healthier (and we do), we make them mandatory.

There is indirect benefits as well. Doing one thing in cities and another thing in towns makes new construction in cities more cost efficient at the expense of towns, dilutes the skills of the builders who get training but do not get enough practice, and robs us of the innovation builders would create from working with the many paths to compliance our codes offer if they had many opportunities. We save statewide CO2 emissions over 30 years equivalent to removing 85,810 cars annually. There are well-accepted benefits in indoor air quality, public health, and resilience to the effects of climate change as well.

The Maine Uniform Building Energy Code upgrade has been advanced after months of thorough consideration by the bipartisan Technical Advisory Group and will go into effect this April 7. The differences have already been hashed out, the training programs for builders and code enforcement officers are ready to roll, and we will once again be following our state law requiring the building energy code to be advanced every three years to the next highest International Energy Code Committee standard.

The Maine people are still reeling from the back-to-back storms that destroyed so many properties and infrastructure just over a year ago. Taxpayers are bearing a heavy toll from increasing storm, flood, wildfire, heat, rising sea levels, migration of valuable fisheries, lengthening of growing seasons, drought, ecosystem collapse and other looming catastrophic threats. This correlates the burning of fossil fuels as researched by virtually all scientists around the world and supported by virtually all countries represented in the Intergovernmental Panel on Climate Change in the United Nations.

Insurance rates in other states that have had climate disasters have soared. Reports are that co-insurance rates for all insurers will increase, and these will be passed on to the consumers regardless of whether or not they are experiencing widespread storms, flooding and wildfires. Insurers are increasingly studying climate risk assessments by First Street and CoreLogic to set rates in the future.

The bipartisan Maine Climate Council has established goals to wind down the continued use of fossil fuels that release greenhouse gases that create global warming, manifesting itself as climate change. The partisan disinformation campaign by a small group that building energy codes retard our society from building sufficient housing is not supported by any independent research and scaling them back was not a recommendation by the bipartisan coalition formed to study how to stimulate more and more affordable housing construction in Maine.

In conclusion, we all want more and more affordable housing in Maine, but the fact is that energy efficiency is affordable housing. If you pay a little more for the house but save a lot more than that on your energy bill because your house uses less energy, this makes home ownership more affordable. That is what advancing building energy codes does, now and in every past advancement since its inception.

This bill robs a third of our state from enjoying the benefits of lower energy costs and higher resale value for no valid reason other than to allow lower performance construction and not because it in any way, shape or form increases the supply of new housing.

My testimony is against the passage of this bill. Thank you for the opportunity to testify.

Julia Bassett Schwerin
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