



(Original Signature of Member)

111TH CONGRESS
1ST SESSION

H. R.

To establish the National Home Energy Savings Revolving Fund within the Department of Energy to provide amounts to units of general local government to make loans to homeowners for qualified home energy audits and certified energy savings improvements, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. VAN HOLLEN introduced the following bill; which was referred to the Committee on _____

A BILL

To establish the National Home Energy Savings Revolving Fund within the Department of Energy to provide amounts to units of general local government to make loans to homeowners for qualified home energy audits and certified energy savings improvements, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "National Home Energy
5 Savings Revolving Fund Act".

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) HOME ENERGY AUDIT.—The term “home
4 energy audit” means any process that identifies and
5 specifies the energy and cost savings that are likely
6 to be realized through the implementation, acquisi-
7 tion, and installation of energy savings improve-
8 ments to a residential property.

9 (2) QUALIFIED HOME ENERGY AUDIT.—The
10 term “qualified home energy audit” means an en-
11 ergy audit that complies with the procedures and
12 techniques under section 5(a)(2).

13 (3) RENEWABLE ENERGY MEASURE.—The term
14 “renewable energy measure” means the appropriate
15 installation and use of solar, wind, geothermal, fuel
16 cell, biomass, battery storage, and other applicable
17 renewable technologies, as determined by the Sec-
18 retary.

19 (4) CERTIFIED ENERGY SAVINGS IMPROVE-
20 MENT.—The term “certified energy savings improve-
21 ment” means an energy efficiency improvement or
22 renewable energy measure that meets the require-
23 ments under section 5(a)(3).

24 (5) SECRETARY.—The term “Secretary” means
25 the Secretary of Energy.

1 (6) REVOLVING FUND.—The term “Revolving
2 Fund” means the National Home Energy Savings
3 Revolving Fund established under section 3(a).

4 (7) UNIT OF GENERAL LOCAL GOVERNMENT.—
5 The term “unit of general local government” means
6 any general purpose political subdivision of a State
7 that has the power to levy taxes and spend funds,
8 as well as general corporate and police powers.

9 **SEC. 3. NATIONAL HOME ENERGY SAVINGS REVOLVING**
10 **FUND.**

11 (a) ESTABLISHMENT.—There is established within
12 the Department of Energy a revolving fund, to be known
13 as the “National Home Energy Savings Revolving Fund”.

14 (b) EXPENDITURES.—Any amounts in the Revolving
15 Fund may be used without fiscal year limitation to provide
16 funds to units of general local government in accordance
17 with section 4 for use in making loans to homeowners pur-
18 suant to section 5(a).

19 (c) CREDITS.—

20 (1) CAPITALIZATION AUTHORIZATION.—There
21 are authorized to be appropriated to the Revolving
22 Fund \$5,000,000,000 for each of fiscal years 2010
23 and 2011.

24 (2) REPAYMENT AMOUNTS.—The Revolving
25 Fund shall be credited with amounts received by the

1 Secretary from a unit of general local government
2 equal to loan repayment amounts due to be repaid
3 by homeowners to whom loans are made pursuant to
4 section 5(a).

5 **SEC. 4. FUNDING TO UNITS OF GENERAL LOCAL GOVERN-**
6 **MENT.**

7 (a) APPLICATION.—To be eligible to receive funds
8 under this Act, a unit of general local government shall
9 submit to the Secretary an application at such time, in
10 such manner, and containing such information as the Sec-
11 retary may require, which information shall include a de-
12 scription of the method required by section 5(e) for mak-
13 ing payments due under the loan.

14 (b) AMOUNTS.—

15 (1) ALLOCATION.—Subject to the limitation
16 under paragraph (2), the Secretary, in each fiscal
17 year, shall provide for the allocation of amounts
18 available in the Revolving Fund to units of general
19 local government eligible to receive such amounts
20 based on need among such units of general local
21 government for amounts for loans to homeowners
22 pursuant to section 5(a).

23 (2) LIMITATION.—In any fiscal year, the aggre-
24 gate amount provided from the Revolving Fund to a
25 single unit of general local government may not ex-

1 ceed 2 percent of the total amount available in the
2 Revolving Fund for such fiscal year.

3 (e) REPAYMENT.—

4 (1) HOMEOWNER.—A unit of general local gov-
5 ernment that receives funds under this Act shall re-
6 quire full repayment of each loan made to a home-
7 owner pursuant to section 5(a).

8 (2) UNIT OF GENERAL LOCAL GOVERNMENT.—

9 Not later than 120 days after the deadline imposed
10 by a unit of general local government for repayment
11 by homeowners of loans made pursuant to section
12 5(a) in the manner provided by section 5(c), such
13 unit of general local government shall transfer to the
14 Secretary amounts due to be repaid, notwithstanding
15 any default on the part of the homeowner.

16 **SEC. 5. LOANS TO HOMEOWNERS FOR QUALIFIED HOME**
17 **ENERGY AUDITS AND CERTIFIED ENERGY**
18 **SAVINGS IMPROVEMENTS.**

19 (a) LOANS TO HOMEOWNERS.—

20 (1) IN GENERAL.—A unit of general local gov-
21 ernment that receives funds under this Act shall use
22 such funds only to provide loans to homeowners for
23 the costs of one or more of the following:

1 (A) Conducting a qualified home energy
2 audit (or a qualified home energy audit pre-
3 viously conducted).

