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2^D SESSION

H. R. 5019

IN THE SENATE OF THE UNITED STATES

MAY 7, 2010

Received; read twice and referred to the Committee on Finance

AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Home Star Energy
3 Retrofit Act of 2010”.

4 **SEC. 2. DEFINITIONS.**

5 In this Act:

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

8 (A) that is accredited—

9 (i) by the BPI; or

10 (ii) under other standards that the
11 Secretary shall approve or deny not later
12 than 30 days after submittal, in consulta-
13 tion with the Administrator; and

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

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 effi-
24 ciency construction workforce in which all employees
25 performing installation work are certified in the ap-
26 propriate job skills under—

1 (A) an applicable third party skills stand-
2 ard established by—

3 (i) BPI;

4 (ii) North American Technician Excel-
5 lence;

6 (iii) the Laborers' International Union
7 of North America;

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

19 (C) other standards that the Secretary
20 shall approve or deny not later than 30 days
21 after submittal, in consultation with the Sec-
22 retary of Labor and the Administrator.

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

25 (A) intended for habitation; and

1 (B) intentionally heated or cooled.

2 (6) DOE.—The term “DOE” means the De-
3 partment of Energy.

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

11 (8) EPA.—The term “EPA” means the Envi-
12 ronmental Protection Agency.

13 (9) FEDERAL REBATE PROCESSING SYSTEM.—
14 The term “Federal Rebate Processing System”
15 means the Federal Rebate Processing System estab-
16 lished under section 101(b).

17 (10) GOLD STAR HOME ENERGY RETROFIT PRO-
18 GRAM.—The term “Gold Star Home Energy Retrofit
19 Program” means the Gold Star Home Energy Ret-
20 rofit Program established under section 104.

21 (11) HOME.—The term “home” means a prin-
22 cipal residential dwelling unit in a building with no
23 more than 4 dwelling units that—

24 (A) is located in the United States; and

1 (B) was constructed before the date of en-
2 actment of this Act.

3 (12) INDIAN TRIBE.—The term “Indian tribe”
4 has the meaning given the term in section 4 of the
5 Indian Self-Determination and Education Assistance
6 Act (25 U.S.C. 450b).

7 (13) NATIONAL HOME PERFORMANCE COUN-
8 CIL.—The term “National Home Performance Coun-
9 cil” means the National Home Performance Council,
10 Inc.

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

16 (15) QUALIFIED CONTRACTOR.—The term
17 “qualified contractor” means a residential energy ef-
18 ficiency contractor meeting minimum applicable re-
19 quirements as determined under section 101(c).

20 (16) QUALITY ASSURANCE FRAMEWORK.—The
21 term “quality assurance framework” means a policy
22 structure adopted by a State to develop high stand-
23 ards for ensuring quality in ongoing energy effi-
24 ciency retrofit activities in which the State has a
25 role, including operation of the quality assurance

1 program, while creating significant employment op-
2 portunities, in particular for targeted workers.

3 (17) QUALITY ASSURANCE PROGRAM.—

4 (A) IN GENERAL.—The term “quality as-
5 surance program” means a program authorized
6 under this Act to oversee the delivery of home
7 efficiency retrofit programs to ensure that work
8 is performed in accordance with standards and
9 criteria established under this Act.

10 (B) INCLUSIONS.—For purposes of sub-
11 paragraph (A), delivery of retrofit programs in-
12 cludes field inspections required under this Act,
13 with the consent of participating consumers and
14 without delaying rebate payments to partici-
15 pating contractors and vendors.

16 (18) QUALITY ASSURANCE PROVIDER.—

17 (A) IN GENERAL.—The term “quality as-
18 surance provider” means any entity that is au-
19 thorized pursuant to this Act to perform field
20 inspections and other measures required to con-
21 firm the compliance of retrofit work with the
22 requirements of this Act.

23 (B) CERTIFICATION REQUIREMENT.—To
24 be considered a quality assurance provider

under this paragraph, an entity shall be certified through—

(i) the International Code Council;

(ii) the BPI;

(iii) the RESNET;

(iv) a State;

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

(vi) any other entity that is accredited under standards that the Secretary shall approve or deny not later than 30 days after submittal, in consultation with the Administrator.

(19) REBATE AGGREGATOR.—The term “rebate aggregator” means an entity that meets the requirements of section 102.

(20) RESNET.—The term “RESNET” means the Residential Energy Services Network.

(21) SECRETARY.—The term “Secretary” means the Secretary of Energy.

(22) SILVER STAR HOME ENERGY RETROFIT PROGRAM.—The term “Silver Star Home Energy Retrofit Program” means the Silver Star Home Energy Retrofit Program established under section 103.

1 (23) STATE.—The term “State” means—

2 (A) a State;

3 (B) the District of Columbia;

4 (C) the Commonwealth of Puerto Rico;

5 (D) Guam;

6 (E) American Samoa;

7 (F) the United States Virgin Islands;

8 (G) the Northern Mariana Islands; and

9 (H) any other commonwealth, territory, or
10 possession of the United States.

11 (24) TARGETED WORKER.—The term “targeted
12 worker” means an individual who is unemployed or
13 underemployed and of an employable age and a resi-
14 dent of an area with high or chronic unemployment
15 and low median household incomes, as defined by
16 the Secretary in consultation with the Secretary of
17 Labor.

18 (25) WATER UTILITY.—The term “water util-
19 ity” means any State or local agency that delivers
20 or sells water at wholesale or retail through an engi-
21 neered distribution system.

1 **TITLE I—HOME STAR RETROFIT**
2 **REBATE PROGRAM**

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

4 (a) IN GENERAL.—The Secretary shall establish the
5 Home Star Retrofit Rebate Program.

6 (b) FEDERAL REBATE PROCESSING SYSTEM.—

7 (1) IN GENERAL.—Not later than 30 days after
8 the date of enactment of this Act, the Secretary, in
9 consultation with the Secretary of the Treasury and
10 the Administrator, shall—

11 (A) establish a Federal Rebate Processing
12 System which shall serve as a database and in-
13 formation technology system to allow—

14 (i) rebate aggregators to submit
15 claims for reimbursement using standard
16 data protocols;

17 (ii) quality assurance reports to be
18 identified with the work for which rebates
19 are claimed; and

20 (iii) any Home Star loans to be linked
21 to the work for which they are made;

22 (B) establish a national retrofit website
23 that provides information on the Home Star
24 Retrofit Rebate Program, including how to de-
25 termine whether particular energy efficiency

1 measures are eligible for rebate and how to par-
2 ticipate in the program;

3 (C) establish a means by which a State
4 may obtain confidential access to records of
5 work performed in that State from the data-
6 base; and

7 (D) publish model forms and data proto-
8 cols for use by contractors, vendors, and quality
9 assurance providers to comply with the require-
10 ments of this title.

11 (2) MODEL CERTIFICATION FORMS.—In car-
12 rying out this section, the Secretary shall consider
13 the model certification forms developed by the Na-
14 tional Home Performance Council.

15 (c) QUALIFIED CONTRACTOR REQUIREMENTS.—A
16 qualified contractor may perform retrofit work for which
17 rebates are authorized under this title only if it affirms,
18 in each Home Star rebate application submitted to a re-
19 bate aggregator, that it meets applicable requirements, in-
20 cluding—

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

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

5 (3) agreeing to provide warranties to home-
6 owners that completed work will—

7 (A) be free of significant defects;

8 (B) be installed in accordance with the
9 specifications of the manufacturer; and

10 (C) perform properly for a period of at
11 least 1 year after the date of completion of the
12 work;

13 (4) agreeing to pass through to the owner of a
14 home, through a discount, the full economic value of
15 all rebates received under this title with respect to
16 the home;

17 (5) agreeing to provide to the homeowner a no-
18 tice of the amount of the rebate the contractor in-
19 tends to apply for on the homeowner's behalf with
20 respect to the eligible work under this title, before
21 a contract is executed between the contractor and a
22 homeowner covering the eligible work;

23 (6) agreeing to cooperate with and comply with
24 the requirements of the quality assurance provider
25 assigned to inspect any work done, subject to any

1 appeals or dispute resolution process described in
2 section 105(b)(4);

3 (7) certifying that no employee has been con-
4 victed of, or pleaded guilty to, a crime of child mo-
5 lestation, rape, or any other form of sexual assault;

6 (8) all requirements of an applicable State qual-
7 ity assurance framework by and after the date that
8 is 1 year after the date of enactment of this Act;
9 and

10 (9) any other appropriate requirements as de-
11 termined by the Secretary, in consultation with the
12 Administrator.

