111TH CONGRESS
2D SESSION

S. 3079

To assist in the creation of new jobs by providing financial incentives for owners of commercial buildings and multifamily residential buildings to retrofit their buildings with energy efficient building equipment and materials, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 4, 2010

Mr. MERKLEY (for himself, Mr. PRYOR, Mr. BROWN of Ohio, Ms. STABENOW, Mr. SANDERS, and Mr. CARDIN) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

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A BILL

To assist in the creation of new jobs by providing financial incentives for owners of commercial buildings and multifamily residential buildings to retrofit their buildings with energy efficient building equipment and materials, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Building Star Energy Efficiency Act of 2010''.

SEC. 2. DEFINITIONS.

In this Act:

(1) ASHRAE.—The term ''ASHRAE'' means the American Society of Heating, Refrigerating and Air-Conditioning Engineers.

(2) BUILDING ENVELOPE INSULATION.—The term ''building envelope insulation'' means thermal insulation for a building envelope (other than a low slope roof), as defined in ASHRAE Standard 90.1–2007 or 2009 IECC, as appropriate.

(3) CHILLER TONNAGE DOWNSIZING.—The term ''chiller tonnage downsizing'' means the quantity by which the tonnage rating of a replaced chiller exceeds the tonnage rating of a qualified replacement chiller.

(4) CLIMATE ZONE.—The term ''climate zone'' means a climate zone specified in ASHRAE Standard 90.1–2007.

(5) COMMERCIAL BUILDING.—

(A) IN GENERAL.—The term ''commercial building'' means a building that—

(i) is located in the United States; and

(ii) was in existence on December 31, 2009.

(B) EXCLUSIONS.—The term ''commercial building'' does not include—

(i) a federally owned building; or

(ii) a residential building.

(6) DUCT.—The term ''duct'' means HVAC ducts with respect to which pressure testing has been performed and, if necessary, leakage remediated, in accordance with sections 503.2.7.1.2 and 503.2.7.1.3 of the 2009 IECC.

(7) DUCT INSULATION.—The term ''duct insulation'' means thermal insulation of a HVAC duct.

(8) HVAC.—The term ''HVAC'' means heating, ventilation, and air conditioning.

(9) IECC.—The term ''IECC'' means the International Energy Conservation Code.

(10) MECHANICAL INSULATION.—The term ''mechanical insulation'' means thermal insulation installed, in accordance with applicable Federal, State, and local law, on mechanical piping and mechanical equipment.

(11) MULTIFAMILY RESIDENTIAL BUILDING.—

(A) IN GENERAL.—The term ''multifamily residential building'' means a structure of 5 or more dwelling units that—

(i) is located in the United States; and

(ii) was in existence on December 31, 2009.

(B) EXCLUSION.—The term ''multifamily residential building'' does not include a federally owned building.

(12) NFRC.—The term ''NFRC'' means the National Fenestration Rating Council.

(13) PROGRAM.—The term ''program'' means the Building Star Energy Efficiency Rebate Program of 2010 established under section 3.

(14) QUALIFIED BOILER.—The term ''qualified boiler'' means a new natural gas-fired, oil-fired, or wood or wood pellet boiler that—

(A) has a capacity of not less than 300,000, and not more than 5,000,000, Btu per hour;

(B) replaces an operational boiler in a commercial building or multifamily residential building; and

(C) meets or exceeds—

(i) in the case of a natural gas-fired boiler, 90 percent thermal efficiency;

(ii) in the case of an oil-fired boiler, 85 percent thermal efficiency; and

(iii) in the case of a wood or wood pellet boiler, 75 percent thermal efficiency.

(15) QUALIFIED BUILDING ENVELOPE INSULATION.—The term ''qualified building envelope insulation'' means the installation or repair of building envelope insulation to meet or exceed ASHRAE Standard 90.1–2007 or 2009 IECC in a commercial building or multifamily residential building.

(16) QUALIFIED ENERGY AUDIT.—The term ''qualified energy audit'' means an ASHRAE Level II energy audit or equivalent of a commercial building or multifamily residential building that is designed to identify all cost-effective energy efficiency measures.

(17) QUALIFIED ENERGY-EFFICIENT BUILDING OPERATION AND MAINTENANCE TRAINING.—The term ''qualified energy-efficient building operation and maintenance training'' means—

(A) the training of a superintendent or operator of a commercial building or multifamily residential building; and

(B) resultant—

(i) Level 1 or Level 2 Building Operator Certification for commercial building operators; or

(ii) certification as a Multifamily Building Operator by the Building Performance Institute for residential building operators.

