



MEMO: Building Sector Provisions of the Bipartisan Infrastructure Deal in the U.S. Senate
To: AIA Members
From: AIA Federal Relations Team
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Summary:

A bipartisan group of Senators, led by Sen. Portman (R-OH) and Sen. Sinema (D-AZ), have reached an agreement with the Biden Administration on a bipartisan infrastructure deal. Legislative text from that deal ([H.R. 3684](#)) was released on August 1, 2021. AIA wanted to take this opportunity to give you a glimpse into what this infrastructure bill contains.

The 2,702-page bill includes many policies related to the transportation sector, but importantly, it also includes some key provisions on buildings. The Senate Energy and Natural Resources (ENR) Committee advanced the Energy Infrastructure Act of 2021 on a bipartisan vote earlier in July and many of the provisions were included in the bipartisan deal, including investments in weatherization assistance and energy efficiency. There is also some policy to expand walkable communities and workforce training.

The Senate voting process for additional amendments is complete. Now, the bill will require a vote in the full House of Representatives and will then go to the president for his signature (additional changes are possible). The House is scheduled to be in recess until September 20 and Speaker Pelosi has announced that she will not schedule a vote on this bill until the Senate advances the second infrastructure bill through Budget Reconciliation. It is therefore unlikely that the House will vote until the fall. It is widely expected that the Senate will turn to the Budget Reconciliation package next, which is an opportunity to expand on the investments in America's building infrastructure.

AIA sees this bipartisan Senate bill (H.R. 3684) as an important first step to invest in America's buildings, with more work to be done in subsequent legislation. The notable policy changes that are most relevant to AIA's policy positions are divided up by subject category and listed below.



Notable Provisions in Senate Infrastructure Deal:

Weatherization Assistance Program:

- Authorizes \$3.5 billion for FY2022 with no end date by which the money must be spent (page 1731).

Energy Efficient Federal Buildings:

- Authorizes \$250 million for FY 2022 for the Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) grant program to make energy and water efficiency upgrades to federal buildings (page 2506).

Energy Efficiency and Conservation Block Grant Program:

- Add a new eligible use of funding: “programs for financing energy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure), capital investments, projects, and programs, which may include loan programs and performance contracting programs, for leveraging of additional public and private sector funds, and programs that allow rebates, grants, or other incentives for the purchase and installation of energy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure) measures;”
- Authorizes \$550 million for FY2022 with no end date by which the money must be spent (page 1733).

Grid Integration:

- Adds a new requirement to the Federal Energy Management Program (FEMP) to promote the installation of demand-response technology and the use of demand-response practices in Federal buildings (page 1345).
- Investment in grid flexibility by authorizing the Smart Grid Investment Matching Program at \$3 billion for FY 2022, to remain available until September 30, 2026. This grant program would have multiple allowable uses and specifically, “in the case of buildings, the documented expenses for devices and software, including for installation, that allow buildings to engage in demand flexibility or Smart Grid functions” (page 1368).

Energy Efficiency Revolving Loan Fund Capitalization Grant Program:

- Must be established no later than one year after the enactment of this law.



- Among other requirements, applications must include “a description of the expected benefits that building infrastructure and energy system upgrades and retrofits will have on communities in the State” (page 1665).
- Grant funding may be used to issue loans to eligible entities to conduct a commercial energy audit (page 1668).
 - A commercial energy audit using this funding must, among other requirements, “identify and recommend lifecycle cost-effective opportunities to reduce the energy consumption of the 24 facility of the eligible recipient, including through energy efficient lighting; heating, ventilation, and air conditioning systems; windows; appliances; and insulation and building envelopes;” (page 1669).
 - Such an audit must also “identify- the period and level of peak energy demand for each building within the facility of the eligible recipient; and the sources of energy consumption that are contributing the most to that period of peak energy demand” recommend controls and estimate total energy and cost savings potential (page 1670).
- A state that receives a capitalization grant may also provide a loan to eligible entities to undergo commercial and residential energy upgrades and retrofits.
 - Among other requirements, such a loan must be used to “satisfy at least 1 of the criteria in the Home Performance Assessment used in the Energy Star program,” and “improve, with respect to the building or facility of the eligible recipient the physical comfort of the building or facility occupants, the energy efficiency of the building or facility, or the quality of the air in the building or facility.”
 - Retrofits and upgrades using these loans must be life cycle cost effective.
 - Loans must also be used to either 1) reduce the energy intensity of the building or facility of the eligible recipient; or 2) improve the control and management of facilities to reduce peak time energy consumption” (page 1675).
 - Authorizes \$250 million for FY2022 with no end date by which the money must be spent (page 1681).

