

1 (C) an effective plan for evaluation, meas-
2 urement, and verification of energy savings; and

3 (D) the financial need of the applicant.

4 (3) LIMITATION ON INDIVIDUAL GRANT
5 AMOUNT.—Each grant awarded under this section
6 shall not exceed \$200,000.

7 (d) AUTHORIZATION OF APPROPRIATIONS.—There is
8 authorized to be appropriated to carry out this section
9 \$10,000,000 for each of fiscal years 2021 through 2030,
10 to remain available until expended.

11 **Subtitle D—HOMES**

12 **SEC. 331. DEFINITIONS.**

13 In this subtitle:

14 (1) ENERGY AUDIT.—The term “energy audit”
15 means an inspection, survey, and analysis of the en-
16 ergy use of a building, including the building enve-
17 lope and HVAC system.

18 (2) HOME.—The term “home” means a resi-
19 dential dwelling unit in a building with no more than
20 4 dwelling units that—

21 (A) is located in the United States;

22 (B) was constructed before the date of en-
23 actment of this Act; and

24 (C) is occupied at least six months out of
25 the year.

1 (3) HOME ENERGY SAVINGS RETROFIT REBATE
2 PROGRAM.—The term “Home Energy Savings Ret-
3 rofit Rebate Program” means the Home Energy
4 Savings Retrofit Rebate Program established under
5 section 332.

6 (4) HOMEOWNER.—The term “homeowner”
7 means the owner of an owner-occupied home or a
8 tenant-occupied home.

9 (5) HVAC SYSTEM.—The term “HVAC sys-
10 tem” means a system—

11 (A) consisting of a heating component, a
12 ventilation component, and an air-conditioning
13 component; and

14 (B) which components may include central
15 air conditioning, a heat pump, a furnace, a boil-
16 er, a rooftop unit, a window unit, and a chiller.

17 (6) MEASURED PERFORMANCE REBATE.—The
18 term “measured performance rebate” means a re-
19 bate provided in accordance with section 334 and
20 described in subsection (e) of that section.

21 (7) MODELED PERFORMANCE REBATE.—The
22 term “modeled performance rebate” means a rebate
23 provided in accordance with section 334 and de-
24 scribed in subsection (d) of that section.

1 (8) PARTIAL SYSTEM REBATE.—The term “par-
2 tial system rebate” means a rebate provided in ac-
3 cordance with section 333.

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

6 (10) STATE.—The term “State” includes—

7 (A) a State;

8 (B) the District of Columbia;

9 (C) the Commonwealth of Puerto Rico;

10 (D) Guam;

11 (E) American Samoa;

12 (F) the Commonwealth of the Northern
13 Mariana Islands;

14 (G) the United States Virgin Islands; and

15 (H) any other territory or possession of the
16 United States.

17 (11) STATE ENERGY OFFICE.—The term “State
18 energy office” means the office or agency of a State
19 responsible for developing the State energy conserva-
20 tion plan for the State under section 362 of the En-
21 ergy Policy and Conservation Act (42 U.S.C. 6322).

1 **SEC. 332. ESTABLISHMENT OF HOME ENERGY SAVINGS**
2 **RETROFIT REBATE PROGRAM.**

3 The Secretary shall establish a program, to be known
4 as the Home Energy Savings Retrofit Rebate Program,
5 to—

6 (1) provide rebates in accordance with section
7 333; and

8 (2) provide grants to States to carry out pro-
9 grams to provide rebates in accordance with section
10 334.

11 **SEC. 333. PARTIAL SYSTEM REBATES.**

12 (a) AMOUNT OF REBATE.—In carrying out the Home
13 Energy Savings Retrofit Rebate Program, and subject to
14 the availability of appropriations for such purpose, the
15 Secretary shall provide a homeowner a rebate, to be known
16 as a partial system rebate, of up to—

17 (1) \$800 for the installation of insulation and
18 air sealing within a home of the homeowner; and

19 (2) \$1,500 for the installation of insulation and
20 air sealing within a home of the homeowner and re-
21 placement of an HVAC system, the heating compo-
22 nent of an HVAC system, or the cooling component
23 of an HVAC system, of such home.

