

Statement for the Record
by the
The BuildStrong Coalition
for the
U.S. House of Representatives Committee on Financial Services
Subcommittee on Housing, Community Development, and Insurance
Hearing on
“Built to Last: Examining Housing Resilience in the Face of Climate Change”

Tuesday, May 4, 12:00 PM

Thank you for the opportunity for the BuildStrong Coalition to submit this statement for the record for the Subcommittee’s hearing, “Built to Last: Examining Housing Resilience in the Face of Climate Change” and consideration of legislation to help strengthen America’s homes and increase the community resilience against the catastrophic impacts of disasters. Chairman Cleaver and Ranking Member Stivers are to be commended for leading the committee in prioritizing housing and flood insurance, as well as the need for disaster mitigation and resilience investments, as a core component of the national conversation on resilient infrastructure and communities.

The BuildStrong Coalition, formed in 2011 to respond to an increasing number of severe disasters, is made up of a diverse group of members representing firefighters, emergency responders, emergency managers, insurers, engineers, architects, contractors, and manufacturers, as well as consumer organizations, code specialists, and many others committed to building a more disaster resilient nation. The BuildStrong Coalition has been a partner with Congress’ work to investigate causes of, and devise the solutions to, the rising costs and impacts of disasters, in the U.S. We have been honored to present witnesses and participants in hearings, roundtables, and briefings to identify opportunities for policy changes that promote mitigation and the smart investment of federal resources to address our country’s increasing number of severe and costly weather events, including informing several provisions of the Disaster Recovery Reform Act of 2018 (P.L. 115-254).

In the face of growing climate risk, we must be focused on what legislative changes and policy initiatives are needed to drive and appropriately incentivize smart mitigation and resilience activities and practices, while also removing the challenges and obstacles that may stand in the way or hinder the progress of disaster resilience. This committee knows all too well the critical need for timely and flexible resources for our hardest-hit communities not only to recover from disaster impacts, but also to prepare for and increase resilience against the next storm. You stand poised to drive one of the most important elements of this conversation for America’s homes and ensure that residential resilience remains at the forefront on the infrastructure, COVID-19 recovery, and disaster assistance reform conversation. This Committee must take this opportunity to influence the overall national resilience strategy, including how residential resilience intersects with adaptation and responds to climate impacts, and is a core component of the national resilience conversation. This committee must fill a leadership role in addressing climate impacts by acting on legislation that incentivizes and provides resources to facilitate smart, climate-conscious behaviors and mitigation and make the tough calls to remove the moral hazards and policy impediments inhibiting decision makers from creating resilient systems and communities. The BuildStrong Coalition has developed the following policy recommendations and principles that are critical,

supported by data and science, and should be included in the Committee’s community resilience legislation.

I. Secure More Resources for Mitigation

Congress should increase the funding for residential retrofits and investments in resilience before the next disaster, climate impact, or catastrophic failure.

Mitigation saves lives, property, and taxpayer money. Mitigation also saves the environment. But the federal resources to help build state and local capacity and fund risk-reducing, cost-effective mitigation projects that harden homes and buildings and help individuals invest in residential resilience are woefully inadequate. The U.S. Department of Housing and Urban Development, in coordination with the Federal Emergency Management Agency (FEMA) and other Federal Agencies need more tools, and tools that can be leveraged together, to help impacted communities recover smarter and stronger and end the cycle of build, damage, rebuild.

And we know that this is a smart use of Federal resources that will save taxpayer dollars. Federal funding that promotes better land use, modern science applied to home construction, and increased mitigation measures can dramatically reduce the devastation brought by these disasters. Based on the findings of the National Institute of Building Sciences (NIBS):

- Adopting Model Building Codes Saves \$11 per \$1 Invested
- Federal Mitigation Grants Save \$6 per \$1 Invested
- Exceeding Codes Save \$4 per \$1 Invested
- Mitigating Infrastructure Saves \$4 per \$1 Invested

II. Drive Resilient Homes and Communities through Strong Building Codes

Congress should create incentives for building stronger and tie existing federal funding streams to the adoption and enforcement of strong, modern building codes, in order to better protect homes, families, and communities.

