Testimony of Brian Tebbenkamp

On Behalf of the Home Builders Association of Greater Kansas City

Before the House Energy and Commerce Committee Subcommittee on Energy

Hearing on

"Appliance and Building Policies: Restoring the American Dream of Home Ownership and Consumer Choice"

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Introduction

Chairman Latta, Ranking Member Castor, and members of the subcommittee, thank you for the opportunity to testify today on behalf of the Home Builders Association of Greater Kansas City (KCHBA). My name is Brian Tebbenkamp, and I am a home builder from Kansas City, Missouri. I am here to share how new energy efficiency mandates are affecting our ability to produce quality, attainable housing and to meet the growing demand for homes in our communities.

Safe, decent, and affordable housing is fundamental to the well-being of families, communities, and the nation as a whole. At KCHBA, our motto is "Homeownership for All," and we strongly support policies that expand access to homeownership and increase the supply of housing across all types and price points. Yet one of the most persistent challenges in today's market is the shortage of attainable housing at affordable prices—both in the single-family and multifamily sectors, whether for sale or rent. Identifying and addressing the barriers that limit supply is central to our mission.

A critical part of understanding those barriers is examining the impact of newly adopted building and energy codes. Each time the International Code Council (ICC) publishes new editions, KCHBA convenes its building codes task force to carefully evaluate both the construction science behind the changes and the costs of compliance. For consistency and clarity, we focus our analysis on the prescriptive compliance pathway—a checklist of required measures that allows for straightforward, apples-to-apples cost comparisons. While other pathways such as the Total Building Performance or Energy Rating Index (ERI) can offer flexibility, they introduce too many variables to provide reliable, market-wide cost estimates.

Ultimately, every home buyer and renter deserves the ability to choose safe, decent, and affordable housing in the community where they want to live. As a builder, it is deeply rewarding to deliver high-performance homes that align with my clients' budgets. Achieving that balance requires strong, cooperative relationships with local jurisdictions. Unfortunately, rising regulatory requirements—particularly in the energy code—are making it increasingly difficult for builders like myself to provide the housing options families so urgently need.

Building Energy Codes

While referencing model building codes in federal legislation and regulatory programs is not new, the recent surge in initiatives that treat stricter codes as the universal solution is deeply concerning. This approach places a disproportionate burden on new construction while doing little to achieve the intended goals. For example, one common "solution" is to require everhigher levels of insulation in walls, floors, and ceilings. But most new homes are already built well beyond the point where simply adding insulation yields meaningful improvements. These mandates only add to the cost of construction without providing real benefits for homeowners.

The 2021 International Energy Conservation Code (IECC) was designed as a *model* for state and local governments to consider. Historically, those governments have tailored provisions to reflect local economic, environmental, and demographic conditions. When federal funding is tied to

adoption of a specific version of the code, however, state and local officials may feel they no longer have the flexibility to make those local adjustments—fearing that even modest amendments could jeopardize eligibility for federal grants. We have seen that dynamic play out firsthand in Kansas City, Missouri.

Inflation Reduction Act (IRA) Funding

In April 2022, Kansas City introduced an ordinance to adopt the 2021 IECC without amendments. Over the following months, industry stakeholders like myself, community representatives, policymakers, and local government staff engaged in meetings, forums, and hearings to determine whether the model code was suitable for our community. By early August, consensus was forming that some localized amendments would be necessary to secure majority support.

But in mid-August, Congress passed the Inflation Reduction Act (IRA), and Section 50131 of that law created a \$1 billion grant fund for state and local governments to adopt the 2021 IECC as written. Within days, the ordinance's sponsor announced on social media that federal funding could support her ordinance if it passed unchanged. From that moment on, supporters resisted all amendments—worried that even minor modifications might forfeit access to the grant program. While pro-growth members of the city council argued that federal incentives should not dictate Kansas City's building requirements, the lure of federal funding effectively shut down what had been a collaborative and constructive local process. To our knowledge, Kansas City has not received a single dollar from the Department of Energy for adopting the code, yet the impact on local housing production has been severe.