(18) QUALIFIED ENERGY MONITORING AND MANAGEMENT SYSTEM.—The term ''qualified energy monitoring and management system'' means a system that—

(A) is installed in a commercial building or multifamily residential building;

(B) uses a combination of computers, computer software, control equipment, and instrumentation to monitor and manage or submeter the energy use of a building, such as heating, ventilation, air conditioning, and lighting;

(C) provides reporting of information to the building owner or operator to enable refinement of building operation and energy usage; and

(D) is covered by a service contract with a duration of not less than 1 year for system monitoring or maintenance, including all main-

tenance recommended by the equipment manufacturer.

(19) QUALIFIED EXTERIOR LIGHTING.—The term ''qualified exterior lighting'' means exterior lighting that—

(A) replaces operational exterior lighting at a commercial building or multifamily residential building; and

(B) achieves a reduction of 20 percent or more in annual energy use as compared to the lighting that was replaced, as determined in accordance with section 3(c)(7)(B).

(20) QUALIFIED FURNACE.—The term ''qualified furnace'' means a new natural gas furnace or a wood or wood pellet furnace that—

(A) replaces an operational furnace in a commercial building or multifamily residential building;

(B) in the case of natural gas, meets or exceeds 90 percent thermal efficiency; and

(C) in the case of a wood or wood pellet furnace, meets or exceeds 75 percent thermal efficiency.

(21) QUALIFIED HIGH-EFFICIENCY WINDOW FILMS AND SCREENS.—The term ''qualified high-ef-

ficiency window films and screens'' means window films and screens that—

(A) are permanently affixed to windows or window frames in a commercial building or multifamily residential building;

(B) have a Luminous Efficacy (which is Visible Light Transmittance, as certified to NRFC standards divided by SHGC) of 1.1 or greater; and

(C) have a SHGC that meets or is better than the applicable requirements of the following table (as certified to NFRC standards):

Climate Zones	1	2	3	4	5	6	7	8
SHGC	.25	.25	.25	.40	.40	.40	.45	.45.

(22) QUALIFIED HVAC TESTING, BALANCING, AND DUCT SEALING.—The term ''qualified HVAC testing, balancing, and duct sealing'' means work performed in a commercial building or multifamily residential building by individuals with an ANSI-accredited certification in HVAC testing—

(A) to pressure-test HVAC ducts;

(B) to balance air flow; and

(C) to identify all leaking ducts and remediate the leakage to the appropriate leakage

class, in accordance with sections 503.2.7.1.2 and 503.2.7.1.3 of the 2009 IECC.

(23) QUALIFIED INTERIOR LIGHTING.—The term ''qualified interior lighting'' means new interior lighting that—

(A) replaces operational interior lighting in a commercial building or multifamily residential building; and

(B) achieves an installed power reduction of 25 percent or more as compared to the installed power of the lighting that was replaced, as determined in accordance with section 3(c)(6)(B).

(24) QUALIFIED LOW SLOPE ROOF INSULATION.—The term ''qualified low slope roof insulation'' means a retrofit that—

(A) adds new insulation to a roof on a commercial building or multifamily residential building if the roof insulation is entirely above deck, as defined in ASHRAE Standard 90.1–2007 or 2009 IECC; and

(B) meets or exceeds the R-values for the applicable climate zone in the following table:

Climate Zones	1	2	3	4	5	6	7	8
R-Value	20	25	25	25	25	30	35	35.

(25) QUALIFIED MECHANICAL INSULATION.—The term ''qualified mechanical insulation'' means the installation or repair of mechanical or duct insulation to meet or exceed ASHRAE Standard 90.1–2007 or 2009 IECC in a commercial building or multifamily residential building.

(26) QUALIFIED REPLACEMENT CHILLER.—The term ''qualified replacement chiller'' means a water-cooled chiller that—

(A) is certified to meet efficiency standards effective on January 1, 2010, as defined in table 6.8.1c in Addendum M to Standard 90.1–2007 of ASHRAE; and

(B) replaces a chiller that—

(i) was installed before January 1, 1993;

(ii) uses chlorofluorocarbon refrigerant; and

(iii) until replaced by a new chiller, has remained in operation and used for cooling a commercial building.