Residential Energy Audit:

- Also authorized with the Energy Efficiency Revolving Loan Fund Capitalization Grant program detailed above.
- Audit required to compare the energy consumption of the residential building of the eligible recipient to comparable residential buildings in the same geographic area.



- Audit must also provide a Home Energy Score, or equivalent score (as determined by the Secretary), for the residential building of the eligible recipient by using the Home Energy Score Tool of the Department or an equivalent scoring tool (page 1672).
- Eligibility extended to 1) an individual who owns a single-family home, a condominium, a duplex; or a manufactured housing unit; or to 2) a business that owns or operates a multifamily housing facility (page 1674).

Energy Auditor Training Grant Program:

- Establishes a competitive grant program under the State Energy Program award grants to eligible States to train individuals to conduct energy audits or surveys of commercial and residential buildings (page 1682).
- Authorizes \$40 million from FY2022-FY2026 (page 1684).

Cost-Effective Codes Implementation for Efficiency and Resilience:

- Establishes a competitive grant program in the Department of Energy's Building Technologies Office (BTO) "to enable sustained cost-effective implementation of updated building energy codes" (page 1686).
- Grantees may establish partnerships between local building code agencies, codes and standards developers, associations of builders and design and construction professionals (page 1687). Such partnerships may create or provide training and materials to builders, contractors and subcontractors, architects, and other design and construction professionals relating to meeting updated building energy codes.
- Grantees may also create or provide training and materials to building code officials relating to improving implementation of and compliance with building energy codes, including difference across urban, rural, and suburban areas (page 1688).
- Grantees may implement updates in energy codes for new residential and commercial buildings, and additions and alterations to existing residential and commercial buildings.
- Training and materials provided using grant under this section may include information on the relationship between energy codes and cost effective, high performance, and zero-net-energy buildings (page 1689).
- Authorizes \$225 million from FY2022-FY2026.

Building, Training, and Assessment Centers:



- The Secretary of the Department of Energy shall provide grants to institutions of higher education and Tribal Colleges or universities to establish building training and assessment centers:
 - to identify opportunities for optimizing energy efficiency and environmental performance in buildings;
 - to promote the application of emerging concepts and technologies in commercial and institutional buildings;
 - to train engineers, architects, building scientists, building energy permitting and enforcement officials, and building technicians in energy-efficient design and operation;
 - to promote research and development for the use of alternative energy sources and distributed generation to supply heat and power for buildings, particularly energy-intensive buildings (page 1690).
 - Authorizes \$10 million in FY2021 with no end date by which the money must be spent (page 1691).

Commercial Building Energy Consumption Information:

- Directs Administrator of the Environmental Protection Agency to sign and submit to Congress an information sharing agreement relating to commercial building energy consumption data, no later than 120 days after the enactment of this law.
- Grants the Administrator access to building-specific data in the Portfolio Manager database of the Environmental Protection Agency and access to building-specific data collected by the CBECS survey (page 1694).
- The Administrator will compare methodologies used across the Energy Information Administration, the Environmental Protection Agency, state, and local governments, and look for ways to improve that methodology across government bodies (page 1695).

