

No. 151. An act relating to building energy codes.

(S.253)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. FINDINGS

The General Assembly finds:

(1) According to the 2020 State of Vermont Greenhouse Gas Emissions Inventory Update and Forecast, home and business heating and cooling is the second largest source of greenhouse gas (GHG) emissions in Vermont.

(2) Under 10 V.S.A. § 578, the State has an obligation to meet named GHG reduction requirements. In order to attain these reductions, GHG emissions from the thermal sector, that is, the heating and cooling of homes and businesses, must be reduced.

(3) One method of reducing thermal sector emissions is to increase the energy efficiency of Vermont's homes and businesses through building to an energy-efficient building energy standard.

(4) Vermont established the Residential Building Energy Standards (RBES) in 1997 and the Commercial Building Energy Standards (CBES) in 2007. The Department of Public Service is responsible for adopting and updating these codes regularly but does not have the capacity to administer or enforce them.

(5) The RBES and CBES are mandatory, but while municipalities with building departments handle some aspects of review and inspection, there is no State agency or office designated to interpret, administer, and enforce them.

(6) The Division of Fire Safety in the Department of Public Safety is responsible for development, administration, and enforcement of building codes but does not currently have expertise or capacity to add administration or enforcement of energy codes in buildings.

(7) Studies in recent years show compliance with the RBES at about 54 percent and CBES at about 87 percent, with both rates declining. Both codes are scheduled to become more stringent with the goal of “net-zero ready” by 2030.

Sec. 2. ENERGY CODE COMPLIANCE; WORKING GROUP

(a) Creation. There is created the Building Energy Code Working Group to recommend strategies for increasing compliance with the Residential Building Energy Standards (RBES) and Commercial Building Energy Standards (CBES).

(b) Membership. The Working Group shall have 15 members with applicable expertise, to include program design and implementation, building code administration and enforcement, and Vermont’s construction industry. The Committee on Committees shall appoint one Senator. The Speaker of the House shall appoint one member of the House. The remaining members shall be the following:

- (1) the Commissioner of Public Service or designee;
- (2) the Director of Fire Safety or designee;
- (3) a representative of Efficiency Vermont;
- (4) a representative of American Institute of Architects–Vermont;
- (5) a representative of the Vermont Builders and Remodelers

Association;

- (6) a representative the Burlington Electric Department;
- (7) a representative of Vermont Gas Systems;
- (8) a representative of the Association of General Contractors of

Vermont;

- (9) a representative of the Vermont League of Cities and Towns;
- (10) a representative from a regional planning commission;
- (11) a representative from the Vermont Housing and Conservation

Board;

- (12) a representative of the Office of Professional Regulation; and
- (13) a representative from the Vermont Association of Realtors.

(c) Powers and duties. The Working Group shall:

- (1) recommend strategies and programs to increase awareness of and
compliance with the RBES and CBES, including the use of appropriate
certifications for contractors trained on the energy codes;

(2) develop plans and recommendations for a potential transition to a comprehensive program for the RBES and CBES at the Divisions of Fire Safety, including potential funding sources; and

(3) consider whether or not the State should adopt a statewide building code.

(d) Assistance. The Working Group shall have the administrative and technical assistance of the Department of Public Service. The Working Group shall have the legal assistance of the Department of Public Service as to matters of procedure, the Working Group's powers and duties, existing State programs, existing legal requirements or obligations, and the drafting of proposed legislation. The Working Group may hire a third-party consultant to assist and staff the Working Group, which may be funded by monies appropriated by the General Assembly or any grant funding received.

(e) Report. On or before November 15, 2024 and November 15, 2025, the Working Group shall submit a written report to the Senate Committee on Natural Resources and Energy and the House Committee on Environment and Energy with its findings and recommendations for legislative action.

(f) Meetings.

(1) The Department of Public Service shall call the first meeting of the Working Group to occur on or before July 15, 2024.

(2) The Working Group shall elect a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The Working Group shall cease to exist on July 1, 2026.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group serving in the legislator's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than eight meetings in fiscal year 2025.