(27) QUALIFIED RETRO COMMISSIONING STUDY.—The term ''qualified retro commissioning study'' means a commissioning study of building energy systems that is—

(A) conducted consistent with the guidelines in the Retro Commissioning Guide for Building Owners prepared for—

(i) the Environmental Protection Agency; or

(ii) the document entitled ''California Commissioning Guide: Existing Buildings'' published by the California Commissioning Collaborative; and

(B) performed by a service provider with—

(i) an ASHRAE Commissioning Process Management Professional certification; or

(ii) a Building Commissioning Association Certified Commissioning Professional certification.

(28) QUALIFIED SERVICE ON COOLING SYSTEMS.—

(A) IN GENERAL.—The term ''qualified service on cooling systems'' means periodic maintenance service on a central air conditioner that—

(i) is located in a commercial building or multifamily residential building; and

(ii) has a capacity of not less than 2 tons.

(B) INCLUSIONS.—The term ''qualified service on cooling systems'' includes—

(i) a cleaning of a condenser coil;

(ii) a check of system pressure;

(iii) an inspection and replacement of a filter;

(iv) an inspection and replacement of a belt;

(v) an inspection and repair of an economizer;

(vi) an inspection of a contractor;

(vii) an inspection of an evaporator;

(viii) an evaluation of a compressor ampere draw;

(ix) an evaluation of supply motor amp draw;

(x) an evaluation of a condenser fan amp draw;

(xi) an evaluation of liquid line temperature;

(xii) an evaluation of suction pressure and temperature;

(xiii) an evaluation of oil level and pressure;

(xiv) an inspection of low pressure controls and high pressure controls;

(xv) an evaluation of crankcase heater operation;

(xvi) a cleaning of chiller condenser tubes;

(xvii) a cleaning of chiller evaporator tubes; or

(xviii) a check, and if necessary, correction of a refrigerant charge and system airflow to conform to manufacturer specifications.

(29) QUALIFIED SERVICE ON SPACE HEATING EQUIPMENT.—

(A) IN GENERAL.—The term ''qualified service on space heating equipment'' means the periodic maintenance service on a boiler, unit heaters make-up air unit, heat pump, furnace, or industrial space heating equipment with forced or induced draft combustion that is located in a commercial or multifamily residential building.

(B) INCLUSIONS.—The term ''qualified service on space heating equipment'' includes—

(i) cleaning all heat exchange surfaces and checking and calibrating all system controls; and

(ii) combustion efficiency tests and stack temperature measurements conducted before and after the service.

(30) QUALIFIED UNITARY AIR CONDITIONER.—The term ''qualified unitary air conditioner'' means a new 3 phase unitary air conditioner that—

(A) replaces an operational air conditioner or heat pump in a commercial building or multifamily residential building; and

(B) meets or exceeds Consortium for Energy Efficiency Tier 1 efficiency standards as in effect on January 1, 2010.

(31) QUALIFIED UNITARY HEAT PUMP.—The term ''qualified unitary heat pump'' means a new 3 phase unitary heat pump that—

(A) replaces an operational air conditioner or heat pump in a commercial building or multifamily residential building; and

(B) meets or exceeds Consortium for Energy Efficiency Tier 1 level of efficiency as in effect on January 1, 2010.

(32) QUALIFIED VARIABLE SPEED DRIVE.—The term ''qualified variable speed drive'' means a new electronic variable speed drive that—

(A) is added to an operational motor in a—

(i) chilled water pump;

(ii) cooling tower fan;

(iii) fume hood exhaust or makeup fan;

(iv) hot water pump;

(v) exhaust fan;

(vi) chiller compressor; or

(vii) supply, return, or exhaust fan on a variable-air volume unit that is located in a commercial building or multifamily residential building and operates not less than 2,000 hours annually;

(B) is controlled automatically by a building automation system, process control system, or local controller driven by differential pressure, flow, temperature, or another variable signal; and

(C) incorporates a series reactor for power factor correction.

(33) QUALIFIED WATER HEATER.—The term ''qualified water heater'' means a new natural gas or electric storage water heater with a capacity of 75,000 Btu/hour or greater, or a tankless water heater with a capacity of 200,000 Btu/hour or greater, that replaces an operational water heater in a commercial building or multifamily residential building and meets or exceeds—

(A) in the case of a natural gas water heater, 90 percent thermal efficiency;

(B) in the case of an electric water heater—

(i) a 2.5 Coefficient of Performance; or

(ii) a 2.0 Energy Factor; and

(C) in the case of a wood or wood pellet water heater, 75 percent thermal efficiency.

(34) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

(35) SHGC.—The term ''SHGC'' means the Solar Heat Gain Coefficient.