Energy Efficient and Renewable Energy Improvements to Public Schools:

- Establishes competitive grants for energy efficiency improvements and renewable energy improvements at public school facilities, including school buildings and busses.
- Defines “energy improvement” as “any improvement, repair, or renovation to a school that results in a direct reduction in school energy costs, including improvements to the envelope, air conditioning system, ventilation system, heating system, domestic hot water heating system, compressed air system, distribution system, lighting system, power



system, and controls of a building;” and that improves student/teacher health through improved indoor air quality (page 1721).

- Gives priority to schools with greatest need of repair, those serving the most students in the federal free or reduced-price lunch program, or that can leverage additional private investment (page 1725).
- Authorizes \$500 million from FY2022-FY2026

Energy Efficient Materials Pilot Program:

- Establishes a pilot program to provide nonprofits with energy efficient materials within one year of enactment of this law (page 1730).
- Energy efficient materials means “ means a material (including a product, equipment, or system) the installation of which results in a reduction in use by a non-profit organization of energy or fuel” (page 1729).
- Materials may include: a roof or lighting system or component of the system, a window, a door, including a security door. and a heating, ventilation, or air conditioning system or component of the system (including insulation and wiring and plumbing improvements needed to serve a more efficient system).
- Authorizes \$50 million from FY2022-FY2026 (page 1731).

Walkable Communities/ Transit-Oriented Development:

- Requires that 2.5% of funding granted to States or metropolitan planning organizations in federal State Planning and Research grants must be used toward “promoting safe and accessible transportation options” (page 245).
- This may include the adoption of Complete Streets Standards or efforts to “create a network of active transportation facilities, including sidewalks, bikeways, or pedestrian and bicycle trails, to connect neighborhoods with destinations such as workplaces, schools, residences, businesses, recreation areas, healthcare and childcare services, or other community activity centers.” It may also fund policies that support transit-oriented development, among other eligible uses (page 246).
- Amends Metropolitan Transportation Planning to include “better connecting housing and employment” within the purpose of the policy (page 225).
- It allows (but does not require) Metropolitan Transportation Planning organizations to “coordinate, to the extent practicable, with applicable State and local entities to align the



goals of the process with the goals of any comprehensive housing affordability strategies” (page 227).

- It also allows these organizations to “(I) develop regional goals for the integration of housing, transportation, and economic development strategies to—(aa) better connect housing and employment while mitigating commuting times; (bb) align transportation improvements with housing needs, such as housing supply shortages, and proposed housing development; (cc) align planning for housing and transportation to address needs in relationship to household incomes within the metropolitan planning area; (dd) expand housing and economic development within the catchment areas of existing transportation facilities and public transportation services, including higher-density development, as locally determined” among other allowable uses (page 228).
- Establishes a “safe routes to school” program that is meant to facilitate more accessible biking and walking paths for school-aged children travelling to K-12 schools (page 171).

Resilience:

- Existing policy allows federal Stafford Disaster and Emergency Assistance grants to be used on specified pre-disaster mitigation expenses. This amends that policy to add wildfire mitigation to that list (page 1331).
- Establishes a federal Wildfire Mitigation commission within 30 days of the enactment of this act to make recommendation to mitigate, suppress, and prevent wildfires, and to rehabilitate land already damaged by wildfires (page 2197).
- States may receive a higher federal share of the cost of a project if that state has a resilience plan and has prioritized the project in question within that plan, subject to other requirements (page 376). Those resilience plans are primarily directed to focus on transportation system resilience but may “assess the resilience of other community assets, including buildings and housing, emergency management assets, and energy, water, and communication infrastructure” (page 382).
- Allocates an additional \$500 million for grants established from the STORM Act, pursuant to section 205 of the Robert T. Stafford Disaster Relief and Emergency Assistance Grant (42 U.S.C. 5135). Funding includes \$100 million for each year through FY2022 – FY2026 (pages 2551).
- Allocates \$1 billion for FEMA’s Building Resilient Infrastructure and Communities (BRIC) Program, pursuant to section 203 (i) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133), provided that \$200 million remains available until expended for each year from FY2022 – FY 2025 (page 2554).