24 (b) SPECIFICATIONS.—

25 (1) COST.—The amount of a partial system re-
26 bate provided under this section shall not exceed 30

1 percent of cost of installation of insulation and air
2 sealing under subsection (a)(1), or installation of in-
3 sulation and air sealing and replacement of an
4 HVAC system, the heating component of an HVAC
5 system, or the cooling component of an HVAC sys-
6 tem, under subsection (a)(2). Labor may be included
7 in such cost but may not exceed—

8 (A) in the case of a rebate under sub-
9 section (a)(1), 50 percent of such cost; and

10 (B) in the case of a rebate under sub-
11 section (a)(2), 25 percent of such cost.

12 (2) AIR SEALING.—Not later than 60 days after
13 the date of enactment of this Act, the Secretary
14 shall issue specifications for air sealing to qualify for
15 a partial system rebate under this section. For any
16 area that has the exterior wall exposed and acces-
17 sible, and for which it is not required to remove
18 plaster or a basement wall board to access such wall,
19 such specifications for air sealing shall be consistent
20 with the Energy Star Home Sealing Specification.

21 (3) REPLACEMENT OF AN HVAC SYSTEM, THE
22 HEATING COMPONENT OF AN HVAC SYSTEM, OR THE
23 COOLING COMPONENT OF AN HVAC SYSTEM.—In
24 order to qualify for a partial system rebate described
25 in subsection (a)(2)—

1 (A) any HVAC system, heating component
2 of an HVAC system, or cooling component of
3 an HVAC system installed shall be Energy Star
4 Most Efficient certified;

5 (B) installation of such an HVAC system,
6 the heating component of an HVAC system, or
7 the cooling component of an HVAC system,
8 shall be completed in accordance with standards
9 specified by the Secretary that are at least as
10 stringent as the applicable guidelines of the Air
11 Conditioning Contractors of America that are in
12 effect on the date of enactment of this Act;

13 (C) if ducts are present, replacement of an
14 HVAC system, the heating component of an
15 HVAC system, or the cooling component of an
16 HVAC system shall include duct sealing; and

17 (D) the installation of insulation and air
18 sealing shall occur within 6 months of the re-
19 placement of the HVAC system, the heating
20 component of an HVAC system, or the cooling
21 component of an HVAC system.

22 (c) ADDITIONAL INCENTIVES FOR CONTRACTORS.—
23 In carrying out the Home Energy Savings Retrofit Rebate
24 Program, the Secretary may provide a \$250 payment to
25 a contractor per home for which—

1 (1) a partial system rebate is provided under
2 this section for the installation of insulation and air
3 sealing, or installation of insulation and air sealing
4 and replacement of an HVAC system, the heating
5 component of an HVAC system, or the cooling com-
6 ponent of an HVAC system, by the contractor;

7 (2) the applicable homeowner has signed and
8 submitted to the Secretary a release form made
9 available pursuant to section 336(c) authorizing the
10 contractor access to information in the utility bills of
11 the homeowner; and

12 (3) the contractor inputs, into the Department
13 of Energy's Building Performance Database—

14 (A) the energy usage for the home for the
15 12 months preceding, and the 24 months fol-
16 lowing, the installation of insulation and air
17 sealing or installation of insulation and air seal-
18 ing and replacement of an HVAC system, the
19 heating component of an HVAC system, or the
20 cooling component of an HVAC system;

21 (B) a description of such installation or in-
22 stallation and replacement; and

23 (C) the total cost to the homeowner for
24 such installation or installation and replace-
25 ment.

1 (d) PROCESS.—

2 (1) FORMS; REBATE PROCESSING SYSTEM.—

3 Not later than 90 days after the date of enactment
4 of this Act, the Secretary, in consultation with the
5 Secretary of the Treasury, shall—

6 (A) develop and make available rebate
7 forms required to receive a partial system re-
8 bate under this section;

9 (B) establish a Federal rebate processing
10 system which shall serve as a database and in-
11 formation technology system that will allow
12 homeowners to submit required rebate forms;
13 and

14 (C) establish a website that provides infor-
15 mation on partial system rebates provided
16 under this section, including how to determine
17 whether particular measures qualify for a re-
18 bate under this section and how to receive such
19 a rebate.

20 (2) SUBMISSION OF FORMS.—In order to re-
21 ceive a partial system rebate under this section, a
22 homeowner shall submit the required rebate forms,
23 and any other information the Secretary determines
24 appropriate, to the Federal rebate processing system
25 established pursuant to paragraph (1).