(36) TIER 1 QUALIFIED WINDOW.—The term ''tier 1 qualified window'' means a new window that—

(A) replaces an existing window in a commercial building or multifamily residential building; and

(B) meets or is better than—

(i) the applicable U-factor and SHGC requirements (both certified to NFRC standards) in the following table:

Climate Zones	1	2	3	4	5	6	7	8
U-Factor	.57	.57	.40	.35	.35	.35	.35	.35
SHGC	.25	.25	.25	.40	.40	.40	.45	.45

; and

(ii) in the case of a window with impact-rated glazing in climate zone 1, a U-factor of 1.20.

(37) TIER 2 QUALIFIED WINDOW.—The term ''tier 2 qualified window'' means a new window that—

(A) replaces an existing window in a commercial building or multifamily residential building; and

(B) meets or is better than—

(i) the applicable U-factor and SHGC requirements (both certified to NFRC standards) in the following table:

Climate Zones	1	2	3	4	5	6	7	8
U-Factor	.32	.32	.30	.30	.30	.30	.30	.30
SHGC	.25	.25	.25	.26	.26	.35	.45	.45

; and

(ii) in the case of a window with impact-rated glazing in climate zone 1, a U-factor of 1.20.

SEC. 3. BUILDING STAR PROGRAM.

(a) ESTABLISHMENT.—There is established in the Department of Energy a program to be known as the ''Building Star Energy Efficiency Rebate Program of 2010'' under which the Secretary, in accordance with this section, shall issue rebates to building owners to offset a portion of the cost of purchasing and installing qualifying equipment or materials or undertaking qualifying services to enhance the energy efficiency of existing commercial buildings and multifamily residential buildings.

(b) REBATES FOR BUILDING ENVELOPE ENERGY EFFICIENCY MEASURES.—Rebates for the purchase and installation of qualifying insulation, windows, and qualified high-efficiency window films and screens in commercial or multifamily residential buildings shall be available in the following amounts:

(1) BUILDING ENVELOPE INSULATION.—For qualified building envelope insulation, a rebate of $0.60 per square foot of insulated area.

(2) LOW SLOPE ROOFING INSULATION.—For qualified low slope roofing insulation, a rebate of $0.80 per square foot of insulated roof area over conditioned space.

(3) MECHANICAL INSULATION.—For qualified mechanical insulation, rebates shall be the amounts specified in the following table:

Piping and Equipment Applications	Rebate
2″ Iron Pipe Size and below	$2.50 per equivalent lineal foot
2″ to 12″ Iron Pipe Size	$5.00 per equivalent lineal foot
Above 12″ Iron Pipe Size and equipment.	$5.00 per square foot
HVAC Duct Applications	$1.00 per square foot.

(4) WINDOWS.—

(A) TIER 1 QUALIFIED WINDOWS.—For Tier 1 qualified windows, a rebate of $150 per window.

(B) TIER 2 QUALIFIED WINDOWS.—For Tier 2 qualified windows, a rebate of $300 per window.

(5) HIGH-EFFICIENCY WINDOW FILMS AND SCREENS.—For qualified high-efficiency window films and screens, a rebate of $1.00 per square foot

of treated glass enclosing a mechanically conditioned space.

(c) REBATES FOR ELIGIBLE EQUIPMENT INSTALLATION.—Rebates for the purchase and installation of qualifying new energy efficient equipment in commercial buildings or multifamily residential buildings shall be available in the following amounts:

(1) BOILERS.—For qualified boilers, rebates shall be the amounts specified in the following table:

Boiler Fuel	Rebate
Natural Gas-fired	$10 per thousand Btu per hour capacity
Oil-fired	$3 per thousand Btu per hour capacity
Wood or wood pellet boiler	$____ per thousand Btu per hour capacity.

(2) FURNACES.—For qualified furnaces, rebates of $5 per thousand Btu per hour of capacity.

(3) WATER HEATERS.—For qualified water heaters, rebates shall be the amounts specified in the following table:

Energy Source	Rebate
Natural Gas	$8 per thousand Btu per hour capacity
Electricity	$20 per thousand Btu per hour of heat pump capacity
Wood or wood pellet water heater	$____ per thousand Btu per hour capacity.

(4) UNITARY AIR CONDITIONERS AND HEAT PUMPS.—For qualified unitary air conditioners and

qualified unitary heat pumps, rebates shall be the amounts specified in the following table:

Efficiency Level	Rebate
Consortium on Energy Efficiency Tier 1 efficiency standards (as in effect on January 1, 2010).	$100 per ton cooling capacity
Consortium of Energy Efficiency Tier 2 efficiency standards (as in effect on January 1, 2010).	$200 per ton cooling capacity.

