

**Conference on Recovery Act Bond Financing
Opportunities in Washington State
July 31, 2009
Meydenbauer Center, Bellevue, WA.**

E2SHB 1007 – Creating a Sustainable Energy Trust

Sustainable Energy Trust Program:

- If economically feasible, the Housing Finance Commission (Commission) must develop and implement a Sustainable Energy Trust Program to provide financing for qualified improvement projects.

- In developing the Sustainable Energy Trust Program, the Commission must establish eligibility criteria for financing that will enable it to choose eligible applicants who are likely to repay loans made or acquired by the Commission and funded from the proceeds of Commission bonds.

The Commission is directed to:

- issue bonds for the purpose of financing loans for qualified energy efficiency and renewable energy improvement projects;
- participate fully in federal and other governmental programs and take actions that secure to itself and the people of the state the benefits of programs to promote energy efficiency and renewable energy technologies;
- contract with a certifying authority to accept applications for energy efficiency and renewable energy improvement projects
- to review applications, including binding fixed price bids for the improvements
- to approve qualified improvements for financing by the Commission;

- consult with the Washington State University Energy Extension Program to determine which potential improvement technologies are appropriate

No State General Fund resources may be expended to implement the Sustainable Energy Trust Program.

E2SSB 5649 – Regarding Energy Efficiency In Buildings

Washington State University (WSU) is authorized to implement grants for Pilot programs providing community-wide residential and commercial energy efficiency upgrades.

WSU must coordinate and collaborate with Commerce in the design, administration, and implementation elements of the pilot programs.

There must be at least three pilot programs providing assistance for energy audits and energy efficiency related improvements to structures owned by or used for residential, commercial, or non-profit purposes.

Pilot programs receiving funding must provide a report to WSU of compliance by each sponsor receiving a grant on performance metrics as outlined in the bill.

WSU must provide a progress report on all grant pilot programs to appropriate legislative committees by December 1 of each year.

WSU, in consultation with the Department of Agriculture, must form an interdisciplinary team of agricultural and energy extension agencies to help agricultural producers assess opportunities to increase energy efficiency in all aspects of farm energy uses.

Commerce must establish a process to award grants to financial institutions to create credit enhancements for energy efficiency services and projects.

Commerce must give priority, when awarding grants, to financial institutions that provide consumer financial products or services and direct out-reach for energy efficiency.

Commerce may require any financial institution or other entity receiving funding for credit enhancements to provide information and records relating to loan loss reserves and other financing mechanisms for leveraging state and federal dollars.

Commerce may create an appliance efficiency rebate program with funds available from the appliance efficiency rebate program authorized under the Federal Energy Policy Act.

Where federal funding is available for increasing and improving energy efficiency in low income housing, it must be used to conduct energy audits and implementing energy efficiency measures for housing properties in the

Housing Trust Fund Real Estate portfolio:

Commerce is required to review and prioritize all housing properties in the Housing Trust Fund Real Estate Portfolio to achieve the greatest energy savings, promote health and safety improvements, and use environmentally friendly sustainable practices and technology.

Energy audits of 25 percent of properties over 25 years old must be completed by June 30, 2011.

CTED must give priority to fund implementation of energy efficiency improvements identified in energy audits.

Local municipalities receiving federal stimulus funding through the Energy Efficiency and Conservation Block Grant program or State Energy Program may use these funds to establish loan loss reserves or risk reduction mechanisms to leverage financing for energy efficiency projects.

Commerce must approve all financing mechanisms offered by local municipalities, which must meet all applicable state and federal regulations.

State bond authorities (WSHFC, WHEFA, WHCFA and WEDFA) may use allocated federal energy efficiency funding for designing energy efficiency finance loan products and for developing and operating energy efficiency finance programs.

Commerce may allocate federal funding to the state bond authorities and may direct and administer funding for outreach, marketing, and delivery of energy services to support the bond authorities' programs.

CTED must allocate energy matchmaker funds for low-income weatherization proposals that:

- identify and correct, to the extent possible, health and safety problems including asbestos, lead, and mold hazards;
- create family-wage jobs that may lead to careers in construction or energy efficiency sectors; and
- use, to the extent feasible, environmentally friendly sustainable technologies, practices, and designs.

Priority must be given to weatherizing low income households with incomes at or below 125 percent of the federal poverty level.

Commerce must require sponsors to:

- hire individuals trained from workforce training and apprentice programs, if available,
- pay prevailing wages,
- hire from the community in which the project is located, and
- create employment opportunities for veterans, National Guard members, and low-income and disadvantage populations.