



# NEWS RELEASE

5816 W. Plano Pkwy. • Plano, TX 75093 • (972) 931-4840 • FAX (972) 267-0426 • [www.DallasBuilders.com](http://www.DallasBuilders.com)

## FOR IMMEDIATE RELEASE

**CONTACT:** Phil Crone, Director of Government Affairs and Green Building Programs, 214.624.3178 or [phil.crone@dallasbuilders.com](mailto:phil.crone@dallasbuilders.com)

**JUNE 30, 2009**

### **CONGRESS'S ACES BILL WILL TRUMP HOUSING AFFORDABILITY**

*Cap and Trade Bill Could Devastate Housing Industry with Limited Environmental Benefits*

DALLAS – Housing affordability is one of the key reasons why eight of every 10 jobs created in the United States last year were created in Texas. However, Congress's American Clean Energy and Security Act (ACES) threatens to undermine this advantage, along with a housing sector that still represents more than 12 percent of the state's economy, according to the Home Builders Association of Greater Dallas (HBA). ACES, which was narrowly passed by the House last week, is intended to place most of the American economy on a carbon cap and trade system and enable the U.S. to sign a successor to the Kyoto Treaty in December at the United Nations Climate Change Conference in Copenhagen, Denmark.

Buried within the 1200+ pages of ACES are provisions that will impose federal mandates requiring each state to make its energy code for new buildings 30 percent more efficient than current levels, perhaps as soon as next year. By 2014, each new building must be built 50 percent more efficient than current code. Very few homes are currently built to these levels since it often takes fifteen years or more before the utility savings will outpace the initial costs.

"On its face these requirements probably sound good to many people, but some prospective is needed," said HBA Director of Government Affairs and Green Building Programs Phil Crone. "While buildings are often cited as accounting for as much as 40 percent of the nation's greenhouse gas emissions, new homes built in the last 10 years only account for 2.5 percent. Half of that electricity is lost in the grid and never makes it to the home. Clearly, our older inefficient housing stock is where wise environmental policy should focus. The only way to upgrade them is through market incentives such as tax credits."

Instead, Congress appears to favor a policy that will add thousands of dollars to the cost of a new home that will take decades to offset with utility savings. Even a modest estimate of a \$4,000 cost increase would make a new home unobtainable for more than 100,000 Texas households, according to the Texas A&M Real Estate Center.

ACES also trumps years of environmental progression in the home building industry. The most recent EPA numbers show that Texas builders produce more ENERGY STAR certified homes than the next six leading states combined. In 2007 alone, these homes saved Texans more than \$18 million on their utility bills with emissions savings equal to taking 20,000 vehicles off the road.

"Certainly, green has been popular with consumers for several years, but when the rubber meets the road in the policy arena, we must be sensible, especially in a very weak economy," said HBA President and local home builder Tim Jackson. "Federal mandates that cripple a vital part of the Texas economy with environmental gains measured in fractions of a percent are not the answer."

If ACES becomes law, a family of four will see a \$24,000 increase in their direct energy costs between the years 2012 and 2035, according to some estimates. "For someone my age, that number represents two years of college tuition I hoped I would have been able to save for my children," said Crone.

As Congress deals out ACES, more than 500,000 Texans employed in the housing industry will brace themselves for the regulatory hand that will potentially push them into an uncertain abyss and trump any hopes for Texas's continued prosperity.

-- ### --

**About the HBA:** The Home Builders Association of Greater Dallas is a professional organization dedicated to promoting new home ownership, industry advancements, and community good works. The HBA covers a seven-county area of some 5,500 square miles with a population of more than 3 million and is the local affiliate of the Texas Association of Builders and the National Association of Home Builders. The HBA's membership includes more than 1,600 builders, developers, and remodelers, suppliers, vendors, and associated businesses and services.