

Union Calendar No. 268

111TH CONGRESS
2^D SESSION

H. R. 5019

[Report No. 111–469, Part I]

To provide for the establishment of the Home Star Retrofit Rebate Program,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2010

Mr. WELCH (for himself, Mr. EHLERS, Mr. MARKEY of Massachusetts, Mr. WAXMAN, and Mr. CARDOZA) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

APRIL 29, 2010

Reported from the Committee on Energy and Commerce with an amendment, and referred to the Committee on Oversight and Government Reform for a period ending not later than May 3, 2010, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that Committee pursuant to clause 1(m), rule X

[Strike out all after the enacting clause and insert the part printed in *italic*]

APRIL 29, 2010

Committee on Ways and Means discharged

MAY 3, 2010

Additional sponsors: Mr. HALL of New York, Mr. INSLEE, Mr. PIERLUISI, Mr. LANGEVIN, Mr. MCGOVERN, Mrs. CAPPS, Mr. GRIJALVA, Mr. VAN HOLLEN, Mr. MURPHY of New York, Ms. BERKLEY, Mr. SARBANES, Ms. SUTTON, Mr. CARNAHAN, Mr. LOEBSACK, Ms. PINGREE of Maine, Mr. WEINER, Mr. HOLT, Mr. COURTNEY, Mr. HONDA, Mr. HASTINGS of Florida, Mr. RYAN of Ohio, Mr. MCNERNEY, Mr. HINCHEY, Mr. BRALEY of Iowa, Mr. HIMES, Mr. HARE, Ms. SCHAKOWSKY, Mr. CONNOLLY of Virginia, Mr. BISHOP of New York, Mr. SCOTT of Georgia, Mr. POLIS of Colorado, Mr. PATRICK J. MURPHY of Pennsylvania, Ms. NORTON,

Mr. CARNEY, Mr. JACKSON of Illinois, Mr. DOYLE, Ms. RICHARDSON,
Ms. HIRONO, Ms. MATSUI, and Mr. PERRIELLO

MAY 3, 2010

Committee on Oversight and Government Reform discharged; committed to
the Committee of the Whole House on the State of the Union and or-
dered to be printed

[For text of introduced bill, see copy of bill as introduced on April 14, 2010]

A BILL

To provide for the establishment of the Home Star Retrofit
Rebate Program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Home Star Energy Ret-*
5 *rofit Act of 2010”.*

6 **SEC. 2. DEFINITIONS.**

7 *In this Act:*

8 (1) *ACCREDITED CONTRACTOR.*—*The term “ac-*
9 *credited contractor” means a qualified contractor—*

10 (A) *that is accredited—*

11 (i) *by the BPI; or*

12 (ii) *under other standards approved by*
13 *the Secretary, in consultation with the Ad-*
14 *ministrator; and*

15 (B) *effective 1 year after the date of enact-*
16 *ment of this Act, that uses a certified workforce.*

17 (2) *ADMINISTRATOR.*—*The term “Adminis-*
18 *trator” means the Administrator of the Environ-*
19 *mental Protection Agency.*

20 (3) *BPI.*—*The term “BPI” means the Building*
21 *Performance Institute.*

22 (4) *CERTIFIED WORKFORCE.*—*The term “cer-*
23 *tified workforce” means a residential energy efficiency*
24 *construction workforce in which all employees per-*

1 *forming installation work are certified in the appro-*
2 *priate job skills under—*

3 *(A) an applicable third party skills stand-*
4 *ard established by—*

5 *(i) BPI;*

6 *(ii) North American Technician Excel-*
7 *lence;*

8 *(iii) the Laborers' International Union*
9 *of North America;*

10 *(B) an applicable third party skills stand-*
11 *ard established in the State in which the work*
12 *is to be performed, pursuant to a program oper-*
13 *ated by the Home Builders Institute in connec-*
14 *tion with Ferris State University, to be effective*
15 *30 days after notice is provided by those organi-*
16 *zations to the Secretary that such program has*
17 *been established in such State, except to the ex-*
18 *tent that the Secretary determines within 30*
19 *days of such notice that the standard or certifi-*
20 *cation is incomplete; or*

21 *(C) other standards approved by the Sec-*
22 *retary, in consultation with the Secretary of*
23 *Labor and the Administrator.*

24 *(5) CONDITIONED SPACE.—The term “condi-*
25 *tioned space” means the area of a home that is—*

1 (A) *intended for habitation; and*

2 (B) *intentionally heated or cooled.*

3 (6) *DOE.*—*The term “DOE” means the Department of Energy.*

5 (7) *ELECTRIC UTILITY.*—*The term “electric utility” means any person, State agency, rural electric cooperative, municipality, or other governmental entity that delivers or sells electric energy at retail, including nonregulated utilities and utilities that are subject to State regulation and Federal power marketing administrations.*

12 (8) *EPA.*—*The term “EPA” means the Environmental Protection Agency.*

14 (9) *FEDERAL REBATE PROCESSING SYSTEM.*—*The term “Federal Rebate Processing System” means the Federal Rebate Processing System established under section 101(b).*

18 (10) *GOLD STAR HOME ENERGY RETROFIT PROGRAM.*—*The term “Gold Star Home Energy Retrofit Program” means the Gold Star Home Energy Retrofit Program established under section 104.*

22 (11) *HOME.*—*The term “home” means a principal residential dwelling unit in a building with no more than 4 dwelling units that—*

25 (A) *is located in the United States; and*

1 (B) was constructed before the date of enact-
2 ment of this Act.

3 (12) HOME STAR LOAN PROGRAM.—The term
4 “Home Star Loan Program” means the Home Star
5 Energy Efficiency Loan Program established under
6 section 111.

7 (13) INDIAN TRIBE.—The term “Indian tribe”
8 has the meaning given the term in section 4 of the In-
9 dian Self-Determination and Education Assistance
10 Act (25 U.S.C. 450b).

11 (14) NATIONAL HOME PERFORMANCE COUNCIL.—
12 The term “National Home Performance Council”
13 means the National Home Performance Council, Inc.

14 (15) NATURAL GAS UTILITY.—The term “natural
15 gas utility” means any person or State agency that
16 transports, distributes, or sells natural gas at retail,
17 including nonregulated utilities and utilities that are
18 subject to State regulation.

19 (16) QUALIFIED CONTRACTOR.—The term
20 “qualified contractor” means a residential energy effi-
21 ciency contractor meeting minimum applicable re-
22 quirements as determined under section 101(c).

23 (17) QUALITY ASSURANCE FRAMEWORK.—The
24 term “quality assurance framework” means a policy
25 structure adopted by a State to develop high stand-

1 *ards for ensuring quality in ongoing energy efficiency*
2 *retrofit activities in which the State has a role, in-*
3 *cluding operation of the quality assurance program,*
4 *while creating significant employment opportunities,*
5 *in particular for targeted workers.*

6 (18) *QUALITY ASSURANCE PROGRAM.—*

7 (A) *IN GENERAL.—The term “quality assur-*
8 *ance program” means a program authorized*
9 *under this Act to oversee the delivery of home ef-*
10 *iciency retrofit programs to ensure that work is*
11 *performed in accordance with standards and cri-*
12 *teria established under this Act.*

13 (B) *INCLUSIONS.—For purposes of subpara-*
14 *graph (A), delivery of retrofit programs includes*
15 *field inspections required under this Act, with*
16 *the consent of participating consumers and with-*
17 *out delaying rebate payments to participating*
18 *contractors and vendors.*

19 (19) *QUALITY ASSURANCE PROVIDER.—*

20 (A) *IN GENERAL.—The term “quality assur-*
21 *ance provider” means any entity that is author-*
22 *ized pursuant to this Act to perform field inspec-*
23 *tions and other measures required to confirm the*
24 *compliance of retrofit work with the require-*
25 *ments of this Act.*

1 (B) *CERTIFICATION REQUIREMENT.*—*To be*
2 *considered a quality assurance provider under*
3 *this paragraph, an entity shall be certified*
4 *through—*

5 *(i) the International Code Council;*

6 *(ii) the BPI;*

7 *(iii) the RESNET;*

8 *(iv) a State;*

9 *(v) a State-approved residential energy*
10 *efficiency retrofit program; or*

11 *(vi) any other entity designated for*
12 *such purpose by the Secretary, in consulta-*
13 *tion with the Administrator.*

14 (20) *REBATE AGGREGATOR.*—*The term “rebate*
15 *aggregator” means an entity that meets the require-*
16 *ments of section 102.*

17 (21) *RESNET.*—*The term “RESNET” means*
18 *the Residential Energy Services Network.*

19 (22) *SECRETARY.*—*The term “Secretary” means*
20 *the Secretary of Energy.*

21 (23) *SILVER STAR HOME ENERGY RETROFIT*
22 *PROGRAM.*—*The term “Silver Star Home Energy Ret-*
23 *rofit Program” means the Silver Star Home Energy*
24 *Retrofit Program established under section 103.*

25 (24) *STATE.*—*The term “State” means—*

- 1 (A) a State;
- 2 (B) the District of Columbia;
- 3 (C) the Commonwealth of Puerto Rico;
- 4 (D) Guam;
- 5 (E) American Samoa;
- 6 (F) the United States Virgin Islands;
- 7 (G) the Northern Mariana Islands; and
- 8 (H) any other commonwealth, territory, or
- 9 possession of the United States.

10 (25) *TARGETED WORKER*.—The term “targeted

11 worker” means an individual who is unemployed or

12 underemployed and of an employable age and a resi-

13 dent of an area with high or chronic unemployment

14 and low median household incomes, as defined by the

15 Secretary in consultation with the Secretary of Labor.

16 (26) *WATER UTILITY*.—The term “water utility”

17 means any State or local agency that delivers or sells

18 water at wholesale or retail through an engineered

19 distribution system.

20 ***TITLE I—HOME STAR RETROFIT***

21 ***REBATE PROGRAM***

22 ***SEC. 101. HOME STAR RETROFIT REBATE PROGRAM.***

23 (a) *IN GENERAL*.—The Secretary shall establish the

24 Home Star Retrofit Rebate Program.

25 (b) *FEDERAL REBATE PROCESSING SYSTEM*.—

1 (1) *IN GENERAL.*—Not later than 30 days after
2 the date of enactment of this Act, the Secretary, in
3 consultation with the Secretary of the Treasury and
4 the Administrator, shall—

5 (A) *establish a Federal Rebate Processing*
6 *System which shall serve as a database and in-*
7 *formation technology system to allow rebate*
8 *aggregators to submit claims for reimbursement*
9 *using standard data protocols;*

10 (B) *establish a national retrofit website that*
11 *provides information on the Home Star Retrofit*
12 *Rebate Program, including how to determine*
13 *whether particular energy efficiency measures*
14 *are eligible for rebate and how to participate in*
15 *the program; and*

16 (C) *publish model forms and data protocols*
17 *for use by contractors, vendors, and quality as-*
18 *urance providers to comply with the require-*
19 *ments of this title.*

20 (2) *MODEL CERTIFICATION FORMS.*—In carrying
21 out this section, the Secretary shall consider the model
22 certification forms developed by the National Home
23 Performance Council.