13 (d) ADMINISTRATIVE AND TECHNICAL SUPPORT.—
14 Subject to section 109(b) and (c), beginning not later than
15 30 days after the date of enactment of this Act, the Sec-
16 retary shall provide such administrative and technical sup-
17 port to rebate aggregators and States as is necessary to
18 carry out this title.

19 (e) ADMINISTRATION.—

20 (1) APPOINTMENT OF PERSONNEL.—Notwith-
21 standing the provisions of title 5, United States
22 Code, governing appointments in the competitive
23 service and General Schedule classifications and pay
24 rates, the Secretary may appoint and set basic rates
25 of pay for such professional and administrative per-

1 sonnel as the Secretary considers necessary to carry
2 out this title. Such authority shall not apply to posi-
3 tions in the Senior Executive Service. The number
4 of personnel appointed under this paragraph shall
5 not exceed 30 full-time equivalent employees. The
6 terms of appointment of all personnel appointed
7 under this paragraph shall expire upon the termi-
8 nation of the programs established under this title.

9 (2) RATE OF PAY.—The basic rate of pay for
10 a person appointed under paragraph (1) shall not
11 exceed the maximum rate of basic pay payable for
12 GS–15 of the General Schedule under section 5332
13 of title 5, United States Code.

14 (3) REGULATIONS.—

15 (A) IN GENERAL.—Notwithstanding sec-
16 tion 553 of title 5, United States Code, the Sec-
17 retary may issue regulations that the Secretary,
18 in the sole discretion of the Secretary, deter-
19 mines necessary to—

20 (i) establish;

21 (ii) achieve full operational status
22 within 60 days after the date of enactment
23 of this Act for; or

24 (iii) carry out,

25 the Home Star Retrofit Rebate Program.

1 (B) TIMING.—If the Secretary determines
2 that regulations described in subparagraph (A)
3 are necessary, the regulations shall be issued
4 not later than 60 days after such determina-
5 tion.

6 (C) EXCEPTION.—(i) The Secretary shall
7 not utilize the authority provided under this
8 paragraph to—

9 (I) develop, adopt, or implement a
10 public labeling system that rates and com-
11 pares the energy performance of one home
12 with another; or

13 (II) require the public disclosure of an
14 energy performance evaluation or rating
15 developed for any specific home.

16 (ii) Nothing in this subparagraph shall
17 preclude—

18 (I) the computation, collection, or use,
19 by the Secretary, rebate aggregators, qual-
20 ity assurance providers, or States for the
21 purposes of carrying out sections 104 and
22 105, of information on the rating and com-
23 parison of the energy performance of
24 homes with and without energy efficiency

1 features or on energy performance evalua-
2 tion or rating;

3 (II) the use and publication of aggre-
4 gate data (without identifying individual
5 homes or participants) based on informa-
6 tion referred to in subclause (I) to deter-
7 mine or demonstrate the performance of
8 the Home Star program; or

9 (III) the provision of information re-
10 ferred to in subclause (I) with respect to a
11 specific home—

12 (aa) to the State, homeowner,
13 quality assurance provider, rebate
14 aggregator, or contractor performing
15 retrofit work on that home, or an en-
16 tity providing Home Star services, as
17 necessary to enable carrying out this
18 title; or

19 (bb) for purposes of prosecuting
20 fraud and abuse.

21 (4) INFORMATION COLLECTION.—Chapter 35 of
22 title 44, United States Code, shall not apply to any
23 information collection requirement necessary for the
24 implementation of the Home Star Retrofit Rebate
25 Program.

1 (5) EFFECTIVE PERIOD.—(A) Paragraph (1)
2 shall be effective only until December 31, 2010, ex-
3 cept with respect to personnel appointed to support
4 the quality assurance and enforcement of the pro-
5 grams established under this title, for which appoint-
6 ments may be made under paragraph (1) until the
7 termination of the programs established under this
8 title pursuant to section 111(i).

9 (B) Paragraphs (3) and (4) shall be effective
10 only until the date that is 2 years after the date of
11 enactment of this Act, except with respect to regula-
12 tions and information collection relating to the qual-
13 ity assurance and enforcement of the programs es-
14 tablished under this title.

15 (f) PROGRAM REVIEW.—Not later than 180 days
16 after the date of enactment of this Act, the Secretary shall
17 prepare and transmit to Congress a State-by-State anal-
18 ysis and review the distribution of Home Star retrofit re-
19 bates under this title.

20 (g) ADJUSTMENT OF REBATE AMOUNTS.—Effective
21 beginning on the date that is 180 days after the date of
22 enactment of this Act, the Secretary may, after not less
23 than 30 days public notice, prospectively adjust the rebate
24 amounts provided for under this title as necessary to opti-
25 mize the overall energy efficiency resulting from the Silver

1 Star Home Energy Retrofit Program and the Gold Star
2 Home Energy Retrofit Program.

3 (h) INDIAN TRIBE PARTICIPATION.—

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

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

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

25 (i) IMPLEMENTATION BY SECRETARY.—

1 (1) IN GENERAL.—If a State has not indicated
2 to the Secretary within 30 days after the date of en-
3 actment of this Act that it is prepared to carry out
4 section 105 or 108, or if at any later time the Sec-
5 retary determines that a State is no longer prepared
6 to carry out section 105 or 108, to the extent that
7 no Indian tribe assumes such responsibilities under
8 subsection (h) the Secretary shall assume the re-
9 sponsibilities of that State with respect to carrying
10 out section 105 or 108.

11 (2) TRANSITION OF RESPONSIBILITIES.—The
12 Secretary may permit a State, after the Secretary
13 has assumed the responsibilities of that State under
14 paragraph (1), to assume the responsibilities as-
15 signed to States under section 105 or 108 with re-
16 spect to that State if the Secretary finds that such
17 assumption of responsibilities will not disrupt the
18 ongoing administration of the program under this
19 title.

20 (j) LIMITATION.—Rebates may not be provided under
21 both section 103 and section 104 with respect to the same
22 home unless the energy savings measures installed pursu-
23 ant to section 103 are excluded from the calculations per-
24 formed for purposes of section 104 and the total amount

1 of rebates paid for the home does not exceed the maximum
2 rebate available pursuant to section 104.

3 (k) FORMS FOR CERTIFICATION AND QUALITY AS-
4 SURANCE.—

5 (1) IN GENERAL.—Not later than 30 days after
6 the date of enactment of this Act, the Secretary
7 shall make available on the website established
8 under subsection (b)(1)(B), model certification
9 forms for compliance with quality assurance require-
10 ments under this title, to be submitted by—

11 (A) each qualified contractor, accredited
12 contractor, and quality assurance provider on
13 completion of an eligible home energy retrofit;
14 and

15 (B) each quality assurance provider on
16 completion of field verification required under
17 this title.

18 (2) NATIONAL HOME PERFORMANCE COUN-
19 CIL.—The Secretary, States, and Indian tribes shall
20 consider and may use model certification forms de-
21 veloped by the National Home Performance Council
22 to ensure compliance with quality assurance require-
23 ments under this title.

24 (l) PUBLIC-PRIVATE PARTNERSHIPS.—A State that
25 receives a grant under this title is encouraged to form

1 partnerships with utilities, energy service companies, and
2 other entities—

3 (1) to assist in marketing the Home Star Ret-
4 rofit Rebate Program;

5 (2) to facilitate consumer financing;

6 (3) to assist in implementation of the Silver
7 Star Home Energy Retrofit Program and the Gold
8 Star Home Energy Retrofit Program, including in-
9 stallation of qualified energy retrofit measures; and
10 (4) to assist in implementing quality assurance
11 programs.

12 (m) COORDINATION OF REBATE AND EXISTING
13 STATE-SPONSORED PROGRAMS.—

14 (1) IN GENERAL.—A State shall, to the max-
15 imum extent practicable, prevent duplication through
16 coordination of a program authorized under this title
17 with—

18 (A) the Energy Star appliance rebates pro-
19 gram authorized under section 124 of the En-
20 ergy Policy Act of 2005 (42 U.S.C. 15821),
21 and any other Federal programs that provide
22 funds to States for home or appliance energy
23 efficiency purposes; and

24 (B) comparable programs planned or oper-
25 ated by States, political subdivisions, electric

1 and natural gas utilities, Federal power mar-
2 keting administrations, and Indian tribes.

