

# Building Codes in the American Recovery and Reinvestment Act of 2009 (ARRA)



Setting the Foundation for Energy Efficiency

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The ARRA provides two opportunities for states to receive stimulus funds linked to building energy codes - *Energy Efficiency and Conservation Block Grants*, and *State Energy Program (SEP)*.

## **Energy Efficiency and Conservation Block Grants for Codes**

### **Amount Available:**

\$3.2 billion to assist local governments in implementing energy efficiency and conservation programs, of which:

- \$2.8 billion is awarded based on existing formula
- \$400 million is awarded on a competitive basis

### **Eligible Code-Related Activities:**

- Developing/implementing an energy efficiency and conservation strategy;
- Retaining technical consultant services to assist in the development of such a strategy;
- Conducting residential and commercial building energy audits;
- Establishing financial incentive programs for energy efficiency improvements (*e.g., loan programs, rebate programs, waive permit fees*);
- Developing and implementing building codes and inspection services to promote building energy efficiency.

### **Who is Eligible for Direct Block Grants?**

- Every state (including territories)
- Indian tribes
- Every city with a population of 35,000 or more
- Every county with a population of 200,000 or more

### **Who is Eligible for Competitive Grants?**

- All cities/counties not eligible for direct grants are potentially eligible.

### *Priority given to:*

- Units of local governments located in states with populations of less than 2,000,000; or
- Plans that result in significant energy efficiency improvements or reduction in fossil fuel use.

## **State Energy Program for Codes**

### **Amount Available:**

\$3.1 billion is provided for state energy efficiency programs.

### **Eligible Code-Related Activities:**

States compete for funding to implement adoption and implementation activities relating to building codes.

### **Required Code-Related Activity:**

As a condition of receipt of SEP grants, the Secretary of Energy must receive notification from the Governor that certain assurances have been obtained regarding certain regulatory policies, building code requirements and the prioritization of existing state programs.

The following is required for buildings:

- Intent to adopt residential and commercial codes that meet or exceed the 2009 IECC and ASHRAE Standard 90.1-2007
- Plans for achieving compliance rates with these codes of 90% in new and renovated residential and commercial buildings within 8 years.

### **Who is Eligible for a SEP grant?**

All States (including territories)

*For more information please visit  
[www.bcap-energy.org](http://www.bcap-energy.org)*