(2) Other members of the Working Group who are not otherwise compensated by their employer shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings in fiscal year 2025.

(3) The payments under this subsection shall be made from monies appropriated by the General Assembly or any grant funding received.

Sec. 3. 30 V.S.A. § 51(c) is amended to read:

(c) Revision and interpretation of energy standards. The Commissioner of Public Service shall amend and update the RBES by means of administrative rules adopted in accordance with 3 V.S.A. chapter 25. On or before January 1, 2011, the Commissioner shall complete rulemaking to amend the energy standards to ensure that, to comply with the standards, residential construction must be designed and constructed in a manner that complies with the 2009 edition of the IECC. After January 1, 2011, the Commissioner ~~shall ensure~~

~~that appropriate revisions are made promptly~~ may direct the timely and appropriate revision of the RBES after the issuance of updated standards for residential construction under the IECC. The Department of Public Service shall provide technical assistance and expert advice to the Commissioner in the interpretation of the RBES and in the formulation of specific proposals for amending the RBES. Prior to final adoption of each required revision of the RBES, the Department of Public Service shall convene an Advisory Committee to include one or more mortgage lenders, builders, building designers, utility representatives, and other persons with experience and expertise, such as consumer advocates and energy conservation experts. The Advisory Committee may provide the Commissioner with additional recommendations for revision of the RBES.

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Sec. 4. 30 V.S.A. § 53(c) is amended to read:

(c) Revision and interpretation of energy standards. On or before January 1, 2011, the Commissioner shall complete rulemaking to amend the commercial building energy standards to ensure that commercial building construction must be designed and constructed in a manner that complies with ANSI/ASHRAE/IESNA standard 90.1-2007 or the 2009 edition of the IECC, whichever provides the greatest level of energy savings. ~~At least every three years after January 1, 2011, the~~ The Commissioner of Public Service shall amend and update the CBES by means of administrative rules adopted in

accordance with 3 V.S.A. chapter 25. The Commissioner ~~shall ensure that~~
~~appropriate revisions are made promptly~~ may direct the timely and appropriate
revision of the CBES after the issuance of updated standards for commercial
construction under the IECC or ASHRAE/ANSI/IESNA standard 90.1,
whichever provides the greatest level of energy savings. Prior to final adoption
of each required revision of the CBES, the Department of Public Service shall
convene an Advisory Committee to include one or more mortgage lenders;
builders; building designers; architects; civil, mechanical, and electrical
engineers; utility representatives; and other persons with experience and
expertise, such as consumer advocates and energy conservation experts. The
Advisory Committee may provide the Commissioner of Public Service with
additional recommendations for revision of the CBES.

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Sec. 5. RESIDENTIAL BUILDING CONTRACTOR REGISTRY;

WEBSITE UPDATES

(a) As part of its application to register with the residential building
contractor registry administered by the Vermont Secretary of State, the Office
of Professional Regulation shall ask a registrant to provide the following data:

(1) the geographic areas the registrant serves; and

(2) the trade services the registrant offers from a list of trade services
compiled by the Office.

(b) As part of its application to register with the residential building contractor registry administered by the Vermont Secretary of State, the Office of Professional Regulation shall require that a registrant acknowledge that compliance with 30 V.S.A. § 51 (residential building energy standards) and 30 V.S.A. § 53 (commercial building energy standards) is required.

(c) On or before January 1, 2025, the Office of Professional Regulation shall update the website for the residential building contractor registry administered by the Vermont Secretary of State to:

(1) regularize usage of the term “residential contractor,” or another term selected by the Office, across the website to replace usages of substantially similar terms, such as “builder,” “contractor,” or “residential building contractor”; and

(2) add a clear and conspicuous notice that a residential contractor is required by law to comply with State building energy standards.

Sec. 6. RESIDENTIAL BUILDING CONTRACTOR CONTRACT

TEMPLATES

The Office of Professional Regulation shall update any contract template the Office furnishes for residential building contracting to include a statement acknowledging that the project is required to comply with 30 V.S.A. § 51 (residential building energy standards).

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Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.

Date Governor signed bill: June 3, 2024