1 (e) FUNDING.—

2 (1) LIMITATION.—For each fiscal year, to carry
3 out this section, the Secretary may not use more
4 than 50 percent of the amounts made available to
5 carry out this subtitle.

6 (2) ALLOCATION.—The Secretary shall allocate
7 amounts made available to carry out this section for
8 partial system rebates in States using the same for-
9 mula as is used to allocate funds for States under
10 part D of title III of the Energy Policy and Con-
11 servation Act (42 U.S.C. 6321 et seq.).

12 **SEC. 334. STATE ADMINISTERED REBATES.**

13 (a) FUNDING.—In carrying out the Home Energy
14 Savings Retrofit Rebate Program, and subject to the
15 availability of appropriations for such purpose, the Sec-
16 retary shall provide grants to States to carry out programs
17 to provide rebates in accordance with this section.

18 (b) STATE PARTICIPATION.—

19 (1) PLAN.—In order to receive a grant under
20 this section a State shall submit to the Secretary an
21 application that includes a plan to implement a
22 State program that meets the minimum criteria
23 under subsection (c).

24 (2) APPROVAL.—Not later than 60 days after
25 receipt of a completed application for a grant under

1 this section, the Secretary shall either approve the
2 application or provide to the applicant an expla-
3 nation for denying the application.

4 (c) MINIMUM CRITERIA FOR STATE PROGRAMS.—

5 Not later than 6 months after the date of enactment of
6 this Act, the Secretary shall establish minimum criteria
7 for a State program to meet to qualify for funding under
8 this section, including—

9 (1) that the State program be carried out by
10 the applicable State energy office;

11 (2) that a rebate be provided under a State pro-
12 gram only for a home energy efficiency retrofit
13 that—

14 (A) is completed by a contractor who
15 meets minimum training requirements and cer-
16 tification requirements set forth by the Sec-
17 retary;

18 (B) includes installation of one or more
19 home energy efficiency retrofit measures for a
20 home that together are modeled to achieve, or
21 are shown to achieve, a reduction in home en-
22 ergy use of 20 percent or more from the base-
23 line energy use of the home;

24 (C) does not include installation of any
25 measure that the Secretary determines does not

1 improve the thermal energy usage of the home,
2 such as a pool pump, pool heater, spa, or EV
3 charger; and

4 (D) includes, after installation of the appli-
5 cable home energy efficiency retrofit measures,
6 a test-out procedure conducted in accordance
7 with guidelines issued by the Secretary of such
8 measures to ensure—

9 (i) the safe operation of all systems
10 post retrofit; and

11 (ii) that all improvements are included
12 in, and have been installed according to—

13 (I) manufacturers installation
14 specifications; and

15 (II) all applicable State and local
16 codes or equivalent standards ap-
17 proved by the Secretary;

18 (3) that the State program utilizes—

19 (A) for purposes of modeled performance
20 rebates, modeling software approved by the Sec-
21 retary for determining and documenting the
22 baseline energy use of a home and the reduc-
23 tions in home energy use resulting from the im-
24 plementation of a home energy efficiency ret-
25 rofit; and

1 (B) for purposes of measured performance
2 rebates, methods and procedures approved by
3 the Secretary for determining and documenting
4 the baseline energy use of a home and the re-
5 ductions in home energy use resulting from the
6 implementation of a home energy efficiency ret-
7 rofit, including methods and procedures for use
8 of advanced metering infrastructure, weather-
9 normalized data, and open source standards, to
10 measure such baseline energy use and such re-
11 ductions in home energy use;

12 (4) that the State program includes implemen-
13 tation of a quality assurance program—

14 (A) to ensure that home energy efficiency
15 retrofits are achieving the stated level of energy
16 savings, that efficiency measures were installed
17 correctly, and that work is performed in accord-
18 ance with procedures developed by the Sec-
19 retary, including through quality-control inspec-
20 tions for a portion of home energy efficiency
21 retrofits completed by each applicable con-
22 tractor; and

23 (B) under which a quality-control inspec-
24 tion of a home energy efficiency retrofit is per-
25 formed by a quality assurance provider who—

1 (i) is independent of the contractor
2 for such retrofit; and

3 (ii) will confirm that such contractor
4 is a contractor who meets minimum train-
5 ing requirements and certification require-
6 ments set forth by the Secretary;

