

# News Release from



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## **Whitmer Administration Poised to Make Housing Even More Expensive—**

*On Earth Day Legislative Committee Fails to Ask for a More Energy Efficient, Cost Effective and Newer Building Code*

**Lansing, MI** - The HBA of Michigan (HBAM) announced that the Legislature's Joint Committee on Administrative Rules (JCAR) failed, for a third time today, to muster a quorum and vote on a critically important set of housing code rules. Failure to do so now means the Whitmer administration's proposed rules head to the office of the great seal and could go into effect later this year. These new code rules will add tens of thousands of dollars to the cost of a typical home being built in Michigan. In making its announcement, HBAM also pledged that it will continue to fight the administration's housing tax in court.

"Ironically, on Earth Day Senate Democrats on JCAR failed to show up for a vote that could have produced a newer, more energy efficient and more flexible set of code rules in our state," noted HBAM CEO Bob Filka. "I'm very disappointed that a Governor, who has done much to promote the need for more housing, is now poised to add some \$15,000 to the cost of each new home. We have a housing affordability crisis and other economic headwinds facing us and today legislators on JCAR refused to ask LARA to change a 2021 set of code rules and replace them with a newer 2024 model code that is better for the environment. Let's be clear. The 2021 code rules backed by the Governor stand to benefit manufacturers of insulation and other housing products more than it does homeowners or the environment. It's a mistake and should be reversed," said Filka.

Under the Whitmer Administration's proposed 2021 code changes, HBAM reports that builders will have to install R-60 insulation in ceilings. They will have to insulate mechanical ducts, even if those ducts are inside the insulated house envelope. They will have to use 2X6 framing and install inch-thick insulation panels on the exterior of the house, even if less expensive and more energy efficient alternatives are available. These mandatory requirements will limit house design and needlessly add costs. The 2024 model code uses a point system that allows innovation and better design to determine which products are utilized. So long as a builder meets the necessary point totals, a variety of products and innovative designs may be used. The 2024 model code would also save more energy. Studies show it will save 6% to 8% more energy than the 2021 code. Yet, LARA still says it needs to adopt the older 2021 code. In January, LARA's Director of the Bureau of Construction Codes issued a statement that the department has "determined it will update the Michigan Residential Code to adopt the 2024 edition of the International Residential Code." Then, in March, he reversed course and testified before JCAR that the construction code act prevents him from doing so until the 2021 codes are adopted. "This is bureaucratic doublespeak," noted Filka. He continued: "State law simply says the director must update the residential code at least once every 6 years. The state construction code act actually gives the LARA Director broad power to amend proposed model codes as he or she sees fit. The 2024 model code can and should be substituted in place of LARA's proposed rules that were before JCAR. Now we are forced to ask the courts to stop this unnecessary tax on housing."

*The Home Builders Association of Michigan is a professional trade association comprised of 16 local homebuilder associations around the state and their 5,000 builder, subcontractor and supplier members. HBAM works to positively promote the building industry and impact legislative, regulatory and legal issues affecting housing attainability.*

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