3 (2) EXISTING PROGRAMS.—In carrying out this
4 subsection, a State shall—

5 (A) give priority to—

6 (i) comprehensive retrofit programs in
7 existence on the date of enactment of this
8 Act, including programs under the super-
9 vision of State utility regulators; and

10 (ii) using funds made available under
11 this title to enhance and extend existing
12 programs; and

13 (B) seek to enhance and extend existing
14 programs by coordinating with administrators
15 of the programs.

16 (n) HEALTH AND SAFETY REQUIREMENTS.—Noth-
17 ing in this title shall relieve any contractor from the obli-
18 gation to comply with applicable Federal, State, and local
19 health and safety code requirements.

20 (o) INFORMATION HOTLINES.—

21 (1) CONTRACTORS.—The Secretary shall estab-
22 lish and publicize a telephone hotline for contractors
23 to call to obtain information about the programs
24 under this Act.

1 (2) HOMEOWNERS.—The Secretary shall estab-
2 lish and publicize a telephone hotline for home-
3 owners to call to obtain information about the pro-
4 grams under this Act.

5 (p) ONLINE CHAT FUNCTION.—The Secretary shall
6 determine the feasibility and effectiveness of establishing
7 an online chat function through the website established
8 for the Home Star Retrofit Rebate Program, and may es-
9 tablish such a function as appropriate.

10 (q) DISASTER AREAS.—The Secretary shall ensure
11 that a home in an area declared affected by a major dis-
12 aster declared by the President under section 401 of the
13 Robert T. Stafford Disaster Relief and Emergency Assist-
14 ance Act (42 U.S.C. 5170) is not denied assistance under
15 the Home Star Retrofit Rebate Program solely because
16 there is no equipment or system to replace due to the dis-
17 aster.

18 (r) INCOME THRESHOLD.—Homeowners with a gross
19 annual household income of more than \$250,000 shall not
20 be eligible for a rebate under this title.

21 **SEC. 102. REBATE AGGREGATORS.**

22 (a) IN GENERAL.—The Secretary shall develop a net-
23 work of rebate aggregators that can facilitate the delivery
24 of rebates to homeowners to reimburse the homeowners
25 for work provided by participating contractors and ven-

1 dors for energy efficiency retrofit work. The Secretary
2 shall approve or deny an application from a person seeking
3 to become a rebate aggregator not later than 30 days after
4 receiving such application. The Secretary may disqualify
5 any rebate aggregator, in one or more particular States,
6 that fails to meet its obligations under this title in a timely
7 and competent manner. The Secretary shall consult with
8 States operating existing residential energy efficiency and
9 retrofit programs on how best to coordinate the Home
10 Star Retrofit Rebate Program with such existing pro-
11 grams, including the designation of rebate aggregators.

12 (b) AVAILABILITY.—Not later than 60 days after the
13 date of enactment of this Act, the Secretary shall identify
14 a sufficient number of rebate aggregators in each State
15 to ensure that rebate applications can be accepted from
16 all qualified contractors. Not later than 90 days after such
17 date of enactment, the Secretary shall ensure that rebate
18 aggregation services are available to all homeowners in the
19 United States at the lowest reasonable cost.

20 (c) RESPONSIBILITIES.—Rebate aggregators shall—

21 (1) review each proposed rebate application for
22 completeness and accuracy;

23 (2) review all measures for which rebates are
24 sought for eligibility in accordance with this title;

1 (3) not later than 10 days after receipt of a
2 complete rebate application, provide data to the Sec-
3 retary for inclusion in the database maintained
4 through the Federal Rebate Processing System, con-
5 sistent with data protocols established by the Sec-
6 retary;

7 (4) not later than 10 days after the date of re-
8 ceipt, distribute funds received from the Secretary to
9 contractors, vendors, or other persons in accordance
10 with approved claims for reimbursement made to the
11 Federal Rebate Processing System;

12 (5) maintain appropriate accounting for rebate
13 applications processed, and their disposition;

14 (6) review contractor qualifications and accredi-
15 tation and retain documentation of such qualifica-
16 tion and accreditation, as required for contractors to
17 be authorized to perform residential energy effi-
18 ciency retrofit work under this title; and

19 (7) maintain information regarding contractors'
20 fulfillment of the requirements of section 101(c).

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

23 (1) shall be—

24 (A) a Home Performance with Energy
25 Star partner;

1 (B) an entity administering a residential
2 energy efficiency retrofit program established or
3 approved by a State;

4 (C) a Federal power marketing administra-
5 tion or the Tennessee Valley Authority;

6 (D) an Armed Forces exchange service in
7 the United States that offers for sale energy
8 savings measures described in section 103;

9 (E) an electric utility, natural gas utility,
10 or water utility administering or offering a resi-
11 dential energy efficiency retrofit program; or

12 (F) an entity—

13 (i) with corporate status or status as
14 a State or local government;

15 (ii) who can demonstrate adequate fi-
16 nancial capability to manage a rebate
17 aggregator program, as evidenced by au-
18 dited financial records;

19 (iii) whose participation in the pro-
20 gram, in the judgment of the Secretary,
21 would facilitate coordination with, and not
22 disrupt, existing residential retrofit pro-
23 grams in the States that are carrying out
24 the Home Star Retrofit Rebate Program
25 under this title; and

1 (iv) whose operational facilities, em-
2 ployees, electronic recordkeeping hardware
3 and facilities, and conventional records
4 used to carry out the responsibilities of a
5 rebate aggregator are located wholly within
6 the United States, to the extent consistent
7 with the international obligations of the
8 United States.

9 (2) must be able to demonstrate—

10 (A) a relationship with 1 or more inde-
11 pendent quality assurance providers that is suf-
12 ficient to meet the volume of contracting serv-
13 ices delivered;

14 (B) the capability to provide such elec-
15 tronic data as is required by the Secretary to
16 the Federal Rebate Processing System; and

17 (C) a financial system that is capable of
18 tracking the distribution of rebates to partici-
19 pating contractors and vendors; and

20 (3) shall include in its application the amount
21 it proposes to charge for the review and processing
22 of a rebate under this title.

23 (e) PROMPT PROCESSING OF REBATES.—Within 10
24 days after receiving an application for a rebate consistent
25 with this title, a rebate aggregator shall submit a claim

1 for that rebate to the Federal Rebate Processing System.
 2 Within 10 days after the Federal Rebate Processing Sys-
 3 tem receives such a submission from a rebate aggregator,
 4 the Secretary shall provide the funds to the rebate
 5 aggregator necessary to pay such rebates to the qualified
 6 contractor or vendor who applied for them and to com-
 7 pensate the rebate aggregator for its services in accord-
 8 ance with this title. Within 10 days of being provided such
 9 funds, the rebate aggregator shall pay the rebates to the
 10 rebate applicant.

11 (f) PUBLIC UTILITY COMMISSION EFFICIENCY TAR-
 12 GETS.—The Secretary shall—

13 (1) develop guidelines for States to use to allow
 14 utilities participating as rebate aggregators to count
 15 the energy savings from their participation toward
 16 State-level energy savings targets; and

17 (2) work with States to assist in the adoption
 18 of these guidelines for the purposes and duration of
 19 the Home Star Retrofit Rebate Program.

20 **SEC. 103. SILVER STAR HOME ENERGY RETROFIT PRO-**
 21 **GRAM.**

22 (a) IN GENERAL.—During the first year after the
 23 date of enactment of this Act, a Silver Star Home Energy
 24 Retrofit Program rebate shall be awarded, subject to the
 25 maximum amount limitations under subsection (d)(4) and

1 to the availability of funding pursuant to section 109, to
 2 homeowners to reimburse the homeowners for work pro-
 3 vided by participating contractors and vendors, for the in-
 4 stallation of energy savings measures—

5 (1) selected from the list of energy savings
 6 measures described in subsection (b);

7 (2) installed after the date of enactment of this
 8 Act in the home by a qualified contractor; and

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

10 (b) ENERGY SAVINGS MEASURES.—Subject to sub-
 11 section (c), a rebate shall be awarded under subsection
 12 (a) for the installation of the following energy savings
 13 measures for a home energy retrofit that meet technical
 14 standards established under this section:

15 (1) Whole house air sealing measures, including
 16 interior and exterior measures, utilizing sealants,
 17 caulks, insulating foams, gaskets, weather-stripping,
 18 mastics, and other building materials in accordance
 19 with BPI standards or other procedures approved by
 20 the Secretary.