7 (5) that the State program includes require-
8 ments for a homeowner, contractor, or rebate
9 aggregator to claim a rebate, including that the
10 homeowner, contractor, or rebate aggregator submit
11 any applicable forms approved by the Secretary to
12 the State, including a copy of the certificate pro-
13 vided by the applicable contractor certifying pro-
14 jected or measured reduction of home energy use;

15 (6) that the State program may include require-
16 ments for an entity to be eligible to serve as a rebate
17 aggregator to facilitate the delivery of rebates to
18 homeowners or contractors;

19 (7) that the State program includes procedures
20 for a homeowner to transfer the right to claim a re-
21 bate to the contractor performing the applicable
22 home energy efficiency retrofit or to a rebate
23 aggregator that works with the contractor; and

24 (8) that the State program provides that a
25 homeowner, contractor, or rebate aggregator may

1 claim more than one rebate under the State pro-
2 gram, and may claim a rebate under the State pro-
3 gram after receiving a partial system rebate under
4 section 333, provided that no 2 rebates may be pro-
5 vided with respect to a home using the same baseline
6 energy use of such home.

7 (d) MODELED PERFORMANCE REBATES.—

8 (1) IN GENERAL.—In carrying out a State pro-
9 gram under this section, a State may provide a
10 homeowner, contractor, or rebate aggregator a re-
11 bate, to be known as a modeled performance rebate,
12 for an energy audit of a home and a home energy
13 efficiency retrofit that is projected, using modeling
14 software approved by the Secretary, to reduce home
15 energy use by at least 20 percent.

16 (2) AMOUNT.—

17 (A) IN GENERAL.—Subject to subpara-
18 graph (B), the amount of a modeled perform-
19 ance rebate provided under a State program
20 shall be equal to 50 percent of the cost of the
21 applicable energy audit of a home and home en-
22 ergy efficiency retrofit, including the cost of di-
23 agnostic procedures, labor, reporting, and mod-
24 eling.

1 (B) LIMITATION.—With respect to an en-
2 ergy audit and home energy efficiency retrofit
3 that is projected to reduce home energy use
4 by—

5 (i) at least 20 percent, but less than
6 40 percent, the maximum amount of a
7 modeled performance rebate shall be
8 \$2,000; and

9 (ii) at least 40 percent, the maximum
10 amount of a modeled performance rebate
11 shall be \$4,000.

12 (e) MEASURED PERFORMANCE REBATES.—

13 (1) IN GENERAL.—In carrying out a State pro-
14 gram under this section, a State may provide a
15 homeowner, contractor, or rebate aggregator a re-
16 bate, to be known as a measured performance re-
17 bate, for a home energy efficiency retrofit that re-
18 duces home energy use by at least 20 percent as
19 measured using methods and procedures approved
20 by the Secretary.

21 (2) AMOUNT.—

22 (A) IN GENERAL.—Subject to subpara-
23 graph (B), the amount of a measured perform-
24 ance rebate provided under a State program
25 shall be equal to 50 percent of the cost, includ-

1 ing the cost of diagnostic procedures, labor, re-
2 porting, and energy measurement, of the appli-
3 cable home energy efficiency retrofit.

4 (B) LIMITATION.—With respect to a home
5 energy efficiency retrofit that is measured as
6 reducing home energy use by—

7 (i) at least 20 percent, but less than
8 40 percent, the maximum amount of a
9 measured performance rebate shall be
10 \$2,000; and

11 (ii) at least 40 percent, the maximum
12 amount of a measured performance rebate
13 shall be \$4,000.

14 (f) COORDINATION OF REBATE AND EXISTING
15 STATE-SPONSORED OR UTILITY-SPONSORED PRO-
16 GRAMS.—A State that receives a grant under this section
17 is encouraged to work with State agencies, utilities, State-
18 sponsored nonprofits, and other entities—

19 (1) to assist in marketing the availability of the
20 rebates under the applicable State program;

21 (2) to coordinate with utility or State managed
22 financing programs;

23 (3) to assist in implementation of the applicable
24 State program, including installation of home energy
25 efficiency retrofits; and

1 (4) to coordinate with existing quality assur-
2 ance programs.

3 (g) ADMINISTRATION AND OVERSIGHT.—

4 (1) REVIEW OF APPROVED MODELING SOFT-
5 WARE.—The Secretary shall, on an annual basis, list
6 and review all modeling software approved for use in
7 determining and documenting the reductions in
8 home energy use for purposes of modeled perform-
9 ance rebates under subsection (d). In approving such
10 modeling software each year, the Secretary shall en-
11 sure that modeling software approved for a year will
12 result in modeling of energy efficiency gains for any
13 type of home energy efficiency retrofit that is at
14 least as substantial as the modeling of energy effi-
15 ciency gains for such type of home energy efficiency
16 retrofit using the modeling software approved for
17 the previous year.

