



March 9, 2026

Rep. Dave Baker
2nd Floor Centennial Office Building
St. Paul, MN 55155

Rep. Dave Pinto
5th Floor Centennial Office Building
St. Paul, MN 55155

RE: NBI Comments Opposing HF3545

Dear Co-Chair Baker, Co-Chair Pinto and members of the Workforce, Labor, and Economic Development Finance and Policy Committee

I am writing on behalf of [New Buildings Institute](https://www.newbuildings.org) (NBI) in opposition to HF3545, which would repeal the state's legislative target of a 70 percent energy reduction by the 2030 Residential Energy Code. NBI is a nonprofit organization that has been developing objective data-driven solutions for building energy policy for 29 years. We pride ourselves on technical expertise in cost-effective, scalable approaches that reduce energy use and carbon emissions in buildings in both the residential and commercial sectors.

HF3545 undermines energy affordability at the worst possible time. Too many Minnesota residents are struggling to afford their utility bills at the end of a very cold winter. Uncertainty is increased by federal policies backing away from efficiency and renewable energy, as well as global volatility in oil and gas markets. Our energy code is critical not only to reduce future climate emissions, but also to adapt to an already changing climate. Improving building envelopes in new construction is a simple way to add resilience in the face of extreme temperatures, both hot and cold. These extremes are a major threat to the health and wellbeing of our residents, and efficient buildings are the best way to provide critical safety during peak events without causing undo grid strain. The last official energy code cost estimate by Pacific Northwest National Lab for Minnesota showed that the 2021 version of the IECC energy code would increase mortgage payments by \$10 - \$16 per month while lowering energy bills by \$18 - \$31 per month.¹

Removing these requirements for updates to the Residential Energy Code will inhibit State's ability to meet its climate goal to reduce greenhouse gas emissions by 80% by 2050, maintaining its climate leadership position in the US and Midwest.² For these reasons, NBI encourages opposition to HF3545.

Sincerely,

Ben Rabe
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St. Paul, MN

¹ Salcido, Victor et al. *Cost-Effectiveness of the 2021 IECC for Residential Buildings in Minnesota*, Department of Energy, July 2021, https://www.energycodes.gov/sites/default/files/2021-07/MinnesotaResidentialCostEffectiveness_2021_0.pdf

² Our Minnesota Climate, <https://climate.state.mn.us/>