21 (2) Attic insulation measures that—

22 (A) include sealing of air leakage between
 23 the attic and the conditioned space, in accord-
 24 ance with BPI standards or the attic portions

1 of the DOE or EPA thermal bypass checklist or
2 other procedures approved by the Secretary;

3 (B) add at least R-19 insulation to exist-
4 ing insulation;

5 (C) result in at least R-38 insulation in
6 DOE climate zones 1 through 4 and at least R-
7 49 insulation in DOE climate zones 5 through
8 8, including existing insulation, within the lim-
9 its of structural capacity, except that a State,
10 with the approval of the Secretary, may des-
11 ignate climate zone subregions as a function of
12 varying elevation; and

13 (D) cover at least—

14 (i) 100 percent of an accessible attic;

15 or

16 (ii) 75 percent of the total conditioned
17 footprint of the house.

18 (3) Duct sealing or replacement and sealing
19 that—

20 (A) is installed in accordance with BPI
21 standards or other procedures approved by the
22 Secretary; and

23 (B) in the case of duct replacement and
24 sealing, replaces and seals at least 50 percent
25 of a distribution system of the home.

1 (4) Wall insulation that—

2 (A) is installed in accordance with BPI
3 standards or other procedures approved by the
4 Secretary;

5 (B) is to full-stud thickness or adds at
6 least R-10 of continuous insulation; and

7 (C) covers at least 75 percent of the total
8 external wall area of the home.

9 (5) Crawl space insulation or basement wall
10 and rim joist insulation that is installed in accord-
11 ance with BPI standards or other procedures ap-
12 proved by the Secretary and—

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

15 (i) R-19 of cavity insulation or R-15
16 of continuous insulation to existing crawl
17 space insulation; or

18 (ii) R-13 of cavity insulation or R-10
19 of continuous insulation to basement walls;
20 and

21 (B) fully covers the rim joist with at least
22 R-10 of new continuous or R-13 of cavity insu-
23 lation.

24 (6) Window replacement that replaces at least
25 8 exterior windows, or 75 percent of the exterior

1 windows in a home, whichever is less, with windows
2 that—

3 (A) are certified by the National Fenestra-
4 tion Rating Council; and

5 (B) comply with criteria applicable to win-
6 dows under section 25(c) of the Internal Rev-
7 enue Code of 1986 or, in areas above 5,000 feet
8 elevation, have a U-factor of at least 0.35 when
9 replacing windows that are single-glazed or dou-
10 ble-glazed with an internal air space of $\frac{1}{4}$ inch
11 or less.

12 (7) Door or skylight replacement that replaces
13 at least 1 exterior door or skylight with doors or
14 skylights that comply with the 2010 Energy Star
15 specification for doors or skylights.

16 (8)(A) Heating system replacement of—

17 (i) a natural gas or propane furnace with
18 a furnace that has—

19 (I) an AFUE rating of 92 or greater;

20 or

21 (II) an AFUE rating of 95 or greater;

22 (ii) a natural gas or propane boiler with a
23 boiler that has an AFUE rating of 90 or great-
24 er;

1 (iii) an oil furnace with a furnace that has
2 an AFUE rating of 86 or greater and that uses
3 an electrically commutated blower motor;

4 (iv) an oil boiler with a boiler that has an
5 AFUE rating of 86 or greater and that has
6 temperature reset or thermal purge controls; or

7 (v) a wood or pellet furnace, boiler, or
8 stove, if—

9 (I) the new system—

10 (aa) meets at least 75 per-
11 cent of the heating demands of
12 the home; and

13 (bb) in the case of a wood
14 stove, but not a pellet stove, re-
15 places an existing wood stove,
16 but not a pellet stove, and is cer-
17 tified by the Administrator;

18 (II) the home has a distribution
19 system (such as ducts, vents, blowers,
20 or affixed fans) that allows heat to
21 reach all or most parts of the home;

22 (III) in the case where an old
23 wood stove is being replaced, a vouch-
24 er is provided by the installer or other
25 responsible party certifying that the

1 old wood stove has been removed and
2 rendered inoperable or recycled at an
3 appropriate recycling facility; and

4 (IV) an accredited independent
5 laboratory recognized by the Adminis-
6 trator certifies that the new system—

7 (aa) has thermal efficiency
8 (lower heating value) of at least
9 75 percent for wood and pellet
10 stoves, and at least 80 percent
11 for furnaces and boilers; and

12 (bb) has particulate emis-
13 sions of less than 3.0 grams per
14 hour for stoves, and less than
15 0.32 lbs/mmBTU for outdoor
16 furnaces and boilers.

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

22 (9) Air-source air conditioner or air-source heat
23 pump replacement with a new unit that—

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

1 (B) meets or exceeds—

2 (i) in the case of an air-source air
3 conditioner—

4 (I) SEER 16 and EER 13; or

5 (II) SEER 18 and EER 15; 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
10 with an Energy Star qualified geothermal heat pump
11 that meets Tier 2 efficiency requirements and that
12 is installed in accordance with ANSI/ACCA Stand-
13 ard 5 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 natural gas or propane stor-
19 age or tankless water heater with thermal effi-
20 ciency of 90 percent or more;

21 (B) a tankless natural gas or propane
22 water heater with an energy factor of at least
23 .82;

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

1 (D) an indirect water heater with an insu-
2 lated storage tank that—

3 (i) has a storage capacity of at least
4 30 gallons and is insulated to at least R-
5 16; and

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

9 (E) an electric water heater with an energy
10 factor of 2.0 or more;

11 (F) an electric tankless water heater with
12 an energy factor or thermal efficiency, as appli-
13 cable, of .96 or more or a thermal efficiency of
14 96 percent or more, that operates on not great-
15 er than 25 kilowatts;

16 (G) a solar hot water system that—

17 (i) is certified by the Solar Rating and
18 Certification Corporation; or

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

21 (H) a water heater installed in conjunction
22 with a qualifying geothermal heat pump de-
23 scribed in paragraph (10) that provides domes-
24 tic water heating through the use of—

25 (i) a desuperheater; or

1 (ii) year-round demand water heating
2 capability.

3 (12) Storm windows or doors that—

4 (A) are installed on at least 5 existing
5 doors or existing single-glazed windows; and

6 (B) comply with any procedures that the
7 Secretary may set for storm windows or doors
8 and their installation.

9 (13) Window film that is installed on at least
10 8 exterior windows, doors, or skylights, or 75 per-
11 cent of the total exterior square footage of glass in
12 a home, whichever is more, with window films that—

13 (A) are certified by the National Fenestra-
14 tion Rating Council; and

15 (B) have—

16 (i) a solar heat gain coefficient of
17 0.43 or less with a visible light-to-solar
18 heat gain coefficient of at least 1.1 for in-
19 stallations in 2009 International Energy
20 Conservation Code climate zones 1–3; or

21 (ii) a solar heat gain coefficient of
22 0.43 or less with a visible light light-to-
23 solar heat gain coefficient of at least 1.1
24 and a U-factor of 0.40 or less as installed

1 in 2009 International Energy Conservation
2 Code climate zones 4–8.

3 (c) INSTALLATION COSTS.—Measures described in
4 paragraphs (1) through (13) of subsection (b) shall in-
5 clude expenditures for labor and other installation-related
6 costs, including venting system modification and conden-
7 sate disposal, properly allocable to the onsite preparation,
8 assembly, or original installation of the component.

9 (d) AMOUNT OF REBATE.—

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

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

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

21 (B) wall insulation described in subsection
22 (b)(4); and

23 (C) an air-source air conditioner described
24 in subsection (b)(9)(B)(i)(II).