(5) VARIABLE SPEED DRIVES FOR MOTORS.—For qualified variable speed drives, rebates shall be the amounts specified in the following table:

Power Controlled (horsepower)	Rebate Level
<10 hp	$120/hp
10-100 hp	$80/hp
>100 hp	$40/hp.

(6) INTERIOR LIGHTING.—

(A) IN GENERAL.—For qualified interior lighting, subject to subparagraphs (B) and (C), rebates based on reduced lighting power shall be the amounts specified in the following table:

25% or greater reduction in installed lighting power (as adjusted)	$0.25 per square foot of illuminated floor area affected
40% or greater reduction in installed lighting power (as adjusted)	$0.50 per square foot of illuminated floor area affected.

(B) CALCULATION.—Reductions in installed lighting power resulting from installation of qualified interior lighting shall be calculated by determining the difference between—

(i) the product obtained by multiplying—

(I) the quantity of installed power (kW) for existing interior lighting; and

(II) the applicable control factor; and

(ii) the product obtained by multiplying—

(I) the quantity of installed power (kW) of the replacement interior lighting system; and

(II) the applicable control factor.

(C) CONTROL FACTORS.—For purposes of subparagraph (B), control factors for installed lighting controls shall be—

(i) for manual dimming controls, 0.9;

(ii) for occupancy sensors, 0.9;

(iii) for programmable multilevel dimming controls, 0.9;

(iv) for programmable multilevel dimming controls with programmable time scheduling, 0.85; and

(v) for daylight dimming controls, 0.75.

(7) EXTERIOR LIGHTING.—

(A) IN GENERAL.—For qualified exterior lighting, subject to subparagraphs (B) and (C), rebates based on reduced energy usage shall be the amounts specified in the following table:

20 % or greater reduction in calculated annual energy usage	$0.40 per kWh reduction in calculated annual energy usage
40% or greater reduction in calculated annual energy usage	$1.00 per kWh reduction in calculated annual energy usage.

(B) CALCULATION.—Reductions in annual energy usage resulting from installation of qualified exterior lighting shall be calculated by determining the difference between—

(i) the product obtained by multiplying—

(I) the quantity of installed power (kW) for existing exterior lighting;

(II) 4,000 operating hours per year; and

(III) the applicable control factor; and

(ii) the product obtained by multiplying—

(I) the quantity of installed power (kW) of the replacement exterior lighting system;

(II) 4,000 operating hours per year; and

(III) the applicable control factor.

(C) CONTROL FACTORS.—For purposes of subparagraph (B), control factors for installed lighting controls shall be—

(i) for 7-day time controls (with a provision for holiday schedule) if lighting is switched off a minimum of 4 hours per night, 0.75;

(ii) for motion sensors if lighting power is reduced by at least 40 percent after no activity has been detected for at least 20 minutes, 0.75; and

(iii) for remote monitoring and multi-level lighting controls, 0.60.

(8) QUALIFIED REPLACEMENT CHILLERS.—

(A) IN GENERAL.—For qualified replacement chillers, rebates shall be the sum of—

(i) the product obtained by multiplying—

(I) $150; and

(II) the tonnage rating of the replaced chiller; and

(ii) if all chilled water distribution pumps connected to the qualified replacement chiller include variable frequency drives, the product obtained by multiplying—

(I) $100; and

(II) any chiller tonnage downsizing.

(B) AUDITS.—As a condition of receiving a rebate for a qualified replacement chiller, an audit with requirements determined by the Secretary (not later than 45 days after the date of enactment of this Act) shall be performed on a building prior to installation of the qualified replacement chiller that identifies cost-effective energy-saving measures, particularly measures that could contribute to chiller tonnage downsizing.

(d) REBATES FOR ELIGIBLE ENERGY EFFICIENCY SERVICES.—Rebates for qualifying services to enhance the energy efficiency of commercial or multifamily residential buildings shall be available in the following amounts:

(1) ENERGY AUDIT AND RETRO COMMISSIONING STUDY.—

(A) IN GENERAL.—For qualified energy audits or qualified retro commissioning studies, subject to subparagraph (B), a rebate equal to the lesser of—

(i) $0.05 per square foot of audited or commissioned building space; or

(ii) 50 percent of the cost of the audit or study.