24 (c) *QUALIFIED CONTRACTOR REQUIREMENTS.*—A
25 qualified contractor may perform retrofit work for which

1 rebates are authorized under this title only if it executes
2 a Home Star participation agreement with a rebate
3 aggregator affirming that it meets applicable requirements,
4 including—

5 (1) all applicable State contractor licensing re-
6 quirements or, with respect to a State that has no
7 such requirements, any appropriate comparable re-
8 quirements established under paragraph (6);

9 (2) insurance coverage of at least \$1,000,000 for
10 general liability, and for such other purposes and in
11 such other amounts as may be required by the State;

12 (3) agreeing to provide warranties to home-
13 owners that completed work will—

14 (A) be free of significant defects;

15 (B) be installed in accordance with the
16 specifications of the manufacturer; and

17 (C) perform properly for a period of at least
18 1 year after the date of completion of the work;

19 (4) agreeing to pass through to the owner of a
20 home, through a discount, the full economic value of
21 all rebates received under this title with respect to the
22 home;

23 (5) agreeing to provide to the homeowner a no-
24 tice of—

1 (A) the amount of the rebate the contractor
2 intends to apply for with respect to the eligible
3 work under this title, before a contract is exe-
4 cuted between the contractor and a homeowner
5 covering the eligible work; and

6 (B) the means by which the rebate will be
7 passed through as a discount to the homeowner;

8 (6) all requirements of an applicable State qual-
9 ity assurance framework by and after the date that
10 is one year after the date of enactment of this Act;
11 and

12 (7) any other appropriate requirements as deter-
13 mined by the Secretary, in consultation with the Ad-
14 ministrator.

15 (d) *ADMINISTRATIVE AND TECHNICAL SUPPORT.*—
16 Subject to section 112(b) and (c), beginning not later than
17 30 days after the date of enactment of this Act, the Sec-
18 retary shall provide such administrative and technical sup-
19 port to rebate aggregators and States as is necessary to
20 carry out this title.

21 (e) *ADMINISTRATION.*—

22 (1) *APPOINTMENT OF PERSONNEL.*—Notwith-
23 standing the provisions of title 5, United States Code,
24 governing appointments in the competitive service
25 and General Schedule classifications and pay rates,

1 *the Secretary may appoint such professional and ad-*
2 *ministrative personnel as the Secretary considers nec-*
3 *essary to carry out this title.*

4 (2) *RATE OF PAY.*—*The rate of pay for a person*
5 *appointed under paragraph (1) shall not exceed the*
6 *maximum rate payable for GS–15 of the General*
7 *Schedule under chapter 53 of title 5, United States*
8 *Code.*

9 (3) *CONSULTANTS.*—*Notwithstanding section 303*
10 *of the Federal Property and Administrative Services*
11 *Act of 1949 (41 U.S.C. 253), the Secretary may re-*
12 *tain such consultants on a noncompetitive basis as*
13 *the Secretary considers necessary to carry out this*
14 *title.*

15 (4) *CONTRACTING.*—*In carrying out this title,*
16 *the Secretary may waive all or part of any provision*
17 *of the Competition in Contracting Act of 1984 (Public*
18 *Law 98–369; 98 Stat. 1175), an amendment made by*
19 *that Act, or the Federal Acquisition Regulation on a*
20 *determination that circumstances make compliance*
21 *with the provisions contrary to the public interest.*

22 (5) *REGULATIONS.*—

23 (A) *IN GENERAL.*—*Notwithstanding section*
24 *553 of title 5, United States Code, the Secretary*
25 *may issue regulations that the Secretary, in the*

1 *sole discretion of the Secretary, determines nec-*
2 *essary to—*

3 *(i) establish;*

4 *(ii) achieve full operational status*
5 *within 60 days after the date of enactment*
6 *of this Act for; or*

7 *(iii) carry out,*

8 *the Home Star Retrofit Rebate Program.*

9 *(B) TIMING.—If the Secretary determines*
10 *that regulations described in subparagraph (A)*
11 *are necessary, the regulations shall be issued not*
12 *later than 60 days after such determination.*

13 *(C) EXCEPTION.—(i) The Secretary shall*
14 *not utilize the authority provided under this*
15 *paragraph to—*

16 *(I) develop, adopt, or implement a*
17 *public labeling system that rates and com-*
18 *pares the energy performance of one home*
19 *with another; or*

20 *(II) require the public disclosure of an*
21 *energy performance evaluation or rating de-*
22 *veloped for any specific home.*

23 *(ii) Nothing in this subparagraph shall pre-*
24 *clude—*

1 (I) the computation, collection, or use,
2 by the Secretary, rebate aggregators, quality
3 assurance providers, or States for the pur-
4 poses of carrying out sections 104 and 105,
5 of information on the rating and compari-
6 son of the energy performance of homes with
7 and without energy efficiency features or on
8 energy performance evaluation or rating;

9 (II) the use and publication of aggre-
10 gate data (without identifying individual
11 homes or participants) based on informa-
12 tion referred to in subclause (I) to deter-
13 mine or demonstrate the performance of the
14 Home Star program; or

15 (III) the provision of information re-
16 ferred to in subclause (I) with respect to a
17 specific home—

18 (aa) to the State, homeowner,
19 quality assurance provider, rebate
20 aggregator, or contractor performing
21 retrofit work on that home, or an enti-
22 ty providing Home Star services, as
23 necessary to enable carrying out this
24 title; or

1 *(bb) for purposes of prosecuting*
2 *fraud and abuse.*

3 *(6) INFORMATION COLLECTION.—Chapter 35 of*
4 *title 44, United States Code, shall not apply to any*
5 *information collection requirement necessary for the*
6 *implementation of the Home Star Retrofit Rebate*
7 *Program.*

8 *(7) EFFECTIVE PERIOD.—Paragraphs (1), (3),*
9 *(4), (5), and (6) shall be effective only for fiscal years*
10 *2010 and 2011.*

11 *(f) PROGRAM REVIEW.—Not later than 180 days after*
12 *the date of enactment of this Act, the Secretary shall pre-*
13 *pare and transmit to Congress a State-by-State analysis*
14 *and review the distribution of Home Star retrofit rebates*
15 *under this title.*

16 *(g) ADJUSTMENT OF REBATE AMOUNTS.—Effective be-*
17 *ginning on the date that is 180 days after the date of enact-*
18 *ment of this Act, the Secretary may, after not less than 30*
19 *days public notice, prospectively adjust the rebate amounts*
20 *provided for under this title as necessary to optimize the*
21 *overall energy efficiency resulting from the Silver Star*
22 *Home Energy Retrofit Program and the Gold Star Home*
23 *Energy Retrofit Program.*

24 *(h) INDIAN TRIBE PARTICIPATION.—*

1 (1) *IN GENERAL.*—*An Indian tribe, within 30*
2 *days after the date of enactment of this Act, may in-*
3 *dicade to the Secretary its intention to act in place*
4 *of a State for purposes of carrying out the respon-*
5 *sibilities of the State under this title with respect to*
6 *its tribal lands. If the Indian tribe so indicates, the*
7 *Secretary shall treat the Indian tribe as the State for*
8 *purposes of carrying out this title with respect to*
9 *those tribal lands.*

10 (2) *TRANSITION OF RESPONSIBILITIES.*—*The*
11 *Secretary may permit an Indian tribe, after the expi-*
12 *ration of 30 days after the date of enactment of this*
13 *Act, to assume the responsibilities of a State under*
14 *this title with respect to its tribal lands if the Sec-*
15 *retary finds that such assumption of responsibilities*
16 *will not disrupt the ongoing administration of the*
17 *program under this title.*

18 (3) *COOPERATION.*—*An Indian tribe may co-*
19 *operate with a State or the Secretary to ensure that*
20 *all of the requirements of this title are carried out*
21 *with respect to the tribal lands.*

22 (i) *IMPLEMENTATION BY SECRETARY.*—

23 (1) *IN GENERAL.*—*If a State has not indicated*
24 *to the Secretary within 30 days after the date of en-*
25 *actment of this Act that it is prepared to carry out*

1 *section 105, or if at any later time the Secretary de-*
2 *termines that a State is no longer prepared to carry*
3 *out section 105, to the extent that no Indian tribe as-*
4 *sumes such responsibilities under subsection (h) the*
5 *Secretary shall assume the responsibilities of that*
6 *State with respect to carrying out section 105.*

7 (2) *TRANSITION OF RESPONSIBILITIES.—The*
8 *Secretary may permit a State, after the Secretary has*
9 *assumed the responsibilities of that State under para-*
10 *graph (1), to assume the responsibilities assigned to*
11 *States under section 105 with respect to that State if*
12 *the Secretary finds that such assumption of respon-*
13 *sibilities will not disrupt the ongoing administration*
14 *of the program under this title.*

15 (j) *LIMITATION.—Rebates may not be provided under*
16 *both section 103 and section 104 with respect to the same*
17 *home.*

18 (k) *FORMS FOR CERTIFICATION AND QUALITY ASSUR-*
19 *ANCE.—*

20 (1) *IN GENERAL.—Not later than 30 days after*
21 *the date of enactment of this Act, the Secretary shall*
22 *make available on the website established under sub-*
23 *section (b)(1)(B), model certification forms for com-*
24 *pliance with quality assurance requirements under*
25 *this title, to be submitted by—*

1 (A) *each qualified contractor, accredited*
2 *contractor, and quality assurance provider on*
3 *completion of an eligible home energy retrofit;*
4 *and*

5 (B) *each quality assurance provider on*
6 *completion of field verification required under*
7 *this section.*

8 (2) *NATIONAL HOME PERFORMANCE COUNCIL.—*
9 *The Secretary, States, and Indian tribes shall con-*
10 *sider and may use model certification forms developed*
11 *by the National Home Performance Council to ensure*
12 *compliance with quality assurance requirements*
13 *under this title.*

14 (1) *PUBLIC-PRIVATE PARTNERSHIPS.—A State that re-*
15 *ceives a grant under this title is encouraged to form part-*
16 *nerships with utilities, energy service companies, and other*
17 *entities—*

18 (1) *to assist in marketing the Home Star Ret-*
19 *rofit Rebate Program;*

20 (2) *to facilitate consumer financing;*

21 (3) *to assist in implementation of the Silver*
22 *Star Home Energy Retrofit Program and the Gold*
23 *Star Home Energy Retrofit Program, including in-*
24 *stallation of qualified energy retrofit measures; and*

1 (4) to assist in implementing quality assurance
2 programs.