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

4 (A) \$125 per door and per skylight for the
5 installation of up to a maximum of 2 Energy
6 Star doors and 2 Energy Star skylights de-
7 scribed in subsection (b)(7) for each home;

8 (B) \$400 for a maximum of 1 natural gas
9 or propane storage water heater described in
10 subsection (b)(11)(C) for each home;

11 (C) \$750 for a water heater described in
12 subsection (b)(11)(B);

13 (D) \$250 for rim joist insulation described
14 in subsection (b)(5)(B);

15 (E) \$50 for each storm window or door de-
16 scribed in subsection (b)(12), with a minimum
17 of 5 storm windows or doors and a maximum
18 of 12;

19 (F) \$250 each for a maximum of 4 electric
20 tankless water heaters described in subsection
21 (b)(11)(F) for each home;

22 (G) \$500 for window film described in sub-
23 section (b)(13);

24 (H) \$750 for heating system replacement
25 described in subsection (b)(8)(A)(i)(I);

1 (I) \$500 for a wood or pellet stove that
 2 has a heating capacity of at least 28,000 Btu
 3 per hour and meets all of the requirements of
 4 subsection (b)(8)(A)(v), except for the require-
 5 ments of subclause (I)(aa) and subclause (II);
 6 and

7 (J) \$500 for a for a desuperheater as de-
 8 scribed in subsection (b)(11)(H)(i).

9 (4) MAXIMUM AMOUNT.—The total amount of
 10 rebates provided for a home under this section shall
 11 not exceed the lower of—

12 (A) \$3,000;

13 (B) 50 percent of the total cost of the in-
 14 stalled measures; or

15 (C) if the Secretary finds that the net
 16 value to the homeowner of the rebates is less
 17 than the amount of the rebates, the actual net
 18 value to the homeowner.

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) PERCENTAGE OF RETROFITS
3 VERIFIED.—

4 (i) IN GENERAL.—Except as provided
5 in clause (ii), not less than—

6 (I) 20 percent of the retrofits
7 performed by each qualified con-
8 tractor under this section with respect
9 to a rebate described in subsection (a)
10 shall be randomly subject to field
11 verification by an independent quality
12 assurance provider of all work associ-
13 ated with the retrofit; and

14 (II) in the case of a qualified
15 contractor that uses a certified work-
16 force, 10 percent of the retrofits per-
17 formed by that contractor under this
18 section with respect to a rebate de-
19 scribed in subsection (a) shall be ran-
20 domly subject to field verification by
21 an independent quality assurance pro-
22 vider of all work associated with the
23 retrofit.

1 (ii) EXCEPTIONS.—In the case of a
2 qualified contractor whose previous retrofit
3 work—

4 (I) the Secretary has found to
5 fail to comply with the requirements
6 of this section, the Secretary may es-
7 tablish a higher percentage of the ret-
8 rofits performed by that contractor
9 under this section with respect to a
10 rebate described in subsection (a) to
11 be subject to field verification by an
12 independent quality assurance pro-
13 vider; and

14 (II) the Secretary has found to
15 successfully comply with the require-
16 ments of this section, the Secretary
17 may establish a lower percentage of
18 the retrofits performed by that con-
19 tractor under this section with respect
20 to a rebate described in subsection (a)
21 to be subject to field verification by an
22 independent quality assurance pro-
23 vider.

24 (B) HOMEOWNER COMPLAINT.—Not later
25 than 1 year after the completion of a project for

1 which rebates are sought, a homeowner may
2 make a complaint under the quality assurance
3 program that compliance with the required
4 specifications for each measure or standards for
5 installation have not been achieved. The quality
6 assurance program shall provide that, upon re-
7 ceiving such a complaint, an independent qual-
8 ity assurance provider shall conduct field
9 verification on the retrofit work performed by
10 the contractor. Verifications under this sub-
11 paragraph shall be in addition to those con-
12 ducted under subparagraph (A), and shall be
13 corrected in accordance with paragraph (3).

14 (3) CORRECTION.—Rebates under subsection
15 (a) shall be made subject to the following conditions:

16 (A) The installed measures will comply
17 with the specifications and quality standards
18 under this section if a field verification by a
19 quality assurance provider finds that corrective
20 work is needed. Such compliance shall be
21 achieved by the installing accredited contractor
22 not later than 14 days after the date of notifi-
23 cation of a defect pursuant to a warranty, pro-
24 vided at no additional cost to the homeowner.

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

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

9 (4) ACCESS TO HOME.—In order to be eligible
10 for a rebate, a homeowner shall agree to permit such
11 access to the home, upon reasonable notice and at
12 a mutually convenient time, as is necessary to verify
13 and correct retrofit work.

14 (f) PRODUCTS PURCHASED WITHOUT INSTALLATION
15 SERVICES.—

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

20 (A)(i) in the case of insulation, qualify as
21 of the date of enactment of this Act for a tax
22 credit under section 25C of the Internal Rev-
23 enue Code of 1986; and

24 (ii) in the case of air sealing products, are
25 sealants, caulks, insulating foams, gaskets,

1 weather-stripping, mastics, or other air sealing
2 products described in subsection (b)(1);

3 (B) are purchased by a homeowner for in-
4 stallation by the homeowner in a home identi-
5 fied by its address by the homeowner;

6 (C) are accompanied by educational mate-
7 rials on proper installation of the products, in-
8 cluding materials emphasizing the importance
9 of air sealing when insulating; and

10 (D) are identified and attributed to that
11 home in a rebate submission by the vendor to
12 a rebate aggregator.

13 (2) LIMITATION.—No rebate may be provided
14 under this subsection with respect to insulation or
15 products that are employed in energy-efficiency
16 measures with respect to which a rebate is provided
17 under this section or section 104.

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

22 (g) REVIEW.—

23 (1) IN GENERAL.—The Secretary shall deter-
24 mine whether information submitted to the Federal
25 Rebate Processing System with respect to a rebate

1 was complete, and on the basis of that information
2 and other information available to the Secretary,
3 shall determine whether the requirements of this sec-
4 tion were met in all respects.

5 (2) INCORRECT PAYMENT.—On a determination
6 of the Secretary under paragraph (1) that a pay-
7 ment was made incorrectly to a party, or that suffi-
8 cient information was not submitted to the Federal
9 Rebate Processing System to enable such determina-
10 tion, the Secretary—

11 (A) may—

12 (i) recoup the amount of the incorrect
13 payment; or

14 (ii) withhold the amount of the incor-
15 rect payment from a payment made to the
16 party pursuant to a subsequent request;
17 and

18 (B) shall, to the extent the Secretary de-
19 termines the benefit of the rebate was not
20 passed through to the homeowner through a
21 discount on the price of the retrofit work, order
22 the contractor or vendor to pay the amount of
23 rebate benefit not previously passed through to
24 the homeowner.

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

2 (a) IN GENERAL.—A Gold Star Home Energy Ret-
3 rofit Program rebate shall be awarded, subject to sub-
4 section (b) and the availability of funds pursuant to sec-
5 tion 109, to homeowners to reimburse the homeowners for
6 work provided by participating accredited contractors and
7 vendors for retrofits that achieve whole home energy sav-
8 ings carried out after the date of enactment of this Act
9 in accordance with this section.

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

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

14 (2) any other energy-saving measure, such as
15 home energy management systems, high-efficiency
16 appliances, highly reflective roofing, awnings, can-
17 opies, and similar external fenestration attachments,
18 automatic boiler water temperature controllers, en-
19 ergy-efficient wood products, insulated vinyl siding,
20 and mechanical air circulation and heat exchangers
21 in a passive-solar home—

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

25 (B) for which an energy efficiency con-
26 tribution can be determined with confidence.

1 (c) ENERGY SAVINGS.—

2 (1) IN GENERAL.—Reductions in whole home
3 energy consumption under this section shall be de-
4 termined by a comparison of the simulated energy
5 consumption of the home before and after the ret-
6 rofit of the home.

7 (2) DOCUMENTATION.—The percent improve-
8 ment in energy consumption of a home under this
9 section shall be documented through—

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

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

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

23 (ii) an equivalent performance test estab-
24 lished by the Secretary, in consultation with the
25 Administrator;

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

3 (iv) a HERS rating system approved or re-
4 quired by the law of the State in which the
5 home is located.

6 (3) MONITORING.—The Secretary—

7 (A) shall continuously monitor the software
8 programs used for determining rebates under
9 this section; and

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

12 (4) ASSUMPTIONS AND TESTING.—The Sec-
13 retary may—

14 (A) establish simulation software program
15 assumptions for carrying out paragraph (2);

16 (B) require compliance with software pro-
17 gram performance tests covering—

18 (i) mechanical system performance;

19 (ii) duct distribution system efficiency;

20 (iii) hot water performance; or

21 (iv) other measures; and

22 (C) require the simulation of pre-retrofit
23 energy usage to be determined by verified pre-
24 retrofit energy usage.