(B) AVOIDANCE OF DUPLICATION.—Rebates shall not be made for energy audits and retro commissioning studies under subparagraph (A) for the same building.

(2) ENERGY-EFFICIENT BUILDING OPERATIONS AND MAINTENANCE TRAINING.—For qualified energy-efficient building operation and maintenance training, a rebate of $2,000 per individual trained and certified.

(3) SERVICE ON SPACE HEATING EQUIPMENT.—For qualified service on space heating equipment, a rebate of $100 per unit serviced.

(4) SERVICE ON COOLING SYSTEMS.—For qualified service on cooling systems, a rebate equal to the lesser of—

(A) $2 per ton of nameplate capacity of the serviced cooling system; and

(B) 50 percent of the total service cost.

(5) ENERGY MONITORING AND MANAGEMENT SYSTEMS.—

(A) INSTALLATION.—For qualified energy monitoring and management systems installed in a commercial building or multifamily residential building that have analog controls (pneumatic or electronic), or if no control system exists, a rebate equal to the lesser of—

(i) $0.45 per square foot of building space covered by the qualified energy monitoring and management system; or

(ii) 50 percent of the total installation and commissioning costs.

(B) UPGRADING.—For upgrading an existing energy monitoring and management system in a commercial building or multifamily residential building to add submetering to all major individual loads, such as heating, ventilation, air conditioning, and lighting, a rebate equal to the lesser of—

(i) $0.15 per square foot of building space covered by the energy management system, or

(ii) 50 percent of the total installation cost.

(6) HVAC TESTING, BALANCING, AND DUCT SEALING.—For qualified HVAC testing, balancing, and duct sealing, a rebate of $0.75 per square foot of duct surface tested, balanced, and if necessary, sealed.

(e) ADMINISTRATION.—

(1) ELIGIBILITY PERIOD.—A rebate issued under the program shall be provided only in connection with qualifying equipment installations or services provided during the period beginning on the date of enactment of this Act and ending on December 31, 2011.

(2) COMBINATION WITH OTHER INCENTIVES.—The availability or use of a Federal, State, local, utility, or other incentive for any qualifying equipment installation or service shall not affect eligibility for rebates under the program.

(3) ADDITIONAL FEES.—A dealer, equipment installer, or service provider may not charge a person purchasing goods or services any additional fees

associated with applying for a rebate under the program.

(4) LIMITATION ON TOTAL REBATES ISSUED.—The total value of rebates issued under the program may not exceed the amounts made available for the program.

(5) MAXIMUM REBATE.—The amount of any rebate paid to an applicant for any qualified measure under this section shall be the lesser of—

(A) the amount determined under subsection (b), (c), or (d); or

(B) ½ of the cost actually incurred by the applicant building owner to complete the measure that is eligible for the rebate.

(f) IMPLEMENTATION.—Notwithstanding section 553 of title 5, United States Code, not later than 30 days after the date of enactment of this Act, the Secretary shall, in consultation with the Secretary of the Treasury, establish rules and procedures to implement the program, including rules and procedures for—

(1) building owners or designees to submit applications (including forms) that—

(A) specify the proposed measures that qualify for a rebate and the total rebate requested; and

(B) require that the work be completed by licensed contractors or service providers in compliance with all applicable Federal, State and local building codes and standards;

(2) the Secretary—

(A) to consider applications; and

(B) to the extent that the Secretary determines that proposed measures will qualify for rebates under this section if undertaken and that there are sufficient uncommitted funds to carry out the program, to issue confirmations to applicants that rebates will be made if proposed measures are completed;

(3) an applicant—

(A) to certify, following completion of the measures identified in the application, that the measures undertaken qualify for rebate under this section; and

(B) to complete the measures described in the application, and submit a certification, not later than—

(i) 180 days after the date of receipt of a confirmation; or

(ii) in the case of a qualified replacement chiller, 360 days after the date of receipt of a confirmation;

(4) appropriate verification by the Secretary of eligibility for a rebate prior to payment;

(5) verification and payment of rebates by electronic transfer of funds or other means that ensure that the payment occurs not later than 30 days after the date of submission of certification that measures described in the application have been completed;

(6) certification by the installer, as part of the certification under paragraph (3), that any refrigerants, toxic materials, and other hazards have been removed and disposed of in accordance with all applicable Federal, State, and local laws;

(7) field inspections by the Federal Government of at least 10 percent of the projects for which rebates are received under the program; and

(8) compliance monitoring and enforcement.