3 (m) *COORDINATION OF REBATE AND EXISTING STATE-*
4 *SPONSORED PROGRAMS.*—

5 (1) *IN GENERAL.*—A State shall, to the max-
6 imum extent practicable, prevent duplication through
7 coordination of a program authorized under this title
8 with—

9 (A) the Energy Star appliance rebates pro-
10 gram authorized under section 124 of the Energy
11 Policy Act of 2005 (42 U.S.C. 15821), and any
12 other Federal programs that provide funds to
13 States for home or appliance energy efficiency
14 purposes; and

15 (B) comparable programs planned or oper-
16 ated by States, political subdivisions, electric
17 and natural gas utilities, Federal power mar-
18 keting administrations, and Indian tribes.

19 (2) *EXISTING PROGRAMS.*—In carrying out this
20 subsection, a State shall—

21 (A) give priority to—

22 (i) comprehensive retrofit programs in
23 existence on the date of enactment of this
24 Act, including programs under the super-
25 vision of State utility regulators; and

1 (ii) using funds made available under
2 this title to enhance and extend existing
3 programs; and

4 (B) seek to enhance and extend existing pro-
5 grams by coordinating with administrators of
6 the programs.

7 (n) *HEALTH AND SAFETY REQUIREMENTS.*—Nothing
8 in this title shall relieve any contractor from the obligation
9 to comply with applicable Federal, State, and local health
10 and safety code requirements.

11 **SEC. 102. REBATE AGGREGATORS.**

12 (a) *IN GENERAL.*—The Secretary shall develop a net-
13 work of rebate aggregators that can facilitate the delivery
14 of rebates to participating contractors and vendors, to reim-
15 burse those contractors and vendors for discounts provided
16 to homeowners for energy efficiency retrofit work. The Sec-
17 retary shall approve or deny an application from a person
18 seeking to become a rebate aggregator not later than 30 days
19 after receiving such application. The Secretary may dis-
20 qualify any rebate aggregator that fails to meet its obliga-
21 tions under this title in a timely and competent manner.

22 (b) *AVAILABILITY.*—Not later than 30 days after the
23 date of enactment of this Act, the Secretary shall identify
24 at least 1 rebate aggregator in each State ready and able
25 to accept rebate applications from any qualified contractor.

1 *Not later than 90 days after such date of enactment, the*
2 *Secretary shall ensure that rebate aggregation services are*
3 *available to all homeowners in the United States at the low-*
4 *est reasonable cost.*

5 *(c) RESPONSIBILITIES.—Rebate aggregators shall—*

6 *(1) review each proposed rebate application for*
7 *completeness and accuracy;*

8 *(2) review all measures for which rebates are*
9 *sought for eligibility in accordance with this title;*

10 *(3) provide data to the Secretary for inclusion in*
11 *the database maintained through the Federal Rebate*
12 *Processing System, consistent with data protocols es-*
13 *tablished by the Secretary;*

14 *(4) not later than 30 days after the date of re-*
15 *ceipt, distribute funds received from the Secretary to*
16 *contractors, vendors, or other persons in accordance*
17 *with approved claims for reimbursement made to the*
18 *Federal Rebate Processing System;*

19 *(5) maintain appropriate accounting for rebate*
20 *applications processed, and their disposition;*

21 *(6) review contractor qualifications and accredi-*
22 *tation and retain documentation of such qualification*
23 *and accreditation, as required for contractors to be*
24 *authorized to perform residential energy efficiency*
25 *retrofit work under this title; and*

1 (7) *maintain information regarding contractors’*
2 *fulfillment of the requirements of section 101(c).*

3 (d) *ELIGIBILITY.—To be eligible to apply to the Sec-*
4 *retary for approval as a rebate aggregator, an entity—*

5 (1) *shall be—*

6 (A) *a Home Performance with Energy Star*
7 *partner;*

8 (B) *an entity administering a residential*
9 *energy efficiency retrofit program established or*
10 *approved by a State;*

11 (C) *a Federal power marketing administra-*
12 *tion or the Tennessee Valley Authority;*

13 (D) *an electric utility, natural gas utility,*
14 *or water utility administering or offering a resi-*
15 *dential energy efficiency retrofit program; or*

16 (E) *an entity—*

17 (i) *with corporate status or status as a*
18 *State or local government;*

19 (ii) *who can demonstrate adequate fi-*
20 *nancial capability to manage a rebate*
21 *aggregator program, as evidenced by au-*
22 *dated financial records; and*

23 (iii) *whose participation in the pro-*
24 *gram, in the judgment of the Secretary,*
25 *would not disrupt existing residential ret-*

1 *rofit programs in the States that are car-*
2 *rying out the Home Star Retrofit Rebate*
3 *Program under this title;*

4 *(2) must be able to demonstrate—*

5 *(A) a relationship with 1 or more inde-*
6 *pendent quality assurance providers that is suffi-*
7 *cient to meet the volume of contracting services*
8 *delivered;*

9 *(B) the capability to provide such electronic*
10 *data as is required by the Secretary to the Fed-*
11 *eral Rebate Processing System; and*

12 *(C) a financial system that is capable of*
13 *tracking the distribution of rebates to partici-*
14 *pating contractors and vendors; and*

15 *(3) shall include in its application the amount*
16 *it proposes to charge for the review and processing of*
17 *a rebate under this title.*

18 *(e) PROMPT PROCESSING OF REBATES.—Within 10*
19 *days after receiving an application for a rebate consistent*
20 *with this title, a rebate aggregator shall submit a claim for*
21 *that rebate to the Federal Rebate Processing System. Within*
22 *10 days after the Federal Rebate Processing System receives*
23 *such a submission from a rebate aggregator, the Secretary*
24 *shall provide the funds to the rebate aggregator necessary*
25 *to pay such rebates to the qualified contractor or vendor*

1 *who applied for them and to compensate the rebate*
2 *aggregator for its services in accordance with this title.*
3 *Within 10 days of being provided such funds, the rebate*
4 *aggregator shall pay the rebates to the rebate applicant.*

5 (f) *PUBLIC UTILITY COMMISSION EFFICIENCY TAR-*
6 *GETS.—The Secretary shall—*

7 (1) *develop guidelines for States to use to allow*
8 *utilities participating as rebate aggregators to count*
9 *the energy savings from their participation toward*
10 *State-level energy savings targets; and*

11 (2) *work with States to assist in the adoption of*
12 *these guidelines for the purposes and duration of the*
13 *Home Star Retrofit Rebate Program.*

14 **SEC. 103. SILVER STAR HOME ENERGY RETROFIT PROGRAM.**

15 (a) *IN GENERAL.—During the first year after the date*
16 *of enactment of this Act, a Silver Star Home Energy Ret-*
17 *rofit Program rebate shall be awarded, subject to the max-*
18 *imum amount limitations under subsection (d)(4), to par-*
19 *ticipating contractors and vendors, to reimburse them for*
20 *discounts provided to the owner of the home for the retrofit*
21 *work, for the installation of energy savings measures—*

22 (1) *selected from the list of energy savings meas-*
23 *ures described in subsection (b);*

24 (2) *installed after the date of enactment of this*
25 *Act in the home by a qualified contractor; and*

1 (3) carried out in compliance with this section.

2 (b) *ENERGY SAVINGS MEASURES*.—Subject to sub-
3 section (c), a rebate shall be awarded under subsection (a)
4 for the installation of the following energy savings measures
5 for a home energy retrofit that meet technical standards es-
6 tablished under this section:

7 (1) Whole house air sealing measures, including
8 interior and exterior measures, utilizing sealants,
9 caulks, polyurethane foams, gaskets, weather-strip-
10 ping, mastics, and other building materials in ac-
11 cordance with BPI standards or other procedures ap-
12 proved by the Secretary.

13 (2) Attic insulation measures that—

14 (A) include sealing of air leakage between
15 the attic and the conditioned space, in accord-
16 ance with BPI standards or the attic portions of
17 the DOE or EPA thermal bypass checklist or
18 other procedures approved by the Secretary;

19 (B) add at least R-19 insulation to existing
20 insulation;

21 (C) result in at least R-38 insulation in
22 DOE climate zones 1 through 4 and at least R-
23 49 insulation in DOE climate zones 5 through 8,
24 including existing insulation, within the limits
25 of structural capacity; and

1 (D) cover at least—

2 (i) 100 percent of an accessible attic;

3 or

4 (ii) 75 percent of the total conditioned
5 footprint of the house.

6 (3) Duct seal or replacement that—

7 (A) is installed in accordance with BPI
8 standards or other procedures approved by the
9 Secretary; and

10 (B) in the case of duct replacement, replaces
11 at least 50 percent of a distribution system of the
12 home.

13 (4) Wall insulation that—

14 (A) is installed in accordance with BPI
15 standards or other procedures approved by the
16 Secretary;

17 (B) is to full-stud thickness; and

18 (C) covers at least 75 percent of the total ex-
19 ternal wall area of the home.

20 (5) Crawl space insulation or basement wall and
21 rim joist insulation that is installed in accordance
22 with BPI standards or other procedures approved by
23 the Secretary and—

24 (A) covers at least 500 square feet of crawl
25 space or basement wall and adds at least—

1 (i) *R–19 of cavity insulation or R–15*
2 *of continuous insulation to existing crawl*
3 *space insulation; or*

4 (ii) *R–13 of cavity insulation or R–10*
5 *of continuous insulation to basement walls;*
6 *and*

7 (B) *fully covers the rim joist with at least*
8 *R–10 of new continuous or R–13 of cavity insu-*
9 *lation.*

10 (6) *Window replacement that replaces at least 8*
11 *exterior windows or skylights, or 75 percent of the ex-*
12 *terior windows and skylights in a home, whichever is*
13 *less, with—*

14 (A) *windows that—*

15 (i) *are certified by the National Fen-*
16 *estration Rating Council; and*

17 (ii) *comply with criteria applicable to*
18 *windows and skylights under section 25(c)*
19 *of the Internal Revenue Code of 1986; or*

20 (B) *skylights that comply with the 2010*
21 *Energy Star specification for skylights.*

22 (7) *Door replacement that replaces at least 1 ex-*
23 *terior door with doors that comply with the 2010 En-*
24 *ergy Star specification for doors.*

25 (8)(A) *Heating system replacement of—*

1 (i) a natural gas or propane furnace with
2 a furnace that has an AFUE rating of 92 or
3 greater;

4 (ii) a natural gas or propane boiler with a
5 boiler that has an AFUE rating of 90 or greater;

6 (iii) an oil furnace with a furnace that has
7 an AFUE rating of 86 or greater and that uses
8 an electrically commutated blower motor;

9 (iv) an oil boiler with a boiler that has an
10 AFUE rating of 86 or greater and that has tem-
11 perature reset or thermal purge controls; or

12 (v) a wood or wood pellet furnace, boiler, or
13 stove, if—

14 (I) the new system—

15 (aa) meets at least 75 percent of
16 the heating demands of the home;

17 (bb) in the case of a furnace or
18 boiler, has a distribution system (such
19 as ducts or vents) that allows heat to
20 reach all or most parts of the home and
21 qualifies for Phase 2 of the EPA Vol-
22 untary Program for Hydronic Heaters;
23 and

24 (cc) in the case of a stove, replaces
25 an existing wood or wood pellet stove

1 and is certified by the EPA, and a
2 voucher is provided by the installer or
3 other responsible party certifying that
4 the old stove has been removed and
5 rendered inoperable or recycled at an
6 appropriate recycling facility; and

7 (II) an accredited independent labora-
8 tory recognized by the EPA certifies that the
9 new system—

10 (aa) has thermal efficiency (lower
11 heating value) of at least 75 percent for
12 stoves and at least 90 percent for fur-
13 naces and boilers; and

14 (bb) has particulate emissions of
15 less than 3.0 grams per hour for stoves,
16 and less than 0.32 lbs/mmBTU for fur-
17 naces and boilers.

