

Resolution No. 3

Date: 1/29/2021

City: Washington, DC

NAHB Resolution

Title:                Electrification of the Housing Sector  
Sponsor:            NAHB's Electrification Task Force  
Submitted by:      John Barrows

WHEREAS, concerns about the impacts of climate change have compelled policymakers at all levels to look for ways to cut greenhouse gas emissions (GHG) across all sectors of the U.S. economy;

WHEREAS, while there are many ways to achieve GHG reductions, many communities have passed laws or ordinances effectively banning the use of natural gas and propane within new construction and existing homes, with the goal of moving towards "electrification" and a growing number are considering doing the same;

WHEREAS, building electrification describes the transition from fossil fuel-powered appliances such as natural gas and propane furnaces, water heaters and stoves to electric appliances such as heat pumps, heat pump water heaters and cooking appliances;

WHEREAS, heat pumps, where feasible, can use considerably less source energy to produce heat and domestic hot water as resistance electric units or high-efficiency fossil- fueled furnaces and water heaters;

WHEREAS, because new construction is already significantly more energy efficient than the existing housing stock, any GHG emissions reductions gained through electrifying new construction would be far less than reductions gained through the improving the energy efficiency of existing homes;

WHEREAS, although electrification may provide benefits in certain applications, electrification mandates can be costly and infeasible in some areas of the country, limit consumer choice and create challenges for builders, homeowners, and consumers;

WHEREAS, due to performance limitations of electric heat pumps in colder climates, the continued use of fossil fuel may be the only feasible option in certain circumstances and locations;

WHEREAS, because electrification can result in both increased first costs and higher utility bills, electrification may place additional burdens on the consumer;

WHEREAS, because of real or perceived performance differences between electric and non-electric appliances, consumers may be reluctant to accept all electric homes; and

WHEREAS, market driven policies and programs, certifications, and other options that recognize homes that are built following high performance or green building practices can show verifiable reductions in GHG emissions,

NOW, THEREFORE, BE IT RESOLVED, that the National Association Home Builders (NAHB) supports incentive-based, voluntary electrification, and opposes unnecessary and costly mandates, including electrification only mandates;

BE IT FURTHER RESOLVED that the National Association of Home Builders (NAHB) only support the voluntary electrification of residential buildings if the entity considering the electrification policy:

1. Preserves consumer choice and considers consumer acceptance of an all-electric home;
2. Ensures that the existing housing stock is addressed; and
3. Develops economic incentives to offset the costs of electrifying buildings through methods such as rebates, tax incentives, favorable mortgage financing terms, utility rate structure, etc.

BE IT FURTHER RESOLVED that NAHB urge Congress, State legislatures, and local governments to support the efficient use of fossil fuels;

BE IT FURTHER RESOLVED, that NAHB urge the development and adoption of property appraisal methods that recognize the attributes of electrified homes and include utility costs in the calculations for mortgage qualification;

BE IT FURTHER RESOLVED, that NAHB monitor, support and assist the state and local HBAs, when requested, in working with their policymakers to oppose electrification mandates or adopt electrification policies that fit their local needs; and

BE IT FURTHER RESOLVED, that NAHB commit to educating policymakers, consumers, and the industry (builders, designers, remodelers, realtors, appraisers, and lenders) on the performance and positives and negatives of electrification in order to inform policy decisions and consumer choice.

Leadership Council Action:	Approved
Resolutions Committee Action:	Recommends Approval
Construction, Codes & Standards Committee Action:	Recommends Approval
Custom Builders Committee Action:	Recommends Approval
Housing Finance Committee Action:	Recommends Approval
State & Local Government Affairs Committee Action:	Recommends Approval
NAHB Remodelers Action:	Recommends Approval
Environmental Issues Committee Action:	Recommends Approval
Federal Governmental Affairs Committee Action:	Recommends Approval
Single Family Builders Committee Action:	Recommends Approval
Multifamily Council Board of Trustees Action:	Recommends Disapproval
Sustainability & Green Building Subcommittee of the Environmental Issues Committee Action:	Recommends Approval
Energy & Green Construction Codes & Standards Subcommittee Of the Construction, Codes & Standards Committee Action:	Recommends Approval