(g) CIVIL PENALTIES.—

(1) IN GENERAL.—Any person who knowingly makes a false or misleading statement in an application or certification under this section shall be liable to the United States for a civil penalty in an amount equal to not more than the higher of—

(A) $15,000 for each violation; or

(B) the amount that is equal to 3 times the value of any associated rebate received under this section.

(2) ADMINISTRATION.—In carrying out this subsection, the Secretary—

(A) may assess and compromise penalties described in paragraph (1);

(B) may require from any entity the records and inspections necessary to carry out the program; and

(C) shall consider the severity of the violation and the intent and history of the person committing a violation in determining the amount of a penalty.

(h) INFORMATION TO BUILDING OWNERS, SERVICE PROVIDERS, AND EQUIPMENT INSTALLERS.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary shall make available on an Internet website and through other means determined by the Secretary, information about the program, including information on—

(A) how to determine whether particular efficiency measures are eligible for a rebate;

(B) how to participate in the program, including how to apply for rebates; and

(C) the equipment and services meeting the requirements of the program.

(2) UPDATING.—The Secretary shall update, as appropriate, the information required under paragraph (1).

(i) REPORT TO CONGRESS.—Not later than 60 days after the termination date described in subsection (e)(1), the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report describing the efficacy of the program, including—

(1) a description of program results, including—

(A) the total number and value of rebates issued for installation of new energy efficient equipment by category of equipment;

(B) the total number and value of rebates issued for services rendered by category of service; and

(C) the geographic distribution of activities for which rebates were issued;

(2) an estimate of the overall increase in energy efficiency as a result of the program, expressed in terms of percentage improvement by—

(A) type of equipment;

(B) total annual energy savings; and

(C) total annual greenhouse gas reductions; and

(3) an estimate of the overall jobs created and economic growth achieved as a result of the program.

SEC. 4. STATE-BASED FINANCING ASSISTANCE FOR COMMERCIAL BUILDING RETROFITS.

(a) DEFINITIONS.—In this section:

(1) BUILDING STAR ENERGY RETROFIT PROGRAM.—The term ''Building Star energy retrofit program'' means the Building Star energy retrofit program established under section 3.

(2) ELIGIBLE PARTICIPANT.—The term ''eligible participant'' means a building owner, apartment complex owner, residential cooperative association, or condominium association that—

(A) meets the eligibility requirements established by a qualified loan program delivery entity designated by the building owner; and

(B) receives financial assistance from the qualified loan program delivery entity to carry out energy efficiency or renewable energy improvements to an existing building in accordance with the Building Star energy retrofit program established under section 3.

(3) PROGRAM.—The term ''program'' means the Building Star Energy Efficiency Loan Program established under subsection (b).

(4) QUALIFIED LOAN PROGRAM MECHANISM.—The term ''qualified loan program mechanism'' means a loan program that is—

(A) administered by a qualified program delivery entity; and

(B) principally funded—

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

(ii) through the energy loan program of the Federal National Mortgage Association.

(5) QUALIFIED PROGRAM DELIVERY ENTITY.—The term ''qualified program delivery entity'' means a State, political subdivision of a State, tribal government, energy utility, natural gas utility, nonprofit or community-based organization, energy service

company, retailer, or any other qualified entity that—

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

(B) is approved by the State that administers the program in the State.

(b) ESTABLISHMENT.—The Secretary shall establish a Building Star Energy Efficiency Loan Program under which the Secretary shall make grants to States to support financial assistance provided by qualified program delivery entities for making, to existing buildings, energy efficiency and renewable energy improvements that qualify under the Building Star energy retrofit program.

(c) ELIGIBILITY OF QUALIFIED PROGRAM DELIVERY ENTITIES.—To be eligible to participate in the program, a qualified program delivery entity shall—

(1) offer a financing product under which eligible participants may pay over time for the cost to the eligible participant (after all applicable Federal, State, local, and other rebates or incentives are applied) of making improvements described in section 3;

(2) require all financed improvements to be performed by contractors in a manner that meets min-

imum standards that are at least as stringent as the standards established under section 3; and

(3) establish standard underwriting criteria to determine the eligibility of program applicants, which criteria shall be consistent with commercially recognized best practices applicable to the form of financial assistance being provided (as determined by the designated entity administering the program in the State).

(d) ALLOCATION.—In making funds available to States for each fiscal year under this section, the Secretary shall use the formula used to allocate funds to States to carry out State energy conservation plans established under part D of title III of the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.).