18 (B) A rebate may be provided under this section
19 for the replacement of a furnace or boiler described in
20 clauses (i) through (iv) of subparagraph (A) only if
21 the new furnace or boiler is installed in accordance
22 with ANSI/ACCA Standard 5 QI–2007.

23 (9) Air conditioner or air-source heat pump re-
24 placement with a new unit that—

1 (A) is installed in accordance with ANSI/
2 ACCA Standard 5 QI-2007; and

3 (B) meets or exceeds—

4 (i) in the case of an air conditioner,
5 SEER 16 and EER 13; and

6 (ii) in the case of an air-source heat
7 pump, SEER 15, EER 12.5, and HSPF
8 8.5.

9 (10) Heating or cooling system replacement with
10 an Energy Star qualified geothermal heat pump that
11 meets Tier 2 efficiency requirements and that is in-
12 stalled in accordance with ANSI/ACCA Standard 5
13 QI-2007.

14 (11) Replacement of a natural gas, propane, or
15 electric water heater with—

16 (A) a natural gas or propane condensing
17 storage water heater with an energy factor of
18 0.80 or more or a thermal efficiency of 90 per-
19 cent or more;

20 (B) a tankless natural gas or propane water
21 heater with an energy factor of at least .82;

22 (C) a natural gas or propane storage water
23 heater with an energy factor of at least .67;

24 (D) an indirect water heater with an insu-
25 lated storage tank that—

1 (i) has a storage capacity of at least 30
2 gallons and is insulated to at least R-16;
3 and

4 (ii) is installed in conjunction with a
5 qualifying boiler described in paragraph
6 (8);

7 (E) an electric water heater with an energy
8 factor of 2.0 or more;

9 (F) an electric tankless water heater with
10 an efficiency factor of .96 or more, that operates
11 on not greater than 25 kilowatts;

12 (G) a solar hot water system that—

13 (i) is certified by the Solar Rating and
14 Certification Corporation; or

15 (ii) meets technical standards estab-
16 lished by the State of Hawaii; or

17 (H) a water heater installed in conjunction
18 with a qualifying geothermal heat pump de-
19 scribed in paragraph (10) that provides domestic
20 water heating through the use of a desuperheater
21 or demand water heating capability.

22 (12) Storm windows that—

23 (A) are installed on at least 5 existing sin-
24 gle-glazed windows that do not have storm win-
25 dows;

1 (B) are installed in a home listed on or eli-
2 gible for listing in the National Register of His-
3 toric Places; and

4 (C) comply with any procedures that the
5 Secretary may set for storm windows and their
6 installation.

7 (13) Window film that is installed on at least 8
8 exterior windows, doors, or skylights, or 75 percent of
9 the total exterior square footage of glass in a home,
10 whichever is less, with window films that—

11 (A) are certified by the National Fenestra-
12 tion Rating Council; and

13 (B) have—

14 (i) a solar heat gain coefficient of 0.43
15 or less with a visible light-to-solar heat gain
16 coefficient of at least 1.1 in 2009 Inter-
17 national Energy Conservation Code climate
18 zones 1-3; or

19 (ii) a solar heat gain coefficient of 0.43
20 or less with a visible light light-to-solar heat
21 gain coefficient of at least 1.1 and a U-fac-
22 tor of 0.40 or less as installed in 2009
23 International Energy Conservation Code
24 climate zones 4-8.

1 (c) *INSTALLATION COSTS.*—Measures described in
2 paragraphs (1) through (13) of subsection (b) shall include
3 expenditures for labor and other installation-related costs,
4 including venting system modification and condensate dis-
5 posal, properly allocable to the onsite preparation, assem-
6 bly, or original installation of the component.

7 (d) *AMOUNT OF REBATE.*—

8 (1) *IN GENERAL.*—Except as provided in para-
9 graphs (2) through (4), the amount of a rebate pro-
10 vided under subsection (a) shall be \$1,000 per meas-
11 ure for the installation of energy savings measures de-
12 scribed in subsection (b).

13 (2) *HIGHER REBATE AMOUNT.*—Except as pro-
14 vided in paragraph (4), the amount of a rebate pro-
15 vided under subsection (a) shall be \$1,500 per meas-
16 ure for—

17 (A) attic insulation and air sealing de-
18 scribed in subsection (b)(1) or (2); and

19 (B) wall insulation described in subsection
20 (b)(4).

21 (3) *LOWER REBATE AMOUNT.*—Except as pro-
22 vided in paragraph (4), the amount of a rebate pro-
23 vided under subsection (a) shall be—

1 (A) \$125 per door for the installation of up
2 to a maximum of 2 Energy Star doors described
3 in subsection (b)(7) for each home;

4 (B) \$250 for a maximum of 1 natural gas
5 or propane storage water heater described in sub-
6 section (b)(11)(C) for each home;

7 (C) \$250 for rim joist insulation described
8 in subsection (b)(5)(B);

9 (D) \$50 for each storm window described in
10 subsection (b)(12), with a minimum of 5 storm
11 windows and a maximum of 12;

12 (E) \$250 each for a maximum of 4 electric
13 tankless water heaters described in subsection
14 (b)(11)(F) for each home; and

15 (F) \$500 for window film described in sub-
16 section (b)(13).

17 (4) *MAXIMUM AMOUNT.*—The total amount of re-
18 bates provided for a home under this section shall not
19 exceed the lower of—

20 (A) \$3,000;

21 (B) 50 percent of the total cost of the in-
22 stalled measures; or

23 (C) if the Secretary finds that the net value
24 to the homeowner of the rebates, as a function of
25 the discount the contractor or vendor provides to

1 *the homeowner for the installed measures, is less*
2 *than the amount of the rebates, the actual net*
3 *value to the homeowner.*

4 *(e) VERIFICATION AND CORRECTION OF WORK.—*

5 (1) *REIMBURSEMENT.—On submission of a*
6 *claim by a rebate aggregator to the Federal Rebate*
7 *Processing System, the Secretary shall provide reim-*
8 *bursement to the rebate aggregator for energy-effi-*
9 *ciency measures installed in a home, subject to para-*
10 *graphs (2) and (3).*

11 (2) *VERIFICATION.—*

12 (A) *PERCENTAGE OF RETROFITS*
13 *VERIFIED.—*

14 (i) *IN GENERAL.—Except as provided*
15 *in clause (ii), not less than—*

16 (I) *20 percent of the retrofits per-*
17 *formed by each qualified contractor*
18 *under this section with respect to a re-*
19 *bate described in subsection (a) shall be*
20 *randomly subject to field verification*
21 *by an independent quality assurance*
22 *provider of all work associated with the*
23 *retrofit; and*

24 (II) *in the case of a qualified con-*
25 *tractor that uses a certified workforce,*

1 10 percent of the retrofits performed by
2 that contractor under this section with
3 respect to a rebate described in sub-
4 section (a) shall be randomly subject to
5 field verification by an independent
6 quality assurance provider of all work
7 associated with the retrofit.

8 (ii) *EXCEPTIONS.*—In the case of a
9 qualified contractor whose previous retrofit
10 work—

11 (I) the Secretary has found to fail
12 to comply with the requirements of this
13 section, the Secretary may establish a
14 higher percentage of the retrofits per-
15 formed by that contractor under this
16 section with respect to a rebate de-
17 scribed in subsection (a) to be subject
18 to field verification by an independent
19 quality assurance provider; and

20 (II) the Secretary has found to
21 successfully comply with the require-
22 ments of this section, the Secretary
23 may establish a lower percentage of the
24 retrofits performed by that contractor
25 under this section with respect to a re-

1 *bate described in subsection (a) to be*
2 *subject to field verification by an inde-*
3 *pendent quality assurance provider.*

4 (B) *HOMEOWNER COMPLAINT.*—*A home-*
5 *owner may make a complaint under the quality*
6 *assurance program that compliance with the*
7 *quality assurance requirements of this title has*
8 *not been achieved. The quality assurance pro-*
9 *gram shall provide that, upon receiving such a*
10 *complaint, an independent quality assurance*
11 *provider shall conduct field verification on the*
12 *retrofit work performed by the contractor.*
13 *Verifications under this subparagraph shall be in*
14 *addition to those conducted under subparagraph*
15 *(A), and shall be corrected in accordance with*
16 *paragraph (3).*

17 (3) *CORRECTION.*—*Rebates under subsection (a)*
18 *shall be made subject to the following conditions:*

19 (A) *The installed measures will comply*
20 *with the specifications and quality standards*
21 *under this section if a field verification by a*
22 *quality assurance provider finds that corrective*
23 *work is needed. Such compliance shall be*
24 *achieved by the installing accredited contractor*
25 *not later than 14 days after the date of notifica-*

1 *tion of a defect pursuant to a warranty, pro-*
2 *vided at no additional cost to the homeowner.*

3 *(B) A subsequent quality assurance visit*
4 *shall be conducted to evaluate the remedy not*
5 *later than 7 days after notification that the de-*
6 *fect has been corrected.*

7 *(C) The quality assurance provider shall*
8 *notify the contractor of the disposition of such*
9 *visit not later than 7 days after the date of the*
10 *visit.*

11 *(4) ACCESS TO HOME.—In order to be eligible for*
12 *a discount from a contractor or vendor for which a*
13 *rebate is provided under subsection (a), a homeowner*
14 *shall agree to permit such access to the home, upon*
15 *reasonable notice and at a mutually convenient time,*
16 *as is necessary to verify and correct retrofit work.*

17 *(f) PRODUCTS PURCHASED WITHOUT INSTALLATION*
18 *SERVICES.—*

19 *(1) IN GENERAL.—A Silver Star Home Energy*
20 *Retrofit Program rebate shall be awarded for attic,*
21 *wall, and crawl space insulation and air-sealing*
22 *products that—*

23 *(A)(i) in the case of insulation, qualify for*
24 *a tax credit under section 25C of the Internal*
25 *Revenue Code of 1986, but with respect to which*

1 *no claim for such a tax credit has been made;*
2 *and*

3 *(ii) in the case of air sealing products, are*
4 *sealants, caulks, polyurethane foams, gaskets,*
5 *weather-stripping, mastics, or other air sealing*
6 *products described in subsection (b)(1);*

7 *(B) are purchased by a homeowner for in-*
8 *stallation by the homeowner in a home identified*
9 *by its address by the homeowner;*