Individuals and communities are kept safe in times of disasters through the strength of their homes. This is particularly prevalent as we learn lessons from COVID-19 and begin to understand how to increase resilience to wildfires. Disaster-resilient and sustainable construction and the use of stronger building codes have been proven to save lives, reduce the damage of natural disasters, and protect the environment. Unfortunately, only a handful of states have adopted the most modern building codes, and many lack the resources to adequately implement codes. To help correct this paradigm at the federal level involves creating incentives that encourage state and local governments to adopt modern building codes, while simultaneously equipping communities with the tools and resources needed to carry out meaningful enforcement regimes.

III. Resilient Construction

Congress should require Federal programs to make risk-reducing, cost effective investments that promote resilient construction and home hardening.

Disruptions to our communities and homes due to disasters threaten lives and impede community recovery. By investing in the resilience of our housing and communities as a critical system, we can reduce, if not eliminate, the impact of disasters, allowing people to stay safe and continue with their daily routines, ultimately reducing the duration and cost of recovery. Through the application of the highest building codes, standards, and technologies and ensuring access to resources to invest in mitigation, we can ensure system-wide increases in resilience in homes and communities.

Disaster-resilient and sustainable construction and infrastructure is important to reduce the damage of natural disasters and protect the environment. This involves applying the highest codes and standards and leveraging resources to support and incentivize the adoption and enforcement of building codes and professional standards. This includes standards that strengthen materials against all hazards including wind, flood, seismic, and ice. Most importantly, all disaster recovery and mitigation projects should incorporate smart technologies to improve monitoring and distribution and require the use of resilient and non-combustible materials standards for structures in areas prone to wildfire.

IV. Incentivize Individual Investments in Resilience

Congress should incentivize investments in resilience through tax benefits, grant conditions, and easing administrative burdens.

In addition to more resources for mitigation and communities, both public and private entities need incentives to drive their investments in mitigation. Whether by supporting the creation of federal tax incentives that reward resilient behavior, the development of mitigation tax breaks, or other incentives, individuals and businesses will find it easier to invest in resiliency, including undertaking activities like retrofitting homes, if these resources are available. This would also foster private sector investment in mitigation through new financing opportunities. Targeted tax incentives and removing tax penalties will encourage resilient construction techniques to withstand damage from strong winds or flooding and prevent losses from wildfires and seismic events. Through these investments, homeowners and communities ultimately save money through tax savings and avoided recovery costs and losses in the next disaster. Further, federal agencies must reduce the complexity and administrative burden of their programs and allow different programs to come together in flexible, creative, and truly transformational ways.

VI. Build Capacity

Congress should ensure that state, local, tribal, and regional entities are given the tools and resources to increase capacity and capability to identify risks and hazards and mitigate those risks before the crisis occurs.

It is clear that for this country to be successful in enhancing our resiliency, we must focus on capacity building for state and local governments and turn to considerations of sustainability, adaptability, and creative financial instruments that can be leveraged to drive socially-responsible investments in resilience. State, local, and tribal governments must increase their ability to mitigate against all hazards. Accordingly, they must increase their ability to identify hazards and successfully implement these funds to accomplish selected risk-reducing projects. Increased engagement and education efforts on mitigation planning, program requirements, and opportunity

awareness will enhance community resilience across all levels of government.

Further, regulatory controls must be loosened to facilitate and encourage public-private partnerships. Governments must work with the private sector to increase community and national resilience. The private sector is currently conducting high-level work throughout the resilience and mitigation arena and there is tremendous opportunity to utilize expertise and industry knowledge, take advantage of existing programs, identify best practices, and incorporate lessons learned from the private sector. By leveraging the private sector and encouraging and facilitating public-private partnerships, we can maximize available resources for the benefit of the entire country.

Conclusion

The BuildStrong Coalition calls on the House Committee on Financial Services Subcommittee on Housing, Community Development, and Insurance to take the next critical step to drive disaster resilience across the nation through legislation that would effectuate these policy ideals, changes in authority, development of incentives, and streamlining of assistance to serve our communities in an equitable and transformational way.

The BuildStrong Coalition and its members stand ready to partner with the Committee as it moves further develops and moves legislation driving mitigation and resilience against disaster and climate impacts. The compelling arguments for these policy changes are grounded in overwhelming science and evidence. We would be honored to present subject matter experts, data, and best practices, as well as participants in hearings, roundtables, and briefings. We are excited to join congressional leaders like you as we identify opportunities for policy changes that promote disaster resilience and the smart investment of federal resources to address our country's vulnerable homes and communities and the increasing number of severe and costly weather events. Together, we can help save the lives and homes of our citizens.