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

7 (d) AMOUNT OF REBATE.—Subject to subsection
8 (e)(2), the amount of a rebate provided under this section
9 shall be—

10 (1) \$3,000 for a 20-percent reduction in whole
11 home energy consumption; and

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

14 (A) \$8,000; or

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

16 (e) VERIFICATION AND CORRECTION OF WORK.—

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

23 (2) VERIFICATION.—

24 (A) IN GENERAL.—Subject to subpara-
25 graph (B), all work and energy savings projec-

tions conducted with respect to a home as part of a whole-home retrofit by an accredited contractor under this section shall be subject to random field verification by an independent quality assurance provider at a rate of—

(i) 15 percent; or

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

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

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

(I) RESNET Publication No. 06–001 (or a successor publication approved by the Secretary);

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

(III) a HERS rating system required by the law of the State in which the home is located;

1 (ii) the eligible certifier is independent
2 of the accredited contractor in accordance
3 with RESNET Publication No. 06–001 (or
4 a successor publication approved by the
5 Secretary); and

6 (iii) the rating includes field
7 verification of all measures for which re-
8 bates are being provided.

9 (C) HOMEOWNER COMPLAINT.—Not later
10 than 1 year after completion of a project for
11 which rebates are sought, a homeowner may
12 make a complaint under the quality assurance
13 program that compliance with the quality assur-
14 ance requirements of this title has not been
15 achieved. The quality assurance program shall
16 provide that, upon receiving such a complaint,
17 an independent quality assurance provider shall
18 conduct field verification on the retrofit work
19 performed by the contractor. Verifications
20 under this subparagraph shall be in addition to
21 those conducted under subparagraph (A), and
22 shall be corrected in accordance with paragraph
23 (3).

24 (D) ACCESS TO HOME.—In order to be eli-
25 gible for a rebate, a homeowner shall agree to

1 permit such access to the home, upon reason-
2 able notice and at a mutually convenient time,
3 as is necessary to verify and correct retrofit
4 work.

5 (3) CORRECTION.—Rebates under this section
6 shall be made subject to the following conditions:

7 (A) If a field verification by an inde-
8 pendent quality assurance provider finds that
9 corrective work is needed, the accredited con-
10 tractor will correct the work so the installed
11 measures comply with manufacturer and appli-
12 cable code standards, and reasonably deter-
13 mined energy savings projections indicate com-
14 pliance with the specifications and quality
15 standards under this title. Such compliance
16 shall be achieved not later than 14 days after
17 the date of notification of a defect pursuant to
18 a warranty, provided at no additional cost to
19 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 deter-
5 mine whether information submitted to the Federal
6 Rebate Processing System with respect to a rebate
7 was complete, and on the basis of that information
8 and other information available to the Secretary,
9 shall determine whether the requirements of this sec-
10 tion were met in all respects.

11 (2) INCORRECT PAYMENT.—On a determination
12 of the Secretary under paragraph (1) that a pay-
13 ment was made incorrectly to a party, or that suffi-
14 cient information was not submitted to the Federal
15 Rebate Processing System to enable such determina-
16 tion, the Secretary may—

17 (A) recoup the amount of the incorrect
18 payment; or

19 (B) withhold the amount of the incorrect
20 payment from a payment made to the party
21 pursuant to a subsequent request.

22 (g) ACCREDITATION SCHOLARSHIPS.—The Secretary
23 may provide up to 0.3 percent of the funding available
24 for carrying out this section for need-based scholarships
25 to individuals to enable them to qualify as accredited con-

1 tractors. In providing such scholarships, the Secretary
2 shall factor in the number of accredited contractors in the
3 State and their proportion to the State's population.

4 (h) EXCLUSION.—For purposes of this section, en-
5 ergy savings measures shall not include the installation or
6 replacement of pool heaters.

7 **SEC. 105. QUALITY ASSURANCE.**

8 (a) QUALITY ASSURANCE FRAMEWORK.—

9 (1) IN GENERAL.—States that elect to carry
10 out a quality assurance program pursuant to sub-
11 section (b) shall plan, develop, and implement a
12 quality assurance framework. The Secretary shall
13 promptly solicit the submission of model State qual-
14 ity assurance framework plans consistent with the
15 requirements of this section and, not later than 60
16 days after the date of enactment of this Act, shall
17 approve one or more such model plans that incor-
18 porate nationally consistent high standards for op-
19 tional use by States. Not later than 180 days after
20 the date of enactment of this Act, each State elect-
21 ing to develop a quality assurance framework shall
22 submit its plan to the Secretary, who shall then ap-
23 prove or reject such plan within 30 days, providing
24 a detailed statement of deficiencies if the plan is re-

jected. If a State's plan is rejected, that State may resubmit its plan within 30 days.

(2) IMPLEMENTATION.—A State shall—

(A) develop a quality assurance framework in consultation with industry stakeholders, including representatives of efficiency program managers, contractors, community and workforce organizations, and environmental, energy efficiency, and labor organizations; and

(B) implement the quality assurance framework not later than 1 year after the date of enactment of this Act.

(3) COMPONENTS.—The quality assurance framework established under this subsection shall include—

(A) minimum standards for accredited contractors, including—

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

(ii) use of a certified workforce;

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

(iv) use of independent contractors only when appropriately classified as such pursuant to Revenue ruling 87–41 and sec-

1 tion 530(d) of the Revenue Act of 1978
2 and relevant State law;

3 (B) maintenance of a list of accredited
4 contractors;

5 (C) requirements for maintenance and de-
6 livery to the Federal Rebate Processing System
7 of information needed to verify compliance and
8 ensure appropriate compensation for quality as-
9 surance providers;

10 (D) targets and realistic plans for—

11 (i) the recruitment of minority, vet-
12 eran, and women-owned small business en-
13 terprises;

14 (ii) the employment of graduates of
15 training programs that primarily serve tar-
16 geted workers; and

17 (iii) the employment of targeted work-
18 ers;

19 (E) a plan to link workforce training for
20 energy efficiency retrofits with training for the
21 broader range of skills and occupations in con-
22 struction or emerging clean energy industries;

23 (F) to the extent practicable, a plan to in-
24 corporate existing clean energy and energy effi-
25 ciency coursework, worker training programs,

1 and worker certification programs at commu-
2 nity colleges;

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

7 (H) 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,
13 develop, or implement a quality assurance frame-
14 work in accordance with this section, the Secretary
15 shall suspend further grants for State administra-
16 tion pursuant to section 109(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 ignee 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 pro-
20 viders operating in the State be overseen by a
21 national quality assurance program manager se-
22 lected by 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 inde-

1 pendent quality assurance provider designated by
2 the State, 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 (4) APPEALS AND DISPUTE RESOLUTION PROC-
10 ESS.—A quality assurance program established
11 under this subsection shall include an expedited and
12 final appeals and dispute resolution process.

13 **SEC. 106. REPORTS.**

14 (a) IN GENERAL.—The Secretary shall submit to the
15 Committee on Energy and Natural Resources of the Sen-
16 ate and the Committee on Energy and Commerce of the
17 House of Representatives a report on this title—

18 (1) not later than 1 year after the date of en-
19 actment of this Act; and

20 (2) not later than the earlier of—

21 (A) 2 years after the date of enactment of
22 this Act; or

23 (B) December 31, 2012.

24 (b) CONTENTS.—The report shall include a descrip-
25 tion of—

1 (1) the energy savings produced as a result of
2 this title;

3 (2) the direct and indirect employment created
4 as a result of the programs supported under this
5 title;

6 (3) the specific entities implementing the en-
7 ergy efficiency programs;

8 (4) the beneficiaries who received the efficiency
9 improvements;

10 (5) the manner in which funds provided under
11 this title were used;

12 (6) the sources (such as mortgage lenders, util-
13 ity companies, and local governments) and types of
14 financing used by the beneficiaries to finance the
15 retrofit expenses that were not covered by rebates
16 provided under this title;

17 (7) the results of verification requirements; and

18 (8) any other information the Secretary con-
19 siders appropriate.

20 (c) REQUIRED INFORMATION.—

21 (1) REQUIREMENT.—Rebate aggregators and
22 States participating in the Home Star Retrofit Re-
23 bate Program shall provide to the Secretary such in-
24 formation as the Secretary requires to prepare the
25 report required under this section.