10 *(C) are accompanied by educational mate-*
11 *rials on proper installation of the products, in-*
12 *cluding materials emphasizing the importance of*
13 *air sealing when insulating; and*

14 *(D) are identified and attributed to that*
15 *home in a rebate submission by the vendor to a*
16 *rebate aggregator.*

17 *(2) LIMITATION.—No rebate may be provided*
18 *under this subsection with respect to insulation or*
19 *products that are employed in energy-efficiency meas-*
20 *ures with respect to which a rebate is provided under*
21 *this section or section 104.*

22 *(3) AMOUNT OF REBATE.—A rebate under this*
23 *subsection shall be awarded for 50 percent of the total*
24 *cost of the products described in paragraph (1), not*
25 *to exceed \$250 per home.*

1 (g) *REVIEW.*—

2 (1) *IN GENERAL.*—*The Secretary shall determine*
3 *whether information submitted to the Federal Rebate*
4 *Processing System with respect to a rebate was com-*
5 *plete, and on the basis of that information and other*
6 *information available to the Secretary, shall deter-*
7 *mine whether the requirements of this section were*
8 *met in all respects.*

9 (2) *INCORRECT PAYMENT.*—*On a determination*
10 *of the Secretary under paragraph (1) that a payment*
11 *was made incorrectly to a party, or that sufficient in-*
12 *formation was not submitted to the Federal Rebate*
13 *Processing System to enable such determination, the*
14 *Secretary—*

15 (A) *may—*

16 (i) *recoup the amount of the incorrect*
17 *payment; or*

18 (ii) *withhold the amount of the incor-*
19 *rect payment from a payment made to the*
20 *party pursuant to a subsequent request; and*

21 (B) *shall, to the extent the Secretary deter-*
22 *mines the benefit of the rebate was not passed*
23 *through to the homeowner through a discount on*
24 *the price of the retrofit work, order the contractor*

1 *or vendor to pay the amount of rebate benefit not*
2 *previously passed through to the homeowner.*

3 **SEC. 104. GOLD STAR HOME ENERGY RETROFIT PROGRAM.**

4 *(a) IN GENERAL.—A Gold Star Home Energy Retrofit*
5 *Program rebate shall be awarded, subject to subsection (b),*
6 *to participating accredited contractors and vendors, to re-*
7 *imburse them for discounts provided to the owner of the*
8 *home for the retrofit work, for retrofits that achieve whole*
9 *home energy savings carried out after the date of enactment*
10 *of this Act in accordance with this section.*

11 *(b) ELIGIBLE MEASURES.—Rebates may be provided*
12 *under this section for —*

13 *(1) any measure listed as eligible for Silver Star*
14 *rebates in section 103; and*

15 *(2) any other energy-saving measure, such as*
16 *home energy management systems, high-efficiency ap-*
17 *pliances, highly reflective roofing, awnings, canopies,*
18 *and similar external fenestration attachments, auto-*
19 *matic boiler water temperature controllers, and me-*
20 *chanical air circulation and heat exchangers in a*
21 *passive-solar home—*

22 *(A) that can be demonstrated, when in-*
23 *stalled and operated as intended, to improve en-*
24 *ergy efficiency; and*

1 (B) for which an energy efficiency contribu-
2 tion can be determined with confidence.

3 (c) *ENERGY SAVINGS.*—

4 (1) *IN GENERAL.*—Reductions in whole home en-
5 ergy consumption under this section shall be deter-
6 mined by a comparison of the simulated energy con-
7 sumption of the home before and after the retrofit of
8 the home.

9 (2) *DOCUMENTATION.*—The percent improvement
10 in energy consumption of a home under this section
11 shall be documented through—

12 (A)(i) the use of a whole home simulation
13 software program that has been approved under
14 the Weatherization Assistance Program for Low-
15 Income Persons established under part A of title
16 IV of the Energy Conservation and Production
17 Act (42 U.S.C. 6861 et seq.); or

18 (ii) a equivalent performance test estab-
19 lished by the Secretary, in consultation with the
20 Administrator; or

21 (B)(i) the use of a whole home simulation
22 software program that has been approved under
23 RESNET Publication No. 06–001 (or a successor
24 publication approved by the Secretary);

1 (ii) an equivalent performance test estab-
2 lished by the Secretary, in consultation with the
3 Administrator;

4 (iii) a State-certified equivalent rating net-
5 work, as specified by IRS Notice 2008–35; or

6 (iv) a HERS rating system approved or re-
7 quired by the law of the State in which the home
8 is located.

9 (3) *MONITORING.*—The Secretary—

10 (A) shall continuously monitor the software
11 programs used for determining rebates under
12 this section; and

13 (B) may disallow the use of software pro-
14 grams that improperly assess energy savings.

15 (4) *ASSUMPTIONS AND TESTING.*—The Secretary
16 may—

17 (A) establish simulation software program
18 assumptions for carrying out paragraph (2);

19 (B) require compliance with software pro-
20 gram performance tests covering—

21 (i) mechanical system performance;

22 (ii) duct distribution system efficiency;

23 (iii) hot water performance; or

24 (iv) other measures; and

1 (C) require the simulation of pre-retrofit en-
2 ergy usage to be determined by metered pre-ret-
3 rofit energy usage.

4 (5) *RECOMMENDED MEASURES.*—Software pro-
5 grams used under this subsection shall have the abil-
6 ity at a minimum to assess the savings associated
7 with all the measures for which rebates are specifi-
8 cally provided under the Silver Star Home Energy
9 Retrofit Program.

10 (d) *AMOUNT OF REBATE.*—Subject to subsection (e)(2),
11 the amount of a rebate provided under this section shall
12 be—

13 (1) \$3,000 for a 20-percent reduction in whole
14 home energy consumption; and

15 (2) an additional \$1,000 for each additional 5-
16 percent reduction up to the lower of—

17 (A) \$8,000; or

18 (B) 50 percent of the total retrofit cost.

19 (e) *VERIFICATION AND CORRECTION OF WORK.*—

20 (1) *REIMBURSEMENT.*—On submission of a
21 claim by a rebate aggregator to the Federal Rebate
22 Processing System, the Secretary shall provide reim-
23 bursement to the rebate aggregator for energy-effi-
24 ciency measures installed in a home, subject to para-
25 graphs (2) and (3).

1 (2) *VERIFICATION.*—

2 (A) *IN GENERAL.*—*Subject to subparagraph*
3 *(B), all work conducted in a home as part of a*
4 *whole-home retrofit by an accredited contractor*
5 *under this section shall be subject to random*
6 *field verification by an independent quality as-*
7 *urance provider at a rate of—*

8 (i) *15 percent; or*

9 (ii) *in the case of work performed by*
10 *an accredited contractor using a certified*
11 *workforce, 10 percent.*

12 (B) *VERIFICATION NOT REQUIRED.*—*A*
13 *home shall not be subject to field verification*
14 *under subparagraph (A) if—*

15 (i) *a post-retrofit home energy rating*
16 *is conducted by an entity that is an eligible*
17 *certifier in accordance with—*

18 (I) *RESNET Publication No. 06–*
19 *001 (or a successor publication ap-*
20 *proved by the Secretary);*

21 (II) *a State-certified equivalent*
22 *rating network, as specified in IRS*
23 *Notice 2008–35; or*

1 (III) a *HERS* rating system re-
2 quired by the law of the State in which
3 the home is located;

4 (ii) the eligible certifier is independent
5 of the accredited contractor in accordance
6 with *RESNET* Publication No. 06-001 (or
7 a successor publication approved by the Sec-
8 retary); and

9 (iii) the rating includes field
10 verification of all measures for which re-
11 bates are being provided.

12 (C) *HOMEOWNER COMPLAINT.*—A home-
13 owner may make a complaint under the quality
14 assurance program that compliance with the
15 quality assurance requirements of this title has
16 not been achieved. The quality assurance pro-
17 gram shall provide that, upon receiving such a
18 complaint, an independent quality assurance
19 provider shall conduct field verification on the
20 retrofit work performed by the contractor.
21 Verifications under this subparagraph shall be in
22 addition to those conducted under subparagraph
23 (A), and shall be corrected in accordance with
24 paragraph (3).

1 (D) *ACCESS TO HOME.*—*In order to be eli-*
2 *gible for a discount from a contractor or vendor*
3 *for which a rebate is provided under this section,*
4 *a homeowner shall agree to permit such access to*
5 *the home, upon reasonable notice and at a mutu-*
6 *ally convenient time, as is necessary to verify*
7 *and correct retrofit work.*

8 (3) *CORRECTION.*—*Rebates under this section*
9 *shall be made subject to the following conditions:*

10 (A) *The installed measures will comply*
11 *with manufacturer and applicable code stand-*
12 *ards and the specifications and quality stand-*
13 *ards under this section if a field verification by*
14 *an independent quality assurance provider finds*
15 *that corrective work is needed. Such compliance*
16 *shall be achieved by the installing accredited con-*
17 *tractor not later than 14 days after the date of*
18 *notification of a defect pursuant to a warranty,*
19 *provided at no additional cost to the homeowner.*

20 (B) *A subsequent quality assurance visit*
21 *shall be conducted to evaluate the remedy not*
22 *later than 7 days after notification that the de-*
23 *fect has been corrected.*

24 (C) *The quality assurance provider shall*
25 *notify the contractor of the disposition of such*

1 *visit not later than 7 days after the date of the*
2 *visit.*

3 (f) *REVIEW.*—

4 (1) *IN GENERAL.*—*The Secretary shall determine*
5 *whether information submitted to the Federal Rebate*
6 *Processing System with respect to a rebate was com-*
7 *plete, and on the basis of that information and other*
8 *information available to the Secretary, shall deter-*
9 *mine whether the requirements of this section were*
10 *met in all respects.*

11 (2) *INCORRECT PAYMENT.*—*On a determination*
12 *of the Secretary under paragraph (1) that a payment*
13 *was made incorrectly to a party, or that sufficient in-*
14 *formation was not submitted to the Federal Rebate*
15 *Processing System to enable such determination, the*
16 *Secretary—*

17 (A) *may—*

18 (i) *recoup the amount of the incorrect*
19 *payment; or*

20 (ii) *withhold the amount of the incor-*
21 *rect payment from a payment made to the*
22 *party pursuant to a subsequent request; and*

23 (B) *shall, to the extent the Secretary deter-*
24 *mines the benefit of the rebate was not passed*
25 *through to the homeowner through a discount on*

1 *the price of the retrofit work, order the contractor*
2 *or vendor to pay the amount of rebate benefit not*
3 *previously passed through to the homeowner.*