Outcome for Kansas City

When the new energy code took full effect on October 1, 2023, Kansas City did not issue a single new single-family permit until January 2024. For context, in the four years prior, the city averaged 66 new single-family permits per month. The drop in activity was immediate and dramatic.

The number of builders working in Kansas City also collapsed. In 2023, 98 companies pulled single-family permits. By 2024, that number had fallen to just 22—a 78% reduction in the builders willing or able to operate under the new code. These figures come directly from the city's own permitting system, CompassKC.

Notably, other municipalities in the metro have chosen not to follow Kansas City's lead, even amid strong pressure from supporters of the 2021 IECC. But if federal programs continue to dangle dollars in exchange for code adoption, more communities may feel compelled to prioritize grant eligibility over local decision-making.

Personally, I have always taken great pride in building energy-efficient homes. It is the niche I have chosen in the market, and for many years I worked closely with my clients and the communities where I build to deliver homes that met high standards of efficiency, comfort, and overall performance.

My interest in building science is one of the reasons I have always pursued proven performance. Long before Kansas City required it, I was conducting Home Energy Rating System (HERS) evaluations to ensure that our homes performed at a high level. While my homes have typically cost a bit more than some competitors' houses, I could work with clients to make thoughtful decisions about where to invest their hard-earned dollars—focusing on the improvements that delivered the best return in comfort and performance. That approach has become much harder since Kansas City adopted the 2021 IECC. The complexity of both the code language and the compliance process has taken choices out of my hands—and, more importantly, out of the hands of the families I serve.

Let me share one example that illustrates just how serious this problem has become in Kansas City. On April 29, 2024, our company applied for a straightforward "Interior Remodel of Single-Family" permit to add work to an existing project that had already been approved under the prior code. Traditionally, a permit like this—covering a nonstructural basement finish—takes only a few days to process. Instead, it took 39 days.

During that time, the house sat with a completed foundation, while our framing crew sat at home with no work. To put it in perspective, our crews built that foundation from bare dirt in 39 days—yet in that same period, the city could not issue a simple permit. Over the course of the delay, I exchanged more than 17 emails with city staff, trying to move the process forward. Ultimately, it took a lengthy appeal to the mayor, the full city council, and the city manager before the permit was finally approved—on the 39th day.

Even worse, the home was already HERS-rated at 62, saving the family \$2,548 a year in utilities compared to an average home. But to comply with the 2021 IECC prescriptive path, our clients had to spend an additional \$10,300. The payoff? A single-point reduction in their HERS score, from 62 to 61—saving just \$2 a year in additional operating costs. That is not a good investment for American families.

This is why I am especially grateful to Congressman Goldman for introducing H.R. 4758, the Home Owner Energy Freedom Act, which would repeal Section 50131 of the Inflation Reduction Act. This program has distorted local processes, driven up costs, and discouraged investment in housing production—all while doing little to improve real-world energy performance. I urge Congress to move quickly on this legislation to restore balance and ensure that housing policies support affordability rather than undermine it. We need solutions that are cost-effective, practical, and that respect the ability of states and local governments to make decisions that work for their communities.

Conclusion

Chairman Latta, Ranking Member Castor, and members of the subcommittee, thank you once again for the opportunity to testify before you today. As I have shared, well-intentioned federal policies—particularly Section 50131 of the Inflation Reduction Act—have had very real and negative effects on housing production in Kansas City. These policies have distorted local decision-making, driven up costs, and limited families' choices, all while delivering little in

terms of measurable energy performance. We need a better path forward—one that supports efficiency and innovation, but does so in a way that is practical, cost-effective, and aligned with the needs of home buyers, renters, and the communities in which they live. I look forward to continuing to work with you to ensure that every family has access to safe, decent, and affordable housing.