1 (2) NONCOMPLIANCE.—If the Secretary deter-
2 mines that a rebate aggregator or State has not pro-
3 vided the information required under paragraph (1),
4 the Secretary shall provide to the rebate aggregator
5 or State a period of at least 90 days to provide the
6 necessary information, subject to withholding of
7 funds or reduction of future grant amounts.

8 (d) COMPTROLLER GENERAL STUDY.—Not later
9 than 2 years after the date of enactment of this Act, the
10 Comptroller General shall submit to Congress a report on
11 the results of a study of—

12 (1) how much money can reasonably be esti-
13 mated to be saved by American consumers as a re-
14 sult of the energy efficiency measures undertaken
15 pursuant to this title;

16 (2) how much energy can reasonably be esti-
17 mated to be saved as a result of the energy effi-
18 ciency measures undertaken pursuant to this title;
19 and

20 (3) whether the savings from the energy effi-
21 ciency measures undertaken pursuant to this title
22 are greater than the cost of the implementation of
23 this title.

1 **SEC. 107. HEATING AND COOLING EFFICIENCY STUDY.**

2 (a) IN GENERAL.—The Secretary shall submit to the
3 Committee on Energy and Natural Resources of the Sen-
4 ate and the Committee on Energy and Commerce of the
5 House of Representatives a study not later than 1 year
6 after the date of enactment of this Act.

7 (b) CONTENTS.—The study shall include a descrip-
8 tion of—

9 (1) the efficiency through the life-cycle of air
10 conditioning and heat pump products eligible under
11 section 103; and

12 (2) a comparison of the efficiency through the
13 life-cycle of air conditioning and heat pump products
14 eligible under section 103 to the efficiency through
15 the life-cycle of air conditioning and heat pump
16 products not eligible under section 103.

17 **SEC. 108. 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.

24 (b) CIVIL PENALTY.—A civil penalty assessed under
25 subsection (a) shall be in an amount not greater than the
26 higher of—

- 1 (1) \$15,000 for each violation; or
2 (2) 3 times the value of any associated rebate
3 under this title.

4 **SEC. 109. FUNDING.**

5 (a) AUTHORIZATION OF APPROPRIATIONS.—

6 (1) IN GENERAL.—Subject to subsection (i),
7 there are authorized to be appropriated to carry out
8 this title \$6,000,000,000 for the period of fiscal
9 years 2010 and 2011, to remain available until ex-
10 pended.

11 (2) MAINTENANCE OF FUNDING.—Funds pro-
12 vided under this section shall supplement and not
13 supplant any prior or planned Federal and State
14 funding provided to carry out energy efficiency pro-
15 grams. To the extent the Secretary finds that a
16 State has supplanted other such programs with
17 funding under this section, the Secretary may with-
18 hold an equivalent amount of funding from alloca-
19 tions for the State under this title.

20 (b) GRANTS TO STATES.—

21 (1) DISTRIBUTION TO STATES.—

22 (A) IN GENERAL.—Except as otherwise
23 provided in this subsection, of the amount pro-
24 vided under subsection (a), 3.6 percent is au-

1 thorized to be appropriated to the Secretary for
2 providing grants to States, to be used for—

3 (i) administrative costs of carrying
4 out this title;

5 (ii) development and implementation
6 of quality assurance frameworks;

7 (iii) oversight of quality assurance
8 programs;

9 (iv) establishment and delivery of fi-
10 nancing mechanisms, in accordance with
11 paragraph (2); and

12 (v) coordination with existing residen-
13 tial retrofit programs and infrastructure
14 development to assist deployment of the
15 Home Star Retrofit Rebate Program.

16 (B) DISTRIBUTION.—

17 (i) PROVISION OF FUNDS.—Not later
18 than 30 days after the date of enactment
19 of this Act, the Secretary shall provide to
20 the State energy offices, or such other
21 State entities as are designated by the
22 Governor, of States that are carrying out
23 responsibilities under section 105, 25 per-
24 cent of the funds described in subpara-
25 graph (A).

1 (ii) ALLOCATION.—Funds described
2 in clause (i) shall be made available in ac-
3 cordance with the allocation formula for
4 State energy conservation plans established
5 under part D of title III of the Energy
6 Policy and Conservation Act (42 U.S.C.
7 6321 et seq.).

8 (iii) FUND ALLOCATION PROCESS.—
9 The Secretary shall allocate the remaining
10 75 percent of the funds described in clause
11 (i) in a manner that may vary from the
12 formula described in clause (ii) as nec-
13 essary to best support the objectives of
14 achieving energy efficiency gains, employ-
15 ment of underemployed workers, and im-
16 plementing quality assurance programs
17 and frameworks in participating States.

18 (2) FINANCING.—

19 (A) IN GENERAL.—Except as otherwise
20 provided in this subsection, of the amount pro-
21 vided under subsection (a), 5.4 percent is au-
22 thorized to be appropriated to the Secretary for
23 carrying out section 109.

24 (B) DISTRIBUTION.—

1 (i) PROVISION OF FUNDS.—Not later
2 than 90 days after the date of enactment
3 of this Act, the Secretary shall provide to
4 the State energy offices, or such other
5 State entities as are designated by the
6 Governor, of States that are carrying out
7 responsibilities under section 105, 75 per-
8 cent of the funds described in subpara-
9 graph (A).

10 (ii) ALLOCATION.—Funds described
11 in clause (i) shall be made available in ac-
12 cordance with the allocation formula for
13 State energy conservation plans established
14 under part D of title III of the Energy
15 Policy and Conservation Act (42 U.S.C.
16 6321 et seq.).

17 (iii) FUND ALLOCATION PROCESS.—
18 The Secretary shall allocate the remaining
19 25 percent of the funds described in clause
20 (i) in a manner that may vary from the
21 formula described in clause (ii) and reward
22 those States that make the best progress
23 in providing loans to low-income areas pur-
24 suant to section 109(c)(4).

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

7 (4) INDIAN TRIBES.—

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

16 (B) PROPORTIONATE SHARE.—For pur-
17 poses of subparagraph (A), the proportionate
18 share shall be calculated on the basis of the
19 percentage of the population of the State that
20 resides within the tribal lands.

21 (c) QUALITY ASSURANCE AND REBATE AGGREGA-
22 TION COSTS.—

23 (1) IN GENERAL.—Of the amount provided
24 under subsection (a), not more than 5 percent are
25 authorized to be appropriated to the Secretary to be

1 used as provided in paragraph (2), in accordance
2 with information provided by the State offices or en-
3 tities described in subsection (b)(1)(B)(ii) with re-
4 spect to services provided by quality assurance pro-
5 viders and rebate aggregators.

6 (2) DISTRIBUTION TO QUALITY ASSURANCE
7 PROVIDERS OR REBATE AGGREGATORS.—The Sec-
8 retary shall use funds provided under this subsection
9 to compensate quality assurance providers and re-
10 bate aggregators for services provided under this
11 title.

12 (3) COMPENSATION.—The amount of com-
13 pensation provided under this subsection shall be—

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

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

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

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

1 (I) not more than \$35 to rebate
2 aggregators for each rebate review and
3 processing under the program; and

4 (II) \$300 to quality assurance pro-
5 viders for each field inspection conducted
6 under the program; or

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

13 (d) TRACKING OF REBATES AND EXPENDITURES.—
14 Of the amount provided under subsection (a), not more
15 than 2.5 percent are authorized to be appropriated to the
16 Secretary to be used for costs associated with tracking re-
17 bates and expenditures through the Federal Rebate Proc-
18 essing System under this title, technical assistance to
19 States, and related administrative costs incurred by the
20 Secretary.

21 (e) SILVER STAR HOME ENERGY RETROFIT PRO-
22 GRAM.—

23 (1) IN GENERAL.—Of the amount provided
24 under subsection (a), after subtracting the amounts
25 authorized in subsections (b) and (d) of this section,

1 two-thirds of the remainder are authorized to be ap-
2 propriated to the Secretary to be used to provide re-
3 bates and other payments authorized under the Sil-
4 ver Star Home Energy Retrofit Program.

5 (2) PRODUCTS PURCHASED WITHOUT INSTAL-
6 LATION SERVICES.—Of the amounts appropriated
7 pursuant to this subsection for the Silver Star pro-
8 gram, 7.5 percent shall be made available for rebates
9 under section 103(f).

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

17 (g) RETURN OF UNDISBURSED FUNDS.—

18 (1) SILVER STAR HOME ENERGY RETROFIT
19 PROGRAM.—If the Secretary has not disbursed all
20 the funds available for rebates under the Silver Star
21 Home Energy Retrofit Program by the date that is
22 1 year after the date of enactment of this Act, any
23 undisbursed funds shall be made available to the
24 Gold 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
4 Home Energy Retrofit Program by the date that is
5 2 years after the date of enactment of this Act, any
6 undisbursed funds shall be returned to the Treasury.

7 (3) HOME STAR ENERGY EFFICIENCY LOAN
8 PROGRAM.—If a State, or the Secretary acting in
9 lieu of a State program, has not disbursed or pro-
10 vided in the form of loans all the funds available for
11 such loans under the Home Star Energy Efficiency
12 Loan Program by the date that is 2 years after the
13 date of enactment of this title, any undisbursed
14 funds shall be returned to the Treasury.

15 (h) SUNSET.—With the exception of the provisions
16 of section 102(c)(5), (6), and (7), section 109, this sub-
17 section, and the relevant definitions in section 2 to those
18 provisions, this title shall cease to be effective after De-
19 cember 31, 2012. Nothing in this subsection shall prevent
20 a State from continuing to implement a quality assurance
21 framework established pursuant to section 105.

22 (i) PROHIBITION ON EARMARKS.—None of the funds
23 appropriated pursuant to this section may be used for a
24 Congressional earmark as defined in clause 9(e) of rule
25 XXI of the Rules of the House of Representatives.

1 (j) ADMINISTRATIVE EXPENSE PROHIBITION.—No
 2 funds provided under this title shall be used for the pur-
 3 poses of conducting travel to gambling or gaming estab-
 4 lishments in connection with official duties related to this
 5 title.

6 **SEC. 110. NOISE ABATEMENT STUDY.**

7 Not later than 1 year after the date of enactment
 8 of this Act, the Secretary, in consultation with the Sec-
 9 retary of Health and Human Services, shall submit to the
 10 Committee on Energy and Natural Resources of the Sen-
 11 ate and the Committee on Energy and Commerce of the
 12 House of Representatives a study of the effects of the en-
 13 ergy savings measures made as a result of this Act on
 14 noise abatement.

15 **TITLE II—ENERGY EFFICIENT**
 16 **MANUFACTURED AND MOD-**
 17 **ULAR HOMES**

18 **SEC. 201. ENERGY EFFICIENT MANUFACTURED AND MOD-**
 19 **ULAR HOMES.**

20 (a) DEFINITIONS.—In this section:

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

1 (2) ENERGY STAR QUALIFIED MANUFACTURED
2 HOME.—The term “Energy Star qualified manufac-
3 tured home” means a manufactured home that has
4 been designed, produced, and installed in accordance
5 with Energy Star’s guidelines by an Energy Star
6 certified plant.

7 (3) MODULAR HOME.—The term “modular
8 home” means a structure that is—

9 (A) designed and manufactured to comply
10 with applicable national, State, and local build-
11 ing codes and regulations;

12 (B) transportable in one or more sections;

13 (C) not constructed on a permanent chas-
14 sis; and

15 (D) designed to be used as a dwelling on
16 permanent foundations when connected to re-
17 quired utilities, including the plumbing, heating,
18 air conditioning, and electrical systems con-
19 tained therein.

20 (4) ENERGY STAR QUALIFIED MODULAR
21 HOME.—The term “Energy Star qualified modular
22 home” means a modular home that has been de-
23 signed, produced, and installed in accordance with
24 Energy Star’s guidelines.

1 (b) PURPOSE.—The purpose of this section is to as-
2 sist low-income households residing in manufactured
3 homes constructed prior to 1976 to save energy and en-
4 ergy expenditures by providing funding for the purchase
5 of new Energy Star qualified manufactured homes or new
6 Energy Star qualified modular homes.

7 (c) GRANTS TO STATE AGENCIES.—

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

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

25 (3) FUNDING.—

1 (A) PRIMARY RESIDENCE REQUIRE-
2 MENT.—Funding described under paragraph
3 (1) may only be made to an owner of a manu-
4 factured home constructed prior to 1976 that
5 has been used by the owner as a primary resi-
6 dence on a year-round basis for at least the pre-
7 vious 12 months.

8 (B) DESTRUCTION AND REPLACEMENT.—
9 Funding described under paragraph (1) may be
10 provided only if the manufactured home con-
11 structed prior to 1976 will be—

12 (i) destroyed (including appropriate
13 recycling); and

14 (ii) replaced, in an appropriate area,
15 as determined by the applicable State
16 agency, with an Energy Star qualified
17 manufactured home or Energy Star quali-
18 fied modular home.

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

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

10 (E) LEASES.—To be eligible to receive
11 funding described under paragraph (1), an
12 owner of a manufactured home constructed
13 prior to 1976 who intends to place the new En-
14 ergy Star qualified manufactured home or new
15 Energy Star qualified modular home on prop-
16 erty leased from another person shall hold a
17 lease to such property of at least 3 years in du-
18 ration.

19 (4) FUNDING AMOUNT.—Funding provided by
20 State agencies under this subsection shall not exceed
21 \$7,500 per manufactured home or modular home
22 from any funds appropriated pursuant to this sec-
23 tion.

24 (5) USE OF STATE FUNDS.—A State agency
25 providing funding under this section may supple-

1 ment the amount of such funding under paragraph
2 (4) by any amount such agency approves if such ad-
3 ditional amount is from State funds and other
4 sources, including private donations and grants or
5 loans from charitable foundations.

6 (6) STATE PROGRAMS.—A State agency con-
7 ducting a program that has the purpose of replacing
8 manufactured homes constructed prior to 1976 with
9 Energy Star qualified manufactured homes or En-
10 ergy Star qualified modular homes may use funds
11 provided under this section to support such a pro-
12 gram, provided such funding does not exceed the
13 funding limitation amount under paragraph (4).

14 (7) ADMINISTRATION.—

15 (A) CONTROLS AND PROCEDURES.—Each
16 State agency receiving funds under this section
17 shall establish fiscal controls and accounting
18 procedures sufficient, as determined by the Sec-
19 retary, to ensure proper accounting for dis-
20 bursements made from such funds and fund
21 balances. Such procedures shall conform to gen-
22 erally accepted Government accounting prin-
23 ciples.

24 (B) COORDINATION WITH OTHER STATE
25 AGENCIES.—A State agency receiving funds

1 under this section may coordinate its efforts,
2 and share funds for administration, with other
3 State agencies or nonprofit organizations in-
4 volved in low-income housing programs.

5 (C) ADMINISTRATIVE EXPENSES.—A State
6 agency receiving funds under this section may
7 expend not more than 10 percent of such funds
8 for administrative expenses.

9 (d) DECOMMISSIONING.—A person receiving funding
10 under subsection (c) may also be provided not to exceed
11 \$2,500 for the decommissioning of the manufactured
12 home being replaced.

13 (e) AUTHORIZATION OF APPROPRIATIONS.—

14 (1) IN GENERAL.—There are authorized to be
15 appropriated to the Secretary to carry out this sec-
16 tion \$200,000,000 for fiscal year 2010 and
17 \$400,000,000 for fiscal year 2011, to remain avail-
18 able until expended.

19 (2) ADMINISTRATIVE EXPENSES.—Of the
20 amounts available each fiscal year to carry out this
21 section, the Secretary may expend not more than 5
22 percent to pay administrative expenses.

23 (3) PROHIBITION ON EARMARKS.—None of the
24 funds appropriated pursuant to this subsection may
25 be used for a Congressional earmark as defined in

1 clause 9(e) of rule XXI of the Rules of the House
2 of Representatives.

3 **TITLE III—WASTE, FRAUD, AND**
4 **ABUSE**

5 **SEC. 301. REPORT.**

6 The Department of Energy's Inspector General shall
7 submit a report to Congress measuring the amount of
8 waste, fraud, and abuse occurring in programs created by
9 this Act, which shall include recommendations to prevent
10 additional waste, fraud, and abuse. This report shall be
11 submitted before July 1, 2012.

12 **TITLE IV—DEFICIT NEUTRALITY**

13 **SEC. 401. SUNSET.**

14 The provisions of this Act shall be suspended and
15 shall not apply if this Act will have a negative net effect
16 on the national budget deficit of the United States.

Passed the House of Representatives May 6, 2010.

Attest: LORRAINE C. MILLER,
Clerk.