4 **SEC. 105. QUALITY ASSURANCE.**

5 *(a) QUALITY ASSURANCE FRAMEWORK.—*

6 *(1) IN GENERAL.—States that elect to carry out*
7 *a quality assurance program pursuant to subsection*
8 *(b) shall plan, develop, and implement a quality as-*
9 *surance framework. The Secretary shall promptly so-*
10 *licit the submission of model State quality assurance*
11 *framework plans consistent with the requirements of*
12 *this section and, not later than 60 days after the date*
13 *of enactment of this Act, shall approve one or more*
14 *such model plans that incorporate nationally con-*
15 *sistent high standards for optional use by States. Not*
16 *later than 180 days after the date of enactment of this*
17 *Act, each State electing to develop a quality assurance*
18 *framework shall submit its plan to the Secretary, who*
19 *shall then approve or reject such plan within 30 days,*
20 *providing a detailed statement of deficiencies if the*
21 *plan is rejected. If a State’s plan is rejected, that*
22 *State may resubmit its plan within 30 days.*

23 *(2) IMPLEMENTATION.—A State shall—*

24 *(A) develop a quality assurance framework*
25 *in consultation with industry stakeholders, in-*

1 *cluding representatives of efficiency program*
2 *managers, contractors, community and workforce*
3 *organizations, and environmental, energy effi-*
4 *ciency, and labor organizations; and*

5 *(B) implement the quality assurance frame-*
6 *work not later than one year after the date of en-*
7 *actment of this Act.*

8 *(3) COMPONENTS.—The quality assurance frame-*
9 *work established under this subsection shall include—*

10 *(A) minimum standards for accredited con-*
11 *tractors, including—*

12 *(i) compliance with applicable Federal,*
13 *State, and local laws;*

14 *(ii) use of a certified workforce;*

15 *(iii) maintenance of records needed to*
16 *verify compliance; and*

17 *(iv) use of independent contractors*
18 *only when appropriately classified as such*
19 *pursuant to Revenue ruling 87-41 and sec-*
20 *tion 530(d) of the Revenue Act of 1978 and*
21 *relevant State law;*

22 *(B) maintenance of a list of accredited con-*
23 *tractors;*

24 *(C) requirements for maintenance and de-*
25 *livery to the Federal Rebate Processing System of*

1 *information needed to verify compliance and en-*
2 *sure appropriate compensation for quality assur-*
3 *ance providers;*

4 *(D) targets and realistic plans for—*

5 *(i) the recruitment of minority and*
6 *women-owned small business enterprises;*

7 *(ii) the employment of graduates of*
8 *training programs that primarily serve tar-*
9 *geted workers;*

10 *(iii) the employment of targeted work-*
11 *ers; and*

12 *(iv) the availability of financial assist-*
13 *ance under the Home Star Loan Program*
14 *to—*

15 *(I) public use microdata areas*
16 *that have a poverty rate of 12 percent*
17 *or more; and*

18 *(II) homeowners served by units*
19 *of local government in jurisdictions*
20 *that have an unemployment rate that*
21 *is 2 percent higher than the national*
22 *unemployment rate;*

23 *(E) a plan to link workforce training for*
24 *energy efficiency retrofits with training for the*

1 broader range of skills and occupations in con-
2 struction or emerging clean energy industries;

3 (F) quarterly reports to the Secretary on the
4 progress of implementation of the quality assur-
5 ance framework and its success in meeting its
6 targets and plans; and

7 (G) maintenance of a list of qualified qual-
8 ity assurance providers and minimum standards
9 for such quality assurance providers.

10 (4) *NONCOMPLIANCE.*—If the Secretary deter-
11 mines that a State that has elected to implement a
12 quality assurance program, but has failed to plan, de-
13 velop, or implement a quality assurance framework
14 in accordance with this section, the Secretary shall
15 suspend further grants for State administration pur-
16 suant to section 112(b)(1).

17 (b) *QUALITY ASSURANCE PROGRAMS.*—

18 (1) *IN GENERAL.*—A State may carry out a
19 quality assurance program—

20 (A) as part of a State energy conservation
21 plan established under part D of title III of the
22 Energy Policy and Conservation Act (42 U.S.C.
23 6321 *et seq.*);

24 (B) to be managed by the office or the des-
25 igned of the office—

1 (i) that is responsible for the develop-
2 ment of the plan under section 362 of that
3 Act (42 U.S.C. 6322); and

4 (ii) to the maximum extent prac-
5 ticable, that is conducting an existing en-
6 ergy efficiency program; and

7 (C) in the case of a grant made to an In-
8 dian tribe, to be managed by an entity des-
9 ignated by the Indian tribe to carry out a qual-
10 ity assurance program or a national quality as-
11 surance program manager.

12 (2) *NONCOMPLIANCE.*—If the Secretary deter-
13 mines that a State has not provided or cannot pro-
14 vide adequate oversight over a quality assurance pro-
15 gram to ensure compliance with this title, the Sec-
16 retary may—

17 (A) withhold further quality assurance
18 funds from the State; and

19 (B) require that quality assurance providers
20 operating in the State be overseen by a national
21 quality assurance program manager selected by
22 the Secretary.

23 (3) *IMPLEMENTATION.*—A State that receives a
24 grant under this title may implement a quality as-
25 surance program through the State or an independent

1 *quality assurance provider designated by the State,*
2 *including—*

3 *(A) an energy service company;*

4 *(B) an electric utility;*

5 *(C) a natural gas utility;*

6 *(D) an independent administrator des-*
7 *ignated by the State; or*

8 *(E) a unit of local government.*

9 **SEC. 106. REPORTS.**

10 *(a) IN GENERAL.—The Secretary shall submit to the*
11 *Committee on Energy and Natural Resources of the Senate*
12 *and the Committee on Energy and Commerce of the House*
13 *of Representatives a report on this title—*

14 *(1) not later than 1 year after the date of enact-*
15 *ment of this Act; and*

16 *(2) not later than the earlier of—*

17 *(A) 2 years after the date of enactment of*
18 *this Act; or*

19 *(B) December 31, 2012.*

20 *(b) CONTENTS.—The report shall include a description*
21 *of—*

22 *(1) the energy savings produced as a result of*
23 *this title;*

24 *(2) the direct and indirect employment created*
25 *as a result of the programs supported under this title;*

1 (3) *the specific entities implementing the energy*
2 *efficiency programs;*

3 (4) *the beneficiaries who received the efficiency*
4 *improvements;*

5 (5) *the manner in which funds provided under*
6 *this title were used;*

7 (6) *the sources (such as mortgage lenders, utility*
8 *companies, and local governments) and types of fi-*
9 *nancing used by the beneficiaries to finance the ret-*
10 *rofit expenses that were not covered by rebates pro-*
11 *vided under this title; and*

12 (7) *the results of verification requirements; and*

13 (8) *any other information the Secretary con-*
14 *siders appropriate.*

15 (c) *REQUIRED INFORMATION.—*

16 (1) *REQUIREMENT.—Rebate aggregators and*
17 *States participating in the Home Star Retrofit Re-*
18 *bate Program shall provide to the Secretary such in-*
19 *formation as the Secretary requires to prepare the re-*
20 *port required under this section.*

21 (2) *NONCOMPLIANCE.—If the Secretary deter-*
22 *mines that a rebate aggregator or State has not pro-*
23 *vided the information required under paragraph (1),*
24 *the Secretary shall provide to the rebate aggregator or*
25 *State a period of at least 90 days to provide the nec-*

1 *essary information, subject to withholding of funds or*
2 *reduction of future grant amounts.*

3 **SEC. 107. TREATMENT OF REBATES.**

4 *(a) IN GENERAL.—For purposes of the Internal Rev-*
5 *enue Code of 1986, rebates received under this title—*

6 *(1) shall not be considered taxable income to a*
7 *homeowner; and*

8 *(2) shall supplant any credit allowed under sec-*
9 *tion 25C or 25D of that Code for eligible work per-*
10 *formed in the home of the homeowner.*

11 *(b) NOTICE.—A participating contractor shall provide*
12 *notice to a homeowner of the provisions of subsection (a)*
13 *before eligible work is performed in the home of the home-*
14 *owner.*

15 **SEC. 108. HEATING AND COOLING EFFICIENCY STUDY.**

16 *(a) IN GENERAL.—The Secretary shall submit to the*
17 *Committee on Energy and Natural Resources of the Senate*
18 *and the Committee on Energy and Commerce of the House*
19 *of Representatives a study not later than 1 year after the*
20 *date of enactment of this Act.*

21 *(b) CONTENTS.—The study shall include a description*
22 *of—*

23 *(1) the efficiency through the life-cycle of air con-*
24 *ditioning and heat pump products eligible under sec-*
25 *tion 103; and*

1 (2) a comparison of the efficiency through the
2 life-cycle of air conditioning and heat pump products
3 eligible under section 103 to the efficiency through the
4 life-cycle of air conditioning and heat pump products
5 not eligible under section 103.

6 **SEC. 109. PUBLIC INFORMATION CAMPAIGN.**

7 Not later than 60 days after the date of enactment of
8 this Act, the Administrator, in consultation with the States
9 and the Secretary, shall develop and implement a public
10 education campaign that describes—

11 (1) the benefits of home energy retrofits; and
12 (2) the availability of rebates for the installation
13 of qualifying energy savings measures under the Sil-
14 ver Star Home Energy Retrofit Program and for
15 whole home energy savings under the Gold Star Home
16 Energy Retrofit Program.

17 **SEC. 110. PENALTIES.**

18 (a) *IN GENERAL.*—The Secretary may—

19 (1) assess and compromise a civil penalty
20 against a person who violates this title (or any regu-
21 lation issued under this title); and

22 (2) require from any entity the records and in-
23 spections necessary to enforce this title.

1 (b) *CIVIL PENALTY.*—A civil penalty assessed under
2 subsection (a) shall be in an amount not greater than the
3 higher of—

4 (1) \$15,000 for each violation; or

5 (2) 3 times the value of any associated rebate
6 under this title.

7 **SEC. 111. HOME STAR ENERGY EFFICIENCY LOAN PRO-**
8 **GRAM.**

9 (a) *DEFINITIONS.*—In this section:

10 (1) *ELIGIBLE PARTICIPANT.*—The term “eligible
11 participant” means a homeowner who receives finan-
12 cial assistance from a qualified financing entity to
13 carry out qualifying energy savings measures under
14 the Silver Star Home Energy Retrofit Program or
15 whole home energy savings under the Gold Star Home
16 Energy Retrofit Program.

17 (2) *QUALIFIED FINANCING ENTITY.*—The term
18 “qualified financing entity” means a State, political
19 subdivision of a State, tribal government, electric
20 utility, natural gas utility, nonprofit or community-
21 based organization, energy service company, retailer,
22 or any other entity that—

23 (A) meets the eligibility requirements of this
24 section; and

1 (B) is designated by the Governor of a State
2 in accordance with subsection (e)(1).

3 (3) *QUALIFIED LOAN PROGRAM MECHANISM.*—

4 The term “qualified loan program mechanism” means
5 a mechanism for the establishment and operation of
6 a loan program that is—

7 (A) administered by a qualified financing
8 entity; and

9 (B) funded in significant part—

10 (i) by funds provided by or overseen by
11 a State; or

12 (ii) through the energy loan program
13 of the Federal National Mortgage Associa-
14 tion.

