

Talking Points: Federal Funding for Code Departments through the American Rescue Plan

The American Rescue Plan provides \$350 billion in assistance to state and local governments

The U.S. Department of Homeland Security (DHS) has [determined](#) construction and code enforcement as essential to the U.S. response to the coronavirus pandemic and no state has found otherwise. The Code Council conducted a [survey](#) which showed that 6 in 10 departments experienced or expected budget cuts, while 5 in 10 respondents did not have the capability to remotely carry out critical aspects of their work at a time when nearly half had important personnel working remotely. Governments can utilize federal funding under the recently enacted [American Rescue Plan](#) to assist departments in continuing their essential functions by maintaining or restoring staffing and operations and by addressing their [virtual needs](#) for remote work.

Code Officials Are Essential to Health and Safety During the Pandemic

- Code officials—including building, fire, plumbing, mechanical, and electrical plan reviewers and inspectors and code enforcement officers—implement regulations that require disinfection of ventilation through mechanical systems in hospitals, adequate facilities to ensure handwashing, and safe and sanitary plumbing systems that mitigate the spread of contagions. They also ensure healthcare centers are constructed and renovated safely.
- Code officials protect the health and welfare of building occupants by identifying dangerous or unsafe sanitary, air quality, structural, and electrical hazards.
- Code officials also have responsibility for addressing other national, state, and community priorities, including the implementation of energy efficiency requirements and the safe deployment of renewable energy technologies.

The Lack of Adequate Staffing or Virtual Capabilities Risks the Safety and Efficacy of Departments' Vital Work

- With hurricane, tornado, and wildfire seasons rapidly approaching, and earthquakes hazards perpetually at play, functioning code departments are vital. According to FEMA, modern and well enforced building codes are one of the most effective means to prepare communities for natural hazards. Strong code enforcement can reduce losses by 15 to 25 percent.
- ISO/Verisk BCEGS scores evaluate code department staffing, with sufficient staffing contributing to better insurance pricing and a community's competitiveness for FEMA grants and mitigation incentives.
- At a time when social distancing is necessary, the lack of remote capabilities can lead to health risks stemming from avoidable interactions with property owners and the construction industry or instances where, due to coronavirus concerns, a property owner or tenant declines a necessary safety inspection.

Inadequate Staffing, Operations, and Virtual Capabilities Slow Construction Essential to Response and Recovery

- Delays associated with permitting, plan review, and inspection because of insufficient staffing or the lack of virtual capabilities will delay construction, including getting people back to work.
- Adequate staffing and investments that establish virtual capabilities, including the deployment of technology that enables remote plan review, permitting, and inspections, and online access to codes and standards, will mitigate permitting challenges for ongoing and future construction—contributing to economic recovery and producing lasting reductions in operation costs and permitting timelines.
- According to [survey data from the National Association of Home Builders](#) collected early on in the pandemic, 86% of builders noted delays with obtaining plan review and 82% have cited delays with inspections. Of the respondents to a [National Multifamily Housing Council survey](#) collected early on in the pandemic, 56% reported construction delays in their jurisdiction. Of those reporting construction delays, 77% experienced delays in permitting.

Providing Departments with Federal Funding to Maintain Operations and Develop Virtual Capabilities is Essential

- Governments can utilize federal funding under the American Rescue Plan Act to assist departments in maintaining staffing and operations and in continuing their work during the pandemic response and recovery through [virtual solutions](#).
- Maintaining code department operations is vital given many code officials are frontline essential workers: most inspectors—who ensure essential housing and other construction projects move forward, who protect residents facing substandard housing conditions (like the loss of heat or running water), and who respond to alleged violations of pandemic related operational restrictions—must perform their work on-site.
- According to ISO/Verisk, which evaluates the effectiveness of building code implementation in close to 28,000 communities across the U.S., communities with ratings in the top quarter are investing three times more per capita in code departments than the national average. Well-resourced, higher performing, departments tend to be the same departments with the most sophisticated virtual capabilities, while departments that are under resourced tend to have limited or no virtual capabilities.
- With many departments already under resourced, American Rescue Plan funding should be directed to building and fire prevention departments so that they can continue their critical construction, health, and safety work.