

Congress of the United States
Washington, DC 20515

May 9, 2024

The Honorable Sandra Thompson
Director
Federal Housing Finance Agency
400 7th Street SW
Washington, D.C. 20424

Dear Director Thompson,

As leaders of the House Sustainable Energy and Environment Coalition (SEEC), we write to strongly encourage the Federal Housing Finance Agency (FHFA) to ensure newly constructed homes receiving FHFA assistance meet updated energy efficiency building codes. This would align with the recent decision by the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture (USDA) for HUD- and USDA-assisted housing. This alignment is vital to enhancing the stability of housing finance and increasing housing affordability.

The adoption of modern building codes that prioritize electrification, specifically the 2021 International Energy Conservation Code (IECC) and ASHRAE Standard 90.1-2019, is essential for lowering housing costs and supporting our nation's transition to a more sustainable and equitable energy future. Such measures will not only reduce the long-term housing costs for homeowners and renters—especially benefiting low-income and minority households who disproportionately bear the burden of high energy costs—but also improve the resilience of housing to climate-related challenges.

Furthermore, updated building codes promise substantial long-term savings to renters and homeowners, estimated by HUD and USDA to be around \$15,000 on average for single-family homes after financing costs, and around \$6,000 on average for units in multifamily buildings.¹ Finally, taking this action at the federal level will create the market certainty needed for investors to build a robust domestic supply chain for electric transformers and other essential housing-related items. These energy efficiency measures will enhance the overall affordability and resilience of housing, making them a prudent investment for the future.

Given the role of FHFA in overseeing Fannie Mae and Freddie Mac, your support in requiring these entities to meet these updated codes can drive significant positive change in the housing market. This action will help ensure that all new construction financed through these bodies adheres to the highest standards of energy efficiency and resilience, furthering the goals of the Inflation Reduction Act of 2022 and other federal initiatives aimed at sustainable development.

¹ <https://www.federalregister.gov/documents/2024/04/26/2024-08793/final-determination-adoption-of-energy-efficiency-standards-for-new-construction-of-hud--and>

FHFA's leadership can play a pivotal role in ensuring that federally-backed mortgages support sustainable, affordable, and resilient housing.

We urge FHFA to swiftly align its policies with the updated determinations finalized by HUD and USDA. Thank you for your attention to this matter and for all your work for affordable, resilient housing.

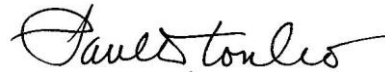
Sincerely,



Rep. Doris Matsui
SEEC Co-Chair



Rep. Mike Quigley
SEEC Co-Chair



Rep. Paul Tonko
SEEC Co-Chair



Rep. Don Beyer
SEEC Vice Chair



Rep. Matt Cartwright
SEEC Vice Chair



Rep. Sean Casten
SEEC Vice Chair



Rep. Chellie Pingree
SEEC Vice Chair



Rep. Katie Porter
SEEC Vice Chair



Rep. Gerald E. Connolly
SEEC Chair Emeritus

CC:

Adrienne Todman, Acting Secretary of the U.S. Department of Housing and Urban Development
Thomas Vilsack, Secretary of the U.S. Department of Agriculture