15 (b) *ESTABLISHMENT.*—The Secretary shall establish a
16 *Home Star Energy Efficiency Loan Program* under which
17 the Secretary shall make funds available to States to sup-
18 port financial assistance provided by qualified financing
19 entities for the installation of qualifying energy savings
20 measures under the *Silver Star Home Energy Retrofit Pro-*
21 *gram* or whole home energy savings under the *Gold Star*
22 *Home Energy Retrofit Program.*

23 (c) *ELIGIBILITY OF QUALIFIED FINANCING ENTI-*
24 *TIES.*—To be eligible to participate in the *Home Star Loan*
25 *Program*, a qualified financing entity shall—

1 (1) offer a financing product under which eligi-
2 ble participants may pay over time for the cost to the
3 eligible participant (after all applicable Federal,
4 State, local, and other rebates or incentives are ap-
5 plied) of installations described in subsection (b);

6 (2) require all financed installations to be per-
7 formed by contractors in a manner that meets min-
8 imum standards provided under sections 103 and
9 104;

10 (3) establish standard underwriting criteria to
11 determine the eligibility of Home Star Loan Program
12 applicants, which criteria shall be consistent with—

13 (A) with respect to unsecured consumer loan
14 programs, standard underwriting criteria used
15 under the energy loan program of the Federal
16 National Mortgage Association; or

17 (B) with respect to secured loans or other
18 forms of financial assistance, commercially rec-
19 ognized best practices applicable to the form of
20 financial assistance being provided (as deter-
21 mined by the designated entity administering the
22 Home Star Loan Program in the State); and

23 (4) undertake particular efforts to make such
24 loans available in public use microdata areas that
25 have a poverty rate of 12 percent or more in a pro-

1 *portion of total loans made at least equal to the pro-*
2 *portion the number of residents in such areas bears*
3 *to the total population of the area served by that*
4 *qualified financing entity.*

5 *(d) ALLOCATION.—In allocating 75 percent of the*
6 *funds made available to States for each fiscal year under*
7 *this section, the Secretary shall use the formula used to allo-*
8 *cate funds to States to carry out State energy conservation*
9 *plans established under part D of title III of the Energy*
10 *Policy and Conservation Act (42 U.S.C. 6321 et seq.). In*
11 *allocating the remaining 25 percent of the funds made*
12 *available to States for each fiscal year under this section,*
13 *the Secretary may vary the result of the formula to recog-*
14 *nize and reward those States that make the best progress*
15 *in providing loans to low-income areas pursuant to sub-*
16 *section (c)(4).*

17 *(e) QUALIFIED FINANCING ENTITIES.—Before making*
18 *funds available to a State under this section, the Secretary*
19 *shall require the Governor of the State to provide to the*
20 *Secretary a letter of assurance that the State—*

21 *(1) has 1 or more qualified financing entities*
22 *that meet the requirements of this section;*

23 *(2) has established, or has required its designated*
24 *qualified financing entities to establish, a qualified*
25 *loan program mechanism that—*

1 (A) will use a quality assurance program
2 established under this title or another appro-
3 priate methodology to ensure energy savings;

4 (B) incorporates an effective repayment
5 mechanism, which may include—

6 (i) on-utility-bill repayment;

7 (ii) tax assessment or other form of
8 property assessment financing;

9 (iii) municipal service charges;

10 (iv) energy or energy efficiency services
11 contracts;

12 (v) energy efficiency power purchase
13 agreements;

14 (vi) unsecured loans applying the un-
15 derwriting requirements of the energy loan
16 program of the Federal National Mortgage
17 Association; or

18 (vii) alternative contractual repayment
19 mechanisms that have been demonstrated to
20 have appropriate risk mitigation features;
21 and

22 (3) will provide, in a timely manner, all infor-
23 mation regarding the administration of the Home
24 Star Loan Program as the Secretary may require to

1 *permit the Secretary to meet the program evaluation*
2 *requirements of subsection (h).*

3 *(f) USE OF FUNDS.—Funds made available to States*
4 *for carrying out the Home Star Loan Program may be used*
5 *to support financing mechanisms offered by qualified fi-*
6 *ancing entities to eligible participants, including—*

7 *(1) interest rate reductions to interest rates as*
8 *low as 0 percent;*

9 *(2) loan loss reserves or other forms of credit en-*
10 *hancement;*

11 *(3) revolving loan funds from which qualified fi-*
12 *ancing entities may offer direct loans; or*

13 *(4) other debt instruments (excluding*
14 *securitization instruments) necessary—*

15 *(A) to use available funds to obtain appro-*
16 *priate leverage through private investment; and*

17 *(B) to support widespread deployment of*
18 *energy efficiency programs.*

19 *(g) USE OF REPAID FUNDS.—In the case of a revol-*
20 *ving loan fund described in subsection (f)(3), a qualified fi-*
21 *ancing entity may use funds repaid by eligible partici-*
22 *pants under the Home Star Loan Program to provide fi-*
23 *ancial assistance for additional eligible participants for*
24 *installations described in subsection (b) in a manner that*
25 *is consistent with this section.*

1 (h) *PROGRAM EVALUATION.*—Not later than 1 year
2 after the date of enactment of this Act, the Secretary shall
3 submit to Congress a program evaluation that describes—

4 (1) *how many eligible participants have partici-*
5 *parted in the Home Star Loan Program;*

6 (2) *how many jobs have been created through the*
7 *Home Star Loan Program, directly and indirectly;*

8 (3) *what steps could be taken to promote further*
9 *deployment of energy efficiency retrofits;*

10 (4) *the quantity of verifiable energy savings,*
11 *homeowner energy bill savings, and other benefits of*
12 *the Home Star Loan Program; and*

13 (5) *the performance of the programs carried out*
14 *by qualified financing entities under this section, in-*
15 *cluding information on the rate of default and repay-*
16 *ment.*

17 **SEC. 112. FUNDING.**

18 (a) *AUTHORIZATION OF APPROPRIATIONS.*—

19 (1) *IN GENERAL.*—Subject to subsection (j), there
20 are authorized to be appropriated to carry out this
21 title \$6,000,000,000 for the period of fiscal years 2010
22 and 2011, to remain available until expended.

23 (2) *MAINTENANCE OF FUNDING.*—Funds pro-
24 vided under this section shall supplement and not
25 supplant any prior or planned Federal and State

1 *funding provided to carry out energy efficiency pro-*
2 *grams. To the extent the Secretary finds that a State*
3 *has supplanted other such programs with funding*
4 *under this section, the Secretary may withhold an*
5 *equivalent amount of funding from allocations for the*
6 *State under this title.*

7 *(b) GRANTS TO STATES.—*

8 *(1) IN GENERAL.—Except as otherwise provided*
9 *in this subsection, of the amount provided under sub-*
10 *section (a), not more than 9 percent is authorized to*
11 *be appropriated to the Secretary for providing grants*
12 *to States, to be used for—*

13 *(A) administrative costs of carrying out this*
14 *title;*

15 *(B) development and implementation of*
16 *quality assurance frameworks;*

17 *(C) oversight of quality assurance pro-*
18 *grams;*

19 *(D) establishment and delivery of financing*
20 *mechanisms, in accordance with paragraph (2);*
21 *and*

22 *(E) coordination with existing residential*
23 *retrofit programs and infrastructure development*
24 *to assist deployment of the Home Star Retrofit*
25 *Rebate Program.*

1 (2) *FINANCING.*—*Of the amounts allocated to the*
2 *States under paragraph (1), not less than 60 percent*
3 *shall be used to carry out section 111.*

4 (3) *DISTRIBUTION TO STATES.*—

5 (A) *PROVISION OF FUNDS.*—*Not later than*
6 *30 days after the date of enactment of this Act,*
7 *the Secretary shall provide to the State energy*
8 *offices, or such other State entities as are des-*
9 *ignated by the Governor, of States that are car-*
10 *rying out responsibilities under section 105, 25*
11 *percent of the funds described in paragraph (1).*

12 (B) *ALLOCATION.*—*Funds described in sub-*
13 *paragraph (A) shall be made available in ac-*
14 *cordance with the allocation formula for State*
15 *energy conservation plans established under part*
16 *D of title III of the Energy Policy and Conserva-*
17 *tion Act (42 U.S.C. 6321 et seq.).*

18 (C) *FUND ALLOCATION PROCESS.*—*The Sec-*
19 *retary shall allocate the remaining 75 percent of*
20 *the funds described in paragraph (1) in a man-*
21 *ner that may vary from the formula described in*
22 *subparagraph (B) as necessary to best support*
23 *the objectives of achieving energy efficiency*
24 *gains, employment of underemployed workers,*

1 *and implementing quality assurance programs*
2 *and frameworks in participating States.*

3 (4) *WITHHOLDING OF FUNDS.—To the extent*
4 *that the Secretary assumes the responsibilities of a*
5 *State under section 101(i), the Secretary shall with-*
6 *hold the portion of the funds otherwise transferrable*
7 *to the State under this section that are attributable*
8 *to those State responsibilities.*

9 (5) *INDIAN TRIBES.—*

10 (A) *IN GENERAL.—If an Indian tribe acts*
11 *in place of a State for purposes of carrying out*
12 *the responsibilities of the State under this title*
13 *with respect to its tribal lands pursuant to sec-*
14 *tion 101(h), the Secretary shall transfer to that*
15 *Indian tribe, instead of the State, the propor-*
16 *tionate share of funds otherwise transferrable to*
17 *the State under this section.*

18 (B) *PROPORTIONATE SHARE.—For purposes*
19 *of subparagraph (A), the proportionate share*
20 *shall be calculated on the basis of the percentage*
21 *of the population of the State that resides within*
22 *the tribal lands.*

23 (c) *QUALITY ASSURANCE COSTS.—*

24 (1) *IN GENERAL.—Of the amount provided*
25 *under subsection (a), not more than 5 percent are au-*

1 *thorized to be appropriated to the Secretary to be*
2 *used as provided in paragraph (2), in accordance*
3 *with information provided by the State offices or enti-*
4 *ties described in subsection (b)(3)(B) with respect to*
5 *services provided by quality assurance providers.*

6 (2) *DISTRIBUTION TO QUALITY ASSURANCE PRO-*
7 *VIDERS OR REBATE AGGREGATORS.—The Secretary*
8 *shall use funds provided under this subsection to com-*
9 *pensate quality assurance providers and rebate*
10 *aggregators for services provided under this title.*

11 (3) *COMPENSATION.—The amount of compensa-*
12 *tion provided under this subsection shall be—*

13 (A)(i) *in the case of the Silver Star Home*
14 *Energy Retrofit Program—*

15 (I) *not more than \$25 to rebate*
16 *aggregators per rebate review and proc-*
17 *essing under the program; and*

18 (II) *\$150 to quality assurance pro-*
19 *viders for each field inspection conducted*
20 *under the program; and*

21 (ii) *in the case of the Gold Star Home En-*
22 *ergy Retrofit Program—*

23 (I) *not more than \$35 to rebate*
24 *aggregators for each rebate review and proc-*
25 *essing under the program; and*

1 (II) \$300 to quality assurance pro-
2 viders for each field inspection conducted
3 under the program; or

4 (B) such other amounts as the Secretary
5 considers necessary to carry out the quality as-
6 surance provisions of this title to optimize the
7 overall energy efficiency resulting from the Silver
8 Star Home Energy Retrofit Program and the
9 Gold Star Home Energy Retrofit Program.