(e) QUALIFIED PROGRAM DELIVERY ENTITIES.—Before making a grant to a State under this section, the Secretary shall require the Governor of the State to provide to the Secretary a letter of assurance that the State—

(1) has 1 or more qualified program delivery entities that meet the requirements of this section;

(2) has established a qualified loan program mechanism that—

(A) includes a methodology to ensure credible energy savings or renewable energy generation;

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

(i) on-utility-bill repayment;

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

(iii) municipal service charges;

(iv) energy or energy efficiency services contracts;

(v) energy efficiency power purchase agreements; or

(vi) alternative contractual repayment mechanisms that have been demonstrated to have appropriate risk mitigation features; and

(3) will provide, in a timely manner, all information regarding the administration of the program as the Secretary may require to permit the Secretary to meet the reporting requirements of subsection (h).

(f) USE OF GRANT FUNDS.—Grant funds made available to States under the program may be used to support financing products offered by qualified program delivery entities to eligible participants, by providing——

(1) interest rate reductions;

(2) loan loss reserves or other forms of credit enhancement;

(3) revolving loan funds from which qualified program delivery entities may offer direct loans; or

(4) other debt instruments or financial products necessary—

(A) to maximize leverage provided through available funds; and

(B) to support widespread deployment of energy efficiency and renewable energy finance programs.

(g) USE OF REPAYMENT FUNDS.—In the case of a revolving loan fund established by a State described in subsection (f)(3), a qualified program delivery entity may use funds repaid by eligible participants under the program to provide financial assistance for additional eligible participants to make improvements described in subsection (b) in a manner that is consistent with this section or other such criteria as are prescribed by the State.

(h) PROGRAM EVALUATION.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a program evaluation that describes—

(1) how many eligible participants have participated in the program;

(2) how many jobs have been created through the program, directly and indirectly;

(3) what steps could be taken to promote further deployment of energy efficiency and renewable energy retrofits;

(4) the quantity of verifiable energy savings, renewable energy deployment, homeowner energy bill savings, and other benefits of the program; and

(5) the performance of the programs carried out by qualified program delivery entities under this section, including information on the rate of default and repayment.

SEC. 5. FEDERAL FINANCING ASSISTANCE FOR COMMERCIAL BUILDING RETROFITS.

(a) IN GENERAL.—Section 1705(a) of the Energy Policy Act of 2005 (42 U.S.C. 16516(a)) is amended by adding at the end the following:

''(4) Energy efficiency projects, including projects to retrofit residential, commercial, and industrial buildings, facilities, and equipment, including financing programs that finance the retrofitting of residential, commercial, and industrial buildings, facilities, and equipment.''.

(b) CREDIT SUPPORT FOR FINANCING PROGRAMS.—Section 1705 of the Energy Policy Act of 2005 (42 U.S.C. 16516) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following:

''(e) CREDIT SUPPORT FOR FINANCING PROGRAMS.—

''(1) IN GENERAL.—In the case of programs that finance the retrofitting of residential, commercial, and industrial buildings, facilities, and equipment described in subsection (a)(4), the Secretary may—

''(A) offer loan guarantees for portfolios of debt obligations; and

''(B) purchase or make commitments to purchase portfolios of debt obligations.

''(2) TERM.—Notwithstanding section 1702(f), the term of any debt obligation that receives credit support under this subsection shall require full repayment over a period not to exceed the lesser of—

''(A) 30 years; and

''(B) the projected weighted average useful life of the measure or system financed by the

debt obligation or portfolio of debt obligations (as determined by the Secretary).

''(3) UNDERWRITING.—The Secretary may—

''(A) delegate underwriting responsibility for portfolios of debt obligations under the subsection to financial institutions that meet qualifications determined by the Secretary; and

''(B) determine an appropriate percentage of loans in a portfolio to review in order to confirm sound underwriting.

''(4) ADMINISTRATION.—Subsections (c) and (d)(3) of section 1702 shall not apply to loan guarantees made under this subsection.''.

(c) TERMINATION OF EFFECTIVENESS.—The authority provided by this section and the amendments made by this section terminates effective on the date that is 2 years after the date of enactment of this Act.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary to carry out this Act and the amendments made by this Act $6,000,000,000 for the period of fiscal years 2010 and 2011, to remain available until expended, of which—

(1) not less than $600,000,000 or 10 percent of the amount made available for a fiscal year (which-

ever is less) shall be used to carry out the financing program established under section 4; and

(2) not more than $360,000,000 or 6 percent of the amount made available for a fiscal year (whichever is less) shall be used to administer this Act and the amendments made by this Act.

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