BUILDING INDUSTRY ASSOCIATION
RED RIVER VALLEY

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Formerly
Home Builders Association
of Fargo-Moorhead

Nov. 12, 2025

Minnesota Construction Codes Advisory Council

Re: Residential Energy Code

Dear Minnesota Construction Codes Advisory Council Members,

On behalf of the Building Industry Association of the Red River Valley (formerly Home Builders Association of Fargo-Moorhead) and the approximately 700 member companies we serve, I want to express our sincere appreciation for the Department of Labor and Industry's efforts in addressing and removing some of the most costly amendments to the 2024 Residential Energy Code.

However, we respectfully urge the Department to repeal the Mitchell Provision, which poses a threat to housing affordability in Minnesota. With a plethora of cost drivers already straining the market, this provision adds unnecessary pressure at a time when affordability is more critical than ever.

As a border community, we witness firsthand how regulations impact competitiveness. The Mitchell Provision mandates adopting new energy codes every three years, disrupting Minnesota's established six-year code cycle. It also requires a 70% improvement in residential energy efficiency by 2038 (based on a 2006 reference home), regardless of cost or alignment with IECC standards. Meanwhile, neighboring North Dakota across the river has no mandatory statewide energy code. When meeting with officials in Moorhead, Minnesota, a common topic of discussion is how to increase building activity, which lags behind Fargo, West Fargo and Horace. Provisions like this are examples of factors negatively influencing the desire to build.

According to the National Association of Home Builders (NAHB), every $1,000 increase in the median price of a new home in Minnesota ($442,900) results in 2,333 households being priced out of the market. In our region, where the median home price is $403,156, that translates to 126 families losing access to homeownership.

The impact of rising costs, particularly as it relates to building codes, is substantial. A 2021 NAHB study found that changes to building codes over the past decade have added approximately $24,144 to the cost of constructing a single-family home in the United States. These increases make the goal of homeownership even more unattainable for Minnesotans.

Given that Minnesota already ranks as one of the most energy-efficient states for new home construction, with a median HERS score of 47, further regulatory burdens are unnecessary. Current successes have been driven by incentives, not mandates, and we believe that approach should continue.

While we appreciate the progress made in removing some of the costliest amendments, several concerns remain, including RE-39, RE-40, R-41.1, R-43.3, RE-45, RE-50 and RE-52.

We also commend the Technical Advisory Group's decision to dismiss the EV charger mandate. This decision is best left to market demand and individual choice, rather than required through a mandate.

Thank you again for your consideration and the opportunity to provide comment. Please reach out if you have any questions or concerns.

Sincerely,

Bryce Johnson
Chief Executive Officer

Adam Olson
President

CC:

Commissioner Nicole Blissenbach
Sen. Jen McEwen, Chair, Senate Labor Committee
Sen. Gene Dornick, Ranking Member, Senate Labor Committee
Rep. Dave Baker, Co-Chair, House Workforce, Labor, and Economic Development Finance and Policy Committee
Rep. Dave Pinto, Co-Chair, House Workforce, Labor, and Economic Development Finance and Policy Committee