10 (d) *TRACKING OF REBATES AND EXPENDITURES.*—Of
11 *the amount provided under subsection (a), not more than*
12 *2.5 percent are authorized to be appropriated to the Sec-*
13 *retary to be used for costs associated with tracking rebates*
14 *and expenditures through the Federal Rebate Processing*
15 *System under this title, technical assistance to States, and*
16 *related administrative costs incurred by the Secretary.*

17 (e) *PUBLIC EDUCATION AND COORDINATION.*—Of the
18 *amount provided under subsection (a), not more than 0.2*
19 *percent are authorized to be appropriated to the Adminis-*
20 *trator to be used for costs associated with public education*
21 *and coordination with the Federal Energy Star program.*

22 (f) *SILVER STAR HOME ENERGY RETROFIT PRO-*
23 *GRAM.*—

24 (1) *IN GENERAL.*—Of the amount provided
25 *under subsection (a), after subtracting the amounts*

1 *authorized in subsections (b), (d), and (e) of this sec-*
2 *tion, two-thirds of the remainder are authorized to be*
3 *appropriated to the Secretary to be used to provide*
4 *rebates and other payments authorized under the Sil-*
5 *ver Star Home Energy Retrofit Program.*

6 (2) *PRODUCTS PURCHASED WITHOUT INSTALLA-*
7 *TION SERVICES.—Of the amounts appropriated pur-*
8 *suant to this subsection for the Silver Star program,*
9 *7.5 percent shall be made available for rebates under*
10 *section 103(f).*

11 (g) *GOLD STAR HOME ENERGY RETROFIT PRO-*
12 *GRAM.—Of the amount provided under subsection (a), after*
13 *subtracting the amounts authorized in subsections (b), (d),*
14 *and (e) of this section, one-third of the remainder is author-*
15 *ized to be appropriated to the Secretary to be used to pro-*
16 *vide rebates and other payments authorized under the Gold*
17 *Star Home Energy Retrofit Program.*

18 (h) *RETURN OF UNDISBURSED FUNDS.—*

19 (1) *SILVER STAR HOME ENERGY RETROFIT PRO-*
20 *GRAM.—If the Secretary has not disbursed all the*
21 *funds available for rebates under the Silver Star*
22 *Home Energy Retrofit Program by the date that is 1*
23 *year after the date of enactment of this Act, any*
24 *undisbursed funds shall be made available to the Gold*
25 *Star Home Energy Retrofit Program.*

1 (2) *GOLD STAR HOME ENERGY RETROFIT PRO-*
 2 *GRAM.—If the Secretary has not disbursed all the*
 3 *funds available for rebates under the Gold Star Home*
 4 *Energy Retrofit Program by the date that is 2 years*
 5 *after the date of enactment of this Act, any*
 6 *undisbursed funds shall be returned to the Treasury.*

7 (i) *SUNSET.—With the exception of the provisions of*
 8 *section 102(c)(5), (6), and (7), sections 107, 110, and 111,*
 9 *this subsection, and the relevant definitions in section 2 to*
 10 *those provisions, this title shall cease to be effective after*
 11 *December 31, 2012. Nothing in this subsection shall prevent*
 12 *a State from continuing to implement a quality assurance*
 13 *framework established pursuant to section 105.*

14 ***TITLE II—ENERGY EFFICIENT***
 15 ***MANUFACTURED HOMES***

16 ***SEC. 201. ENERGY EFFICIENT MANUFACTURED HOMES.***

17 (a) *DEFINITIONS.—In this section:*

18 (1) *MANUFACTURED HOME.—The term “manu-*
 19 *factured home” has the meaning given such term in*
 20 *section 603 of the National Manufactured Housing*
 21 *Construction and Safety Standards Act of 1974 (42*
 22 *U.S.C. 5402).*

23 (2) *ENERGY STAR QUALIFIED MANUFACTURED*
 24 *HOME.—The term “Energy Star qualified manufac-*
 25 *tured home” means a manufactured home that has*

1 *been designed, produced, and installed in accordance*
2 *with Energy Star's guidelines by an Energy Star cer-*
3 *tified plant.*

4 *(b) PURPOSE.—The purpose of this section is to assist*
5 *low-income households residing in manufactured homes*
6 *constructed prior to 1976 to save energy and energy expend-*
7 *itures by providing funding for the purchase of new Energy*
8 *Star qualified manufactured homes.*

9 *(c) GRANTS TO STATE AGENCIES.—*

10 *(1) GRANTS.—The Secretary may make grants*
11 *to State agencies responsible for developing State en-*
12 *ergy conservation plans under section 362 of the En-*
13 *ergy Policy and Conservation Act (42 U.S.C. 6322)*
14 *(or such other existing State agency that exercises*
15 *similar functions as the Governor of a State may des-*
16 *ignate), to provide owners of manufactured homes*
17 *constructed prior to 1976 funding to use to purchase*
18 *new Energy Star qualified manufactured homes.*

19 *(2) ALLOCATION OF GRANTS.—Grants under*
20 *paragraph (1) shall be distributed to State agencies*
21 *in States on the basis of their proportionate share of*
22 *all manufactured homes constructed prior to 1976*
23 *that are occupied as primary residences in the United*
24 *States, based on the most recent and accurate data*
25 *available.*

1 (3) *FUNDING.*—

2 (A) *PRIMARY RESIDENCE REQUIREMENT.*—

3 *Funding described under paragraph (1) may*
4 *only be made to an owner of a manufactured*
5 *home constructed prior to 1976 that has been*
6 *used by the owner as a primary residence on a*
7 *year-round basis for at least the previous 12*
8 *months.*

9 (B) *DESTRUCTION AND REPLACEMENT.*—

10 *Funding described under paragraph (1) may be*
11 *provided only if the manufactured home con-*
12 *structed prior to 1976 will be—*

13 (i) *destroyed (including appropriate*
14 *recycling); and*

15 (ii) *replaced, in an appropriate area,*
16 *as determined by the applicable State agen-*
17 *cy, with an Energy Star qualified manufac-*
18 *tured home.*

19 (C) *LIMITATION.*—*Funding described under*
20 *paragraph (1) may not be provided to any*
21 *owner of a manufactured home constructed prior*
22 *to 1976 that was or is a member of a household*
23 *for which any member of the household was pro-*
24 *vided funding pursuant to this section.*

1 (D) *ELIGIBLE HOUSEHOLDS.*—To be eligi-
2 ble to receive funding described under paragraph
3 (1), an owner of a manufactured home con-
4 structed prior to 1976 shall demonstrate to the
5 applicable State agency that the total income of
6 all members the owner’s household does not ex-
7 ceed 80 percent of the area median income in the
8 applicable area, as determined by the Secretary.

9 (E) *LEASES.*—To be eligible to receive fund-
10 ing described under paragraph (1), an owner of
11 a manufactured home constructed prior to 1976
12 who intends to place the new Energy Star quali-
13 fied manufactured home on property leased from
14 another person shall hold a lease to such prop-
15 erty of at least 3 years in duration.

16 (4) *FUNDING AMOUNT.*—Funding provided by
17 State agencies under this subsection shall not exceed
18 \$7,500 per manufactured home from any funds ap-
19 propriated pursuant to this section.

20 (5) *USE OF STATE FUNDS.*—A State agency pro-
21 viding funding under this section may supplement the
22 amount of such funding under paragraph (4) by any
23 amount such agency approves if such additional
24 amount is from State funds and other sources, includ-

1 *ing private donations and grants or loans from chari-*
2 *table foundations.*

3 (6) *SIMILAR PROGRAMS.—*

4 (A) *STATE PROGRAMS.—A State agency*
5 *conducting a program that has the purpose of re-*
6 *placing manufactured homes constructed prior to*
7 *1976 with Energy Star qualified manufactured*
8 *homes may use funds provided under this section*
9 *to support such a program, provided such fund-*
10 *ing does not exceed the funding limitation*
11 *amount under paragraph (4).*

12 (B) *FEDERAL PROGRAMS.—The Secretary*
13 *shall seek to achieve the purpose of this section*
14 *through similar Federal programs including—*

15 (i) *the Weatherization Assistance Pro-*
16 *gram under part A of title IV of the Energy*
17 *Conservation and Production Act (42*
18 *U.S.C. 6861 et seq.); and*

19 (ii) *the program under part D of title*
20 *III of the Energy Policy and Conservation*
21 *Act (42 U.S.C. 6321 et seq.).*

22 (7) *ADMINISTRATION.—*

23 (A) *CONTROLS AND PROCEDURES.—Each*
24 *State agency receiving funds under this section*
25 *shall establish fiscal controls and accounting pro-*

1 *cedures sufficient, as determined by the Sec-*
2 *retary, to ensure proper accounting for disburse-*
3 *ments made from such funds and fund balances.*
4 *Such procedures shall conform to generally ac-*
5 *cepted Government accounting principles.*

6 *(B) COORDINATION WITH OTHER STATE*
7 *AGENCIES.—A State agency receiving funds*
8 *under this section may coordinate its efforts, and*
9 *share funds for administration, with other State*
10 *agencies or nonprofit organizations involved in*
11 *low-income housing programs.*

12 *(C) ADMINISTRATIVE EXPENSES.—A State*
13 *agency receiving funds under this section may*
14 *expend not more than 10 percent of such funds*
15 *for administrative expenses.*

16 *(d) DECOMMISSIONING.—A person receiving funding*
17 *under subsection (c) may also be provided not to exceed*
18 *\$2,500 for the decommissioning of the manufactured home*
19 *being replaced.*

20 *(e) AUTHORIZATION OF APPROPRIATIONS.—*

21 *(1) IN GENERAL.—There are authorized to be ap-*
22 *propriated to the Secretary to carry out this section*
23 *\$200,000,000 for fiscal year 2010 and \$400,000,000*
24 *for fiscal year 2011, to remain available until ex-*
25 *pended.*

1 (2) *ADMINISTRATIVE EXPENSES.—Of the*
2 *amounts available each fiscal year to carry out this*
3 *section, the Secretary may expend not more than 5*
4 *percent to pay administrative expenses.*

Union Calendar No. 268

11TH CONGRESS
2^D SESSION

H. R. 5019

[Report No. 111-469, Part I]

A BILL

To provide for the establishment of the Home Star Retrofit Rebate Program, and for other purposes.

MAY 3, 2010

Committee on Oversight and Government Reform discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed