

## SECTION-BY-SECTION SUMMARY OF THE HOME STAR Proposal

### *Sec. 2101. Definitions.*

- defines terms used in the subtitle.

### *Sec. 2102. HOME STAR Retrofit Rebate Program.*

- establishes the HOME STAR Retrofit Rebate program by giving the Secretary of Energy the authority to establish such a program as well as the necessary authorities to expedite the establishment of this program.
- directs the Secretary, in consultation with the Secretary of the Treasury and the Administrator, to create a Rebate Processing System with a database and information technology system that allows submission of reimbursement claims.
- establishes a national website with information on rebate programs to improve home energy efficiency.
- requires the publication of model forms and data protocols for the qualified contractors' and quality assurance providers' use.
- grants the Secretary the authority to adjust the rebate amount based on program data after 180 days after the date of enactment.
- requires the Secretary to make information about which efficiency measures are eligible for rebate and how to participate in the program available on an Internet website not later than 30 days after the date of enactment.

### *Sec. 2103. Rebate Aggregators.*

- grants the Secretary authority to develop a network of rebate aggregators, who facilitate delivering rebates to contractors, and defines their responsibilities and eligibility requirements.

### *Sec. 2104. Silver Star Home Energy Retrofit Program.*

- establishes the Silver Star program, awarding rebates for home energy retrofits if the energy retrofit is selected from a provided list of energy savings measures, if installed by a qualified contractor and if in compliance with this section.
- delineates energy savings measures that shall be awarded a rebate, provided they meet technical standards, including: whole house air-sealing measures, attic insulation measures, duct seal or replacement, wall insulation, crawl space insulation or basement wall and rim joist insulation, window or skylight replacements, door replacements, heating system replacements, furnace or boiler replacements, air-conditioner or heat-pump replacements, and water heater replacements.
- requires labor costs to be included when submitting for a rebate, including onsite preparation, assembly, or installation.
- defines the rebate amount as \$1,000 per measure with some exceptions. Attic insulation and air sealing as described in subsection (b)(2) and wall insulation (b)(4) allow for a higher rebate of \$1,500 per measure, whereas doors as described in subsection (b)(7) will receive a rebate of \$125 per measure and tankless natural gas or propane storage water heaters as described in subsection (b)(10)(B) will receive \$250. A maximum rebate amount is established in subsection (b) (4).

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- defines the qualifications for providing reimbursements. The retrofit measures must be of the eligible measures described in subsection (b), installed according to applicable technical standards and by a qualified contractor.
- not less than 20% of Silver Star program retrofits are randomly subject to a third-party field verification of all retrofit work by a quality assurance provider or in the case of a qualified contractor that uses a certified workforce, 10% of retrofits.
- if corrective work is determined needed after the field verification, the installed measures will be brought to compliance at no additional cost to the homeowner.
- requires the Secretary to make the certification forms available on a website for compliance with quality assurance requirements that will be submitted by each qualified contractor and quality assurance provider on a retrofit's completion as well as by each quality assurance provider on completion of the third party field verification.

### *Section 2105. Gold Star Home Energy Retrofit Program.*

- establishes a rebate program for retrofits that achieve whole home energy savings as well as defines the qualifications for reimbursement.
- defines the amount of grant as \$3,000 for a 20% reduction in whole home energy consumption, and an additional \$1,000 for each 5% reduction up to the lower of \$8,000 or 50% of the total retrofit cost.
- defines the reductions in whole home energy consumption as a comparison of similar energy consumption before and after the home's retrofit(s).
- requires documentation of these reductions in energy consumption through the use of software programs or State rating networks.
- directs the Secretary to continuously monitor the software packages and he may disallow the use of software programs that improperly assess reductions in energy consumption.
- requires random third-party field verification of all retrofit work by a quality assurance provider at a rate of 15% or 10% in the case of work performed by an accredited contractor using a certified workforce. Verification is not required in subsection (e) (2) if in accordance with various established ratings systems.
- grants the Secretary the authority to adjust the rebate amounts based on program data, to set assumptions and require testing compliance.