4 (B) The implementation of any certified
5 energy savings improvement.

6 (C) The acquisition of any certified energy
7 savings improvement.

8 (D) The installation of any certified energy
9 savings improvement.

10 (2) HOME ENERGY AUDIT PROCEDURES AND
11 TECHNIQUES.—The Secretary shall establish proce-
12 dures and techniques for home energy audits that—

13 (A) meet standards established by the Sec-
14 retary after consultation with the State Energy
15 Advisory Board established under section
16 365(g) of the Energy and Policy Conservation
17 Act (42 U.S.C. 6325(g));

18 (B) establish priorities for selection of en-
19 ergy savings improvements based on their cost-
20 effectiveness, payback period, and contribution
21 to energy savings;

22 (C) measure the energy requirement of in-
23 dividual dwellings and the rate of return of the
24 total energy savings investment in a dwelling;
25 and

1 (D) account for interaction among energy
2 savings measures.

3 (3) CERTIFIED ENERGY SAVINGS IMPROVE-
4 MENTS.—Loan funds may be used by homeowners
5 under this section for the implementation, acquisi-
6 tion, or installation of an energy efficiency improve-
7 ment or renewable energy measure only if such im-
8 provement or measure—

9 (A) has been determined, by means of a
10 qualified home energy audit, to improve the ef-
11 ficiency of energy use and to reduce energy
12 costs (as calculated on the basis of energy costs
13 projected over time); and

14 (B) such determination is set forth in a
15 written report regarding such audit—

16 (i) listing energy savings improve-
17 ments in order of cost-effectiveness, pay-
18 back period, and contribution to energy
19 savings; and

20 (ii) prepared and signed by the person
21 conducting such audit.

22 (b) ELIGIBLE HOMEOWNERS.—To be eligible to re-
23 ceive a loan from a unit of general local government under
24 this section, a homeowner shall submit to such unit of gen-
25 eral local government an application at such time, in such

1 manner, and containing such information as such unit of
2 general local government may require.

3 (c) PAYMENT IN CONNECTION WITH PROPERTY TAX
4 PAYMENT.—A unit of general local government that re-
5 ceives funds under this Act shall establish a method by
6 which a homeowner to whom a loan is made pursuant to
7 section 5(a) may make payments due under such loan in
8 connection with any payments submitted for any property
9 tax assessed or collected by such unit of general local gov-
10 ernment.

11 (d) REPAYMENT TERMS.—A unit of general local
12 government that receives funds under this Act shall estab-
13 lish terms for repayment of loans made pursuant to sec-
14 tion 5(a) that comply with subsection (e) and meet the
15 following goals in the following order of priority:

16 (1) The terms shall provide that, on an annual
17 basis, the aggregate amount of payments due on a
18 loan shall be less than the aggregate amount of sav-
19 ings achieved by implementation, acquisition, or in-
20 stallation of certified energy savings improvements
21 financed under the loan.

22 (2) The terms shall provide that homeowners
23 shall make repayments of such loans in such
24 amounts as are necessary to minimize costs to the
25 Revolving Fund established under section 3(a) and

1 that any such repayments shall be transferred to the
2 Secretary and credited to such Fund.

3 (e) LOAN MATURITY AND INTEREST.—A loan under
4 this section shall have a term to maturity of not more than
5 15 years and shall not bear interest.

6 (f) LOAN AMOUNT LIMITATIONS.—The total amount
7 of all loans made pursuant to section 5(a) from a unit
8 of general local government to a single homeowner may
9 not exceed \$10,000, except that a unit of general local
10 government, in its discretion, may establish a loan amount
11 limitation in a lesser amount.

12 (g) PRINCIPAL RESIDENCE REQUIREMENT.—A unit
13 of general local government may make a loan under this
14 section only if such loan will be used for eligible purposes
15 under subsection (a) with respect to the principal resi-
16 dence of the homeowner who is the borrower.

17 (h) INFORMATION REQUIREMENT.—A unit of general
18 local government that receives funds under this Act, in
19 accordance with such standards as the Secretary shall es-
20 tablish, shall make available to homeowners information
21 about loans available pursuant to section 5(a) including—

22 (1) a description of the eligible purposes for
23 which a loan may be used;

1 (2) a list of home energy auditors in the area
2 that are certified to perform qualified home energy
3 audits; and

4 (3) repayment procedures and terms established
5 in accordance with subsection (d), including repay-
6 ment procedures and terms if a loan is provided only
7 for the costs of conducting a qualified home energy
8 audit.

9 **SEC. 6. REPORTS TO THE SECRETARY.**

10 For each year any loan made by a unit of general
11 local government pursuant to section 5(a) is outstanding,
12 such unit of general local government shall submit to the
13 Secretary a report describing the use of funds from the
14 Revolving Fund, identifying the number of loans provided
15 under this Act, the repayment rate of the loans, the de-
16 fault rate of the loans, and any other information the Sec-
17 retary determines to be appropriate.