Minnesota Board of Electricity  
443 Lafayette Rd  
St. Paul, MN 55155

Via Electronic Delivery

Members of the Board of Electricity,

As the 2023 National Electrical Code (NEC) nears final approval from the National Fire Protection Association (NFPA), Housing First Minnesota submits the following recommendations to improve the NEC adoption process in Minnesota.

By way of background, Housing First Minnesota represents more than 900 member firms engaged in all aspects of housing construction, including new home construction and remodeling. Our association and its members believe that all housing regulations must adequately balance safety and durability in addition to housing affordability and access. Our comments are also rooted in recognition of Minnesota’s housing challenges.

MINNESOTA’S HOUSING CHALLENGES
Minnesota faces many of the worst housing challenges in the country. The Twin Cities area ranks last in available inventory and worst in housing equity. Regionally, Minnesota has the highest new home construction costs in the region. The latest Midwest market data shows Minnesota has the highest new home construction costs in the nation, a staggering $105,400 higher than Wisconsin, and nearly $91,000 more than Illinois.

Aside from our Minnesota-specific issues, interest rate hikes have greatly diminished purchasing power since the last electrical code adoption. A monthly payment on a $450,000 home purchased in May 2020 is the same payment as a payment on a $350,000, a 22% decrease in purchasing power in the past two years.

Simply, the state’s housing affordability and inventory challenges have only worsened since the last Electric Code update, underscoring the need for a technical review that adequately balances safety and affordability.

STRENGTHEN THE TECHNICAL REVIEW
Given past procedural concerns with the review process, Housing First Minnesota respectfully submits the following five recommendations to strengthen and enhance the Board’s technical review of 2023 NEC.

Recommendation 1: In-Person Technical Review
Having participated in virtual legislative hearings, stakeholder meetings with the Minnesota Department of Health and Technical Advisory Group meetings with the Construction Codes Advisory Council in the past year, there is a noticeable difference in value, engagement, and outcome of meetings held virtually. Holding in-person
technical review meetings would likely result in a more meaningful review process, and one where ideas can be freely exchanged in a professional, collaborative setting.

**Recommendation 2: In-Depth and Thorough Cost Analysis**

In 2019, the Board of Electricity’s cost analysis was simply a survey of its members. Housing First Minnesota recommends the Board of Electricity undertake a more rigorous and transparent cost analysis for this and future electrical codes. A thorough cost analysis would also examine alternative methods of accomplishing the same end-goal at a lower cost to homebuyers. This type of cost analysis better aligns to Minn. State Statute 326B.101 which prescribes the legislative intent of the state’s building codes:

“The commissioner shall administer and amend a state code of building construction which will provide basic and uniform performance standards, establish reasonable safeguards for health, safety, welfare, comfort, and security of the residents of this state and provide for the use of modern materials, devices, materials, and techniques which will in part tend to lower construction costs. The construction of buildings should be permitted at the least possible cost consistent with recognized standards of health and safety.” *(Emphasis added)*

**Recommendation 3: Accept Amendments**

Like all model building codes, the National Electrical Code from the NFPA is simply a roadmap for local jurisdictional adoption. The model code is not a legally binding document, and it is not infallible. By continuing to adopt the National Electrical Code without amendments, the Board is raising questions about its ability to adopt a code that is in line with state statute.

**Recommendation 4: Respect the 270-Day Waiting Period Statute**

We simply request the Board of Electricity utilize the 270-day waiting period, unless there is an urgent need to enact the 2023 NEC, with amendments, immediately. Bypassing the statutory 270-day waiting period is intended for emergency rulemaking, not routinely schedule code updates. Continued reliance on emergency rulemaking timelines for routine code updates raises questions about the rationale for code changes.

**Recommendation 5: Appoint Industry Stakeholders To The Technical Review**

Like the review undertaken by CCAC, we respectfully request that the Board of Electricity expand its Ad Hoc technical review to include homebuilders from Greater Minnesota and Twin Cities. Housing First Minnesota would be willing to assist the Board in identifying contractors and homebuilders in Greater Minnesota and the Twin Cities to participate in the technical review.

**CONCLUSION**

Minnesota’s housing crisis continues to worsen, and the status quo process of decades past cannot continue. Regulatory bodies must adapt to address these challenges head-on or see the State Legislature step in and adjust the process so that it works for all parties. Please contact me at nick@housingfirstmn.org with any questions.

Sincerely,

Nick Erickson
Director of Research and Regulatory Affairs

CC: Commissioner Roslyn Robertson