

111TH CONGRESS
1ST SESSION

S. 1246

To establish a home energy retrofit finance program.

IN THE SENATE OF THE UNITED STATES

JUNE 11, 2009

Mr. SANDERS introduced the following bill; which was read twice and referred
to the Committee on Energy and Natural Resources

A BILL

To establish a home energy retrofit finance program.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Home Energy Retrofit
5 Finance Program Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) many families lack access to upfront capital
9 to make cost-effective energy improvements to
10 homes and apartments;

11 (2) a number of States, local governments, and
12 energy utilities are considering enacting, or have al-

1 ready enacted, innovative energy efficiency and re-
2 newable energy finance programs;

3 (3) home retrofits create and support jobs in
4 the United States in a number of fields, including
5 jobs for electricians, heating and air conditioning in-
6 stallers, carpenters, construction, roofers, industrial
7 truck drivers, energy auditors and inspectors, con-
8 struction managers, insulation workers, renewable
9 energy installers, and others;

10 (4) cost-effective energy improvements pay for
11 themselves over time and also save consumers en-
12 ergy, reduce energy demand and peak electricity de-
13 mand, move the United States towards energy inde-
14 pendence, reduce greenhouse gas emissions, and im-
15 prove the value of residential properties;

16 (5) modeling has shown that—

17 (A) energy efficiency and renewable energy
18 upgrades in just 15 percent of residential build-
19 ings in the United States would require
20 \$280,000,000,000 in financing; and

21 (B) the upgrades described in subpara-
22 graph (A) could reduce carbon dioxide emis-
23 sions by more than a gigaton; and

24 (6) home retrofits—

1 (A) are a key strategy to reducing global
2 warming pollution; and

3 (B) create and support green jobs.

4 **SEC. 3. DEFINITIONS.**

5 In this Act:

6 (1) ELIGIBLE PARTICIPANT.—The term “eligi-
7 ble participant” means a homeowner, apartment
8 complex owner, residential cooperative association,
9 or condominium association that finances energy ef-
10 ficiency measures and renewable energy improve-
11 ments to homes and residential buildings under this
12 Act.

13 (2) ENERGY EFFICIENCY MEASURE AND RE-
14 NEWABLE ENERGY IMPROVEMENT.—The term “en-
15 ergy efficiency measure and renewable energy im-
16 provement” means any installed measure (including
17 products, equipment, systems, services, and prac-
18 tices) that would result in a reduction in—

19 (A) end-use demand for externally supplied
20 energy or fuel by a consumer, facility, or user;
21 and

22 (B) carbon dioxide emissions, as deter-
23 mined by the Secretary.

1 (3) PROGRAM.—The term “program” means
2 the Home Energy Retrofit Finance Program estab-
3 lished under section 4(a).

4 (4) QUALIFIED PROGRAM DELIVERY ENTITY.—
5 The term “qualified program delivery entity” means
6 a local government, energy utility, or any other enti-
7 ty designated by the Secretary that administers the
8 program for a State under this Act.

9 (5) SECRETARY.—The term “Secretary” means
10 the Secretary of Energy.

11 **SEC. 4. HOME ENERGY RETROFIT FINANCE PROGRAM.**

12 (a) ESTABLISHMENT.—The Secretary shall provide
13 Home Energy Retrofit Finance Program grants to States
14 for the purpose of establishing or expanding a State re-
15 volving finance fund to support financing offered by quali-
16 fied program delivery entities for energy efficiency meas-
17 ures and renewable energy improvements to existing
18 homes and residential buildings (including apartment
19 complexes, residential cooperative associations, and condo-
20 minium buildings under 5 stories).

21 (b) FUNDING MECHANISM.—In carrying out the pro-
22 gram, the Secretary shall provide funds to States, for use
23 by qualified program delivery entities that administer fi-
24 nance programs directly or under agreements with collabo-
25 rating third party entities, to capitalize revolving finance

1 funds and increase participation in associated financing
2 programs.

3 (c) ELIGIBILITY OF QUALIFIED PROGRAM DELIVERY
4 ENTITIES.—

5 (1) IN GENERAL.—The Secretary shall provide
6 guidance to the States on application requirements
7 for a local government or energy utility that seeks
8 to participate in the program, including criteria that
9 require, at a minimum—

10 (A) a description of a method for deter-
11 mining eligible energy professionals who can be
12 contracted with under the program for energy
13 audits and energy improvements, including a
14 plan to provide preference for entities that—

15 (i) hire locally;

16 (ii) partner with State Workforce In-
17 vestment Boards, labor organizations, com-
18 munity-based organizations, and other job
19 training entities; or

20 (iii) are committed to ensuring that at
21 least 15 percent of all work hours are per-
22 formed by participants from State-ap-
23 proved apprenticeship programs; and

24 (B) a certification that all of the work de-
25 scribed in subparagraph (A) will be carried out

1 in accordance with subchapter IV of chapter 31
2 of title 40, United States Code.

3 (2) REPAYMENT OVER TIME.—To be eligible to
4 participate in the program, a qualified program de-
5 livery entity shall establish a method by which eligi-
6 ble participants may pay over time for the financed
7 cost of allowable energy efficiency measures and re-
8 newable energy improvements.

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

15 (e) USE OF FUNDS.—Of the amounts in a State re-
16 volving finance fund—

17 (1) not more than 20 percent may be used by
18 qualified program delivery entities for interest rate
19 reductions for eligible participants; and

20 (2) the remainder shall be available to provide
21 direct funding or other financial support to qualified
22 program delivery entities.

23 (f) STATE REVOLVING FINANCE FUNDS.—On repay-
24 ment of any funds made available by qualified program
25 delivery entities under the program, the funds shall be de-

1 posited in the applicable State revolving finance fund to
 2 support additional financing to qualified program delivery
 3 entities for energy efficiency measures and renewable en-
 4 ergy improvements.

5 (g) COORDINATION WITH STATE ENERGY EFFI-
 6 CIENCY RETROFIT PROGRAMS.—Home energy retrofit
 7 programs that receive financing through the program shall
 8 be carried out in accordance with all authorized measures,
 9 performance criteria, and other requirements of any appli-
 10 cable Federal home energy efficiency retrofit programs.

11 (h) PROGRAM EVALUATION.—

12 (1) IN GENERAL.—The Secretary shall conduct
 13 a program evaluation to determine—

14 (A) how the program is being used by eli-
 15 gible participants, including what improvements
 16 have been most typical and what regional dis-
 17 tinctions exist, if any;

18 (B) what improvements could be made to
 19 increase the effectiveness of the program; and

20 (C) the quantity of verifiable energy sav-
 21 ings and renewable energy deployment achieved
 22 through the program.

23 (2) REPORTS.—

24 (A) IN GENERAL.—Not later than 3 years
 25 after the date of enactment of this Act, the Sec-

retary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that describes the results of the program evaluation required under this subsection, including any recommendations.

(B) STATE REPORTS.—Not less than once every 2 years, States participating in the program shall submit to the Secretary reports on the use of funds through the program that include any information that the Secretary may require.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this Act for each of fiscal years 2010 through 2015.

(b) ADMINISTRATIVE EXPENSES.—An amount not exceeding 5 percent of the amounts made available under subsection (a) shall be available for each fiscal year to pay the administrative expenses necessary to carry out this Act.

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