

111TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To require the Secretary of Energy to establish the Home Star Retrofit Rebate program, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

\_\_\_\_\_ introduced the following bill; which was read twice  
and referred to the Committee on \_\_\_\_\_

\_\_\_\_\_

**A BILL**

To require the Secretary of Energy to establish the Home Star Retrofit Rebate program, 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 “Home Star Act of  
5       2010”.

6       **SEC. 2. DEFINITIONS.**

7       In this Act:

8               (1) ACCREDITED CONTRACTOR.—The term “ac-  
9       credited contractor” means a residential energy effi-  
10      ciency contractor that is—

1 (A) licensed and insured consistent with  
2 qualified contractor requirements; and

3 (B) accredited by—

4 (i) the BPI; or

5 (ii) other standards approved by the  
6 Secretary.

7 (2) ADMINISTRATOR.—The term “Adminis-  
8 trator” means the Administrator of the Environ-  
9 mental Protection Agency.

10 (3) BPI.—The term “BPI” means the Building  
11 Performance Institute, which is a nonprofit certifi-  
12 cation and standard setting organization for home  
13 performance retrofits and repairs.

14 (4) CERTIFIED WORKFORCE.—The term “cer-  
15 tified workforce” means a residential energy effi-  
16 ciency construction workforce of a contractor that is  
17 entirely certified in the appropriate job skills for all  
18 employees performing installation work under—

19 (A) an applicable third party skills stand-  
20 ard established by—

21 (i) the BPI;

22 (ii) the North American Technician  
23 Excellence; or

24 (iii) the Laborers’ International Union  
25 of North America; or

1 (B) other standards approved by the Sec-  
2 retary, in consultation with the Secretary of  
3 Labor and the Administrator.

4 (5) CONDITIONED SPACE.—The term “condi-  
5 tioned space” means the area of a home that is —

6 (A) intended for habitation; and

7 (B) intentionally heated or cooled.

8 (6) DOE.—The term “DOE” means the De-  
9 partment of Energy.

10 (7) ELECTRIC UTILITY.—The term “electric  
11 utility” means any person or State agency that de-  
12 livers or sells electric energy at retail, including non-  
13 regulated utilities and utilities that are subject to  
14 State regulation and Federal power marketing ad-  
15 ministrations.

16 (8) EPA.—The term “EPA” means the Envi-  
17 ronmental Protection Agency.

18 (9) GOLD STAR HOME ENERGY RETROFIT PRO-  
19 GRAM.—The term “Gold Star home energy retrofit  
20 program” means the Gold Star home energy retrofit  
21 program established under section 6.

22 (10) HOME.—The term “home” means a prin-  
23 cipal residential dwelling unit in a building with no  
24 more than 4 stories that—

25 (A) is located in the United States; and

1 (B) was constructed before the date of en-  
2 actment of this Act.

3 (11) HOME STAR ENERGY EFFICIENCY LOAN  
4 PROGRAM.—The term “Home Star energy efficiency  
5 loan program” means the Home Star energy effi-  
6 ciency loan program established under section 14(a).

7 (12) INDIAN TRIBE.—The term “Indian tