



CBIA

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December 5, 2025
VIA UPLOAD

Dear Dr. Ambrose,

The California Building Industry Association ("CBIA") is grateful for this opportunity to provide feedback on the development of California's embodied carbon baseline and the forthcoming regulatory framework under Health & Safety Code section 38561.3.

CBIA's members build approximately 85% of all the new homes sold annually in California. These homes are one to four stories and are owner occupied. CBIA appreciates CARB's goal of improving transparency and reducing greenhouse gas emissions associated with building materials.

One of the key provisions for homebuilders in Health & Safety Code section 38561.3 are the limitations on the framework, strategy and its implementation contained in the definition of "feasible" and "cost impact." Accordingly, we greatly appreciate that you have sought feedback on the challenges of the reporting requirement as currently proposed.

As explained more fully below, it is not feasible for us to provide a bill of materials/bill of quantities or the cost of materials using the current tools available. However, we believe there is another way to accomplish providing this data through other means.

For low-and mid-rise residential construction, RESNET/ICC Standard 1550 is the only emerging methodology specifically designed for this sector. It provides a practical, rigorous, and cost-effective approach to quantifying embodied carbon using standardized material estimation methods, verified through independent third parties. We urge CARB to explicitly include RESNET 1550 as an approved pathway for embodied carbon estimation and reporting, including for deriving a bill of materials.

Builders cannot provide reliable cost-based data.

CARB's current baseline concept appears to rely on collecting detailed project-level cost information or cost-normalized quantities. This approach is not feasible for homebuilders. We do not purchase materials through a centralized bill of materials, and we do not contract or track costs in the way the USEEIO framework assumes. Most materials are procured by subcontractors, and the invoices we ultimately receive consolidate labor, overhead, equipment, and supply-chain variability. Larger and smaller builders often receive different negotiated pricing for identical products, and rebate structures further distort unit costs. As a result, cost data is not comparable, cannot be reliably normalized, and cannot serve as a defensible basis for regulatory accounting.

Cost-based emissions accounting would not reflect our actual material choices.

The USEEIO model assigns emissions to dollars, not to physical quantities or product performance. Under this approach, emissions increase when prices increase even if nothing has changed in the materials or the supply chain. Emissions appear to decrease when spending declines, even if more carbon-intensive materials are used. This makes it impossible for builders to demonstrate real embodied-carbon improvements or comply with the statutory requirement that lower-carbon options not increase material costs by more than five percent. Builders cannot be asked to report or be evaluated on cost metrics we do not control (tariffs being one example) and which do not correlate to embodied carbon at the

project level.

RESNET 1550 provides a practical, standardized, non-cost-based solution.

RESNET 1550 allows builders to generate accurate material quantity estimates from building geometry before construction without needing a subcontractor-generated bill of materials. Every builder using the same home design will produce the same quantity estimates, ensuring fairness, consistency, and verification. The standard requires reporting of total GWP and intensity metrics (per gross floor area, conditioned area, and bedroom count) and uses third party-verified EPDs for A1–A3 emissions - the portion of the life cycle where data quality is strongest. This produces results aligned with national Scope 3 reporting expectations while avoiding the burdens and inaccuracies of cost-based accounting.

RESNET 1550 aligns with CARB's goals while reducing administrative burden.

Incorporating RESNET 1550 gives CARB a ready-made, consensus-based method tailored to California's largest volume construction segment. It provides the detail needed for meaningful reporting while avoiding the complexities and distortions of EEIO-based cost normalization.

For these reasons, we respectfully request that CARB formally include RESNET/ICC 1550 as an approved method for embodied carbon estimation and reporting for low- and mid-rise residential buildings. This will create a program that is accurate, affordable, enforceable, and aligned with real-world homebuilding practices.

Other concerns.

Some of the items referenced in the staff presentation materials indicate that CARB is considering including carbon emissions beyond the A3 stage. We note that the law does not require including any stage beyond A3. The law specifically limits reporting to A1-A3 for several reasons, including but not limited to, the fact that these stages are already covered and mitigated through CEQA.

We note that several of the considerations proposed for these later stages, including VMT and wildfire, are already addressed and mitigated by other laws:

1. CEQA Appendix G;
2. Solar roof mandate (see, California Code of Regulations, Title 24, Part 6, Section 150.1(c)(14));
3. EV Ready building code requirements (see, California Code of Regulations, Title 24, Part 11, Section 4.106.4);
4. WUI Building Code requirements (see, California Code of Regulations, Title 24 Part 7);
5. Board of Forestry defensible space regulations; and
6. Other measures in local law (e.g., safety elements of general plans).

We note that the defensible space regulations are currently undergoing an update to reduce or eliminate combustible materials within five feet of the structure (Zone 0 regulation-California Code of Regulations, Title 14, Division 1.5, Chapter 7, Subchapter 3, Article 3).

If these mitigation measures are not included, the baseline will be inaccurate.

We appreciate your consideration of these comments. If you would like to discuss this or any matter related to embodied carbon, please contact me at ncammarota@cbia.org.

Sincerely,

Nick Cammarota

Nick Cammarota

Senior Vice President and General Counsel