

HOME STAR: A SHORT SUMMARY

OVERVIEW

Home Star is a legislative proposal designed to create jobs by providing incentives for residential energy efficiency improvements. The program will drive new private investment into the hard hit construction and manufacturing sectors, while saving consumers money on their energy bills. By building on state programs and existing industry capacity for the retrofits themselves as well as quality assurance, the program will be fast-acting, in addition to increasing consumer awareness of residential energy efficiency.

The bill provides approximately \$6 billion dollars of incentives to the American people, coupled with private investment, to generate an estimated three million home retrofits and tens of thousands of jobs, and to strengthen American industry.

INCENTIVE PROGRAMS

- **\$250-1500 Silver Star rebates.** For the first year of the program, consumers can receive between \$250 and \$1500 in “point-of-sale” rebates for each retrofit involving individual measures, with a benefit not exceeding \$3,000 or at least 50% of total project costs (whichever is less). Eligible measures include insulation, duct sealing, water heaters, HVAC systems, windows, doors, and cool roofs. Rebates will be targeted to the most energy efficient categories of upgrades, focusing on products primarily made in the United States. All retrofits must be installed by a certified contractor.
- **\$3000 Gold Star rebates.** For the first two years of the program, consumers interested in whole home retrofits would be eligible for up to \$3000 “point-of-sale” rebate for a comprehensive energy audit and retrofits tailored to achieve a 20% energy savings in the home. Consumers can receive additional incentives for energy savings higher than 20%. The Gold Star rebate program would build on existing whole home retrofit programs, such as EPA’s Home Performance with Energy Star program and DOE’s building programs.
- **Rebate process.** Consumers are eligible for discounted prices of the installation of Silver Star measures at the point of sale. Upon job completion, contractors submit rebate requests to rebate aggregators, such as small independent building material dealers, large national home improvement chains, merchants across the country, energy efficiency installation professionals and utility energy efficiency programs (including rural utilities) and then are reimbursed by the federal government.
- **\$3000 performance tax credit.** After the first year, consumers can receive tax credits for whole home retrofits that meet 100 HERS for buildings constructed prior to 2000, and 85 HERS for building constructed after 2000. Homeowners can receive up to \$8000 in rebates or 50% of the total retrofit cost. These tax credits will be available until the end of 2013.

QUALITY ASSURANCE AND SUPPORT

- **Contractor qualifications.** Contractors need to be licensed and insured to install the retrofits.
- **Independent quality assurance providers** are responsible for field audits after job completion in order to ensure proper installation and measurable energy savings for consumers. States oversee the quality assurance implementation.
- **Financing support.** Funding is included in the proposal to support State and local financing programs.

The Home Star proposal has garnered widespread support from over 500 supporters in all 50 states from the construction, manufacturing, retail sales, environmental, labor, and energy efficiency communities, and is expected to save program participants \$200-500 per year in energy costs.

For more information, please see our website <http://energy.senate.gov>.