### *Section 2106. Grants to States and Indian Tribes.*

- Authorizes grants to the States and Indian tribes assist in the establishment of Quality Assurance programs
- directs the Secretary to make grants to States in accordance with section 2114 and provides guidance on how a State or Indian tribe may use grants to carry out a quality assurance program.
- in the case of noncompliance, the Secretary is allowed to withhold quality assurance funds from the State or Indian tribe if they cannot provide adequate oversight.
- allows a State or Indian tribe to implement a quality assurance program through the State, the Indian tribe, or a designated third party such as an energy service company, an electric utility, a natural gas utility, a third-party administrator designed by the State or Indian tribe, or a unit of local government.

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- a State or Indian tribe may form partnerships with utilities, energy service companies, and other entities for purposes of assisting with marketing and consumer financing.
- directs States and Indian tribes to minimize duplication through program coordination. Priority shall be given to comprehensive retrofit programs in existence on the date of enactment of this Act, including programs under the supervision of State utility regulators.

### *Sec. 2107. Ongoing Quality Assurance Programs.*

- requires the State to submit an implementation plan for the quality assurance programs to the Secretary, not later than 180 days after the date that the Secretary initially provides funds to a State.
- directs the States to develop the plans in consultation with industry stakeholders, and to implement the quality assurance program not later than January 1, 2011.
- grants the Secretary the authority to suspend a State's participation in the program if the State is noncompliant with this section after a period of at least 90 days.

### *Sec. 2108. Report.*

- requires the Secretary to submit a report to the relevant Congressional Committees not later than 300 days after the date of enactment of this Act that will provide detailed metrics, performance standards and quantify the impact of funds expended.

### *Sec. 2109. Administrative and Technical Support.*

- directs the Secretary to provide administrative and technical support to rebate aggregators, States, and Indian tribes as is necessary, not later than 30 days after the date of enactment of this Act.

### *Sec. 2110. Relationship to Other Laws.*

- clarifies that with respect to the HomeStar program, the National Environmental Policy Act of 1969 (NEPA) and the Buy American Act are treated in the same manner as established in the Weatherization Assistance Program for Low-Income Persons (Part A of title IV of the Energy Conservation and Production Act (ECPA)).
- clarifies that rebates received under the program are not considered taxable income to a homeowner, nor do they disqualify a homeowner from obtaining a credit under section 25C of the Internal Revenue Code of 1986 for eligible work performed in the home of the homeowner, net of rebates.

### *Sec. 2111. Waivers.*

- grants States the right to seek a waiver of any provision in this subtitle by requesting one of the Secretary, with automatic approval of waivers if the Secretary does not act on a waiver request 30 days after the waiver is received.
- grants the Secretary an additional 30 days to consider the waiver request, once the Secretary has notified the State energy office not later than 30 days after the date of receipt of the initial request, as specified in subsection (c).
- if the Secretary does nothing during the 60-day period beginning on the date of the initial waiver request, the waiver is considered approved. Subsection (d) notes that the

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Secretary shall not grant a waiver request for a material change in this subtitle, as determined by the Secretary.

*Sec. 2112. Public Information Campaign.*

- directs the EPA Administrator to develop and implement a public education campaign on the benefits of home energy retrofits and on the rebates available for such home efficiency improvements.

*Sec. 2113. Financing Clean Energy Jobs.*

- establishes the HOME STAR Energy Efficiency Loan Program, under which the Secretary makes grants to States to support financial assistance provided by qualified program delivery entities.
- defines the eligibility criteria and funding allocations in order to participate in the program.
- specifies how the grant funds made available to States may be used, by providing interest rate reductions, credit enhancements, revolving loan funds, or other debt instruments or financial products to maximize leverage and to support widespread deployment of energy efficiency and renewable energy finance programs.
- qualified program delivery entities may use funds repaid by eligible participants in a revolving loan fund for additional eligible participants to make improvements.
- requires the Secretary to submit a program evaluation to Congress not later than 180 days after the date of enactment of this Act that describes the number of participants, jobs created, energy savings and deployment, and program performance.

*Sec. 2114. Funding.*

- authorizes \$6,000,000,000 to carry out this subtitle, which shall supplement and not supplant any Federal or State funding provided to carry out existing energy efficiency programs.