18 (2) OVERSIGHT.—If the Secretary determines
19 that a State is not implementing a State program
20 that was approved pursuant to subsection (b) and
21 that meets the minimum criteria under subsection
22 (c), the Secretary may, after providing the State a
23 period of at least 90 days to meet such criteria,
24 withhold grant funds under this section from the
25 State.

1 **SEC. 335. EVALUATION REPORTS TO CONGRESS.**

2 (a) IN GENERAL.—Not later than 3 years after the
3 date of enactment of this Act and annually thereafter until
4 the termination of the Home Energy Savings Retrofit Re-
5 bate Program, the Secretary shall submit to Congress a
6 report on the use of funds made available to carry out
7 this Act.

8 (b) CONTENTS.—Each report submitted under sub-
9 section (a) shall include—

10 (1) how many home energy efficiency retrofits
11 have been completed during the previous year under
12 the Home Energy Savings Retrofit Rebate Program;

13 (2) an estimate of how many jobs have been
14 created through the Home Energy Savings Retrofit
15 Rebate Program, directly and indirectly;

16 (3) a description of what steps could be taken
17 to promote further deployment of energy efficiency
18 and renewable energy retrofits;

19 (4) a description of the quantity of verifiable
20 energy savings, homeowner energy bill savings, and
21 other benefits of the Home Energy Savings Retrofit
22 Rebate Program;

23 (5) a description of any waste, fraud, or abuse
24 with respect to funds made available to carry out
25 this Act; and

1 (6) any other information the Secretary con-
2 siders appropriate.

3 **SEC. 336. ADMINISTRATION.**

4 (a) IN GENERAL.—The Secretary shall provide such
5 administrative and technical support to contractors, rebate
6 aggregators, States, and Indian Tribes as is necessary to
7 carry out this Act.

8 (b) APPOINTMENT OF PERSONNEL.—Notwith-
9 standing the provisions of title 5, United States Code, re-
10 garding appointments in the competitive service and Gen-
11 eral Schedule classifications and pay rates, the Secretary
12 may appoint such professional and administrative per-
13 sonnel as the Secretary considers necessary to carry out
14 this Act.

15 (c) INFORMATION COLLECTION.—The Secretary shall
16 establish, and make available to a homeowner, or the
17 homeowner's designated representative, seeking a rebate
18 under this Act, release forms authorizing access by the
19 Secretary, or a designated third-party representative to in-
20 formation in the utility bills of the homeowner with appro-
21 priate privacy protections in place.

22 **SEC. 337. TREATMENT OF REBATES.**

23 For purposes of the Internal Revenue Code of 1986,
24 gross income shall not include any rebate received under
25 this Act.

1 **SEC. 338. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) IN GENERAL.—There are authorized to be appro-
3 priated to the Secretary to carry out this subtitle
4 \$1,000,000,000 for each of fiscal years 2021 through
5 2030, to remain available until expended.

6 (b) MAINTENANCE OF FUNDING.—Each State receiv-
7 ing Federal funds pursuant to this Act shall provide rea-
8 sonable assurances to the Secretary that it has established
9 policies and procedures designed to ensure that Federal
10 funds provided under this Act will be used to supplement,
11 and not to supplant, State and local funds.

12 (c) TRIBAL ALLOCATION.—Of the amounts made
13 available pursuant to subsection (a) for a fiscal year, the
14 Secretary shall work with Indian Tribes and use 2 percent
15 of such amounts to carry out a program or programs that
16 as close as possible reflect the goals, requirements, and
17 provisions of this Act, taking into account any factors that
18 the Secretary determines to be appropriate.

19 **Subtitle E—Energy Savings**
20 **Performance Contracts**

21 **SEC. 341. ENERGY SAVINGS PERFORMANCE CONTRACTS.**

22 (a) ENERGY MANAGEMENT REQUIREMENTS.—Sec-
23 tion 543(f)(4) of the National Energy Conservation Policy
24 Act (42 U.S.C. 8253(f)(4)) is amended—

25 (1) by striking subparagraph (B);