

## Support CARES Act Federal Funding for Virtual Solutions for Code Departments

# April 28, 2020

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. Unfortunately, an International Code Council survey conducted between March 22 and April 1 showed 6 in 10 respondents did not have the capability to remotely carry out their work at a time when twothirds have inspectors or plans examiners working remotely.<sup>1</sup> With many departments already under resourced and many state and local governments facing severe revenue downturns, it is imperative that governments utilize federal funding under the recently enacted Coronavirus Aid, Relief, and Economic Security (CARES) Act to assist departments in continuing their essential functions during the coronavirus pandemic through virtual solutions. Virtual solutions include online access to codes, electronic permitting and plan review, and remote inspections.

## 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 safe for continued use, an important function given the call for temporary healthcare facilities to create additional medical surge capacity.
- 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 Virtual Capabilities Risks the Safety and Efficacy of Departments' Vital Work

- 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.
- With hurricane, tornado, and wildfire season rapidly approaching, and earthquakes hazards perpetually at play, functioning code departments are vital. <u>According to FEMA</u>, modern and

<sup>&</sup>lt;sup>1</sup> According to the more than 1150 respondents, nearly a quarter of departments lacked needed hard copy code books, 4 in 10 departments did not have the capability to conduct electronic/remote plan review, 3 in 10 departments did not have the capability to conduct electronic/remote permitting, and 6 in 10 departments did not have the capability for electronic/remote inspections. Survey responses received in subsequent weeks have been consistent with these results.

well enforced building codes are one of the most effective means to prepare communities for natural hazards. Strong code enforcement can <u>reduce losses by 15 to 25 percent</u>.

### The Lack of Virtual Capabilities Slows Construction Essential to Response and Recovery

- According to <u>survey data from the National Association of Home Builders</u> collected between March 31 and April 6, 86% of builders have noted delays with obtaining plan review and 82% have cited delays with inspections. Of the respondents to a <u>National Multifamily</u> <u>Housing Council survey</u> conducted April 9 to April 14, 56% reported construction delays in their jurisdiction. Of those reporting construction delays, 77% experienced delays in permitting.
- 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—speeding the restart of the economy and producing lasting reductions in operation costs and permitting timelines.
- Delays associated with permitting, plan review, and inspection because of the lack of virtual capabilities will delay construction, including getting people back to work.

#### Providing Departments with Federal Funding to Develop Virtual Capabilities is Essential

- Governments should utilize federal funding under the CARES Act to assist departments in continuing their work during the pandemic response and recovery through virtual solutions.
- The CARES Act provides \$150 billion through a Coronavirus Relief Fund to state, local, tribal, and territorial governments for "necessary expenditures" with respect to the pandemic. <u>Guidance issued by the U.S. Department of the Treasury</u> on April 22, 2020, lists as eligible "[e]xpenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions." The CARES Act also provides \$5 billion in Community Development Block Grant (CDBG) funding, which <u>by statute</u> is available for code enforcement activities.
- 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 and many state and local governments facing severe revenue downturns, federal coronavirus response funding should be directed to building and fire prevention departments that require virtual solutions so that they can continue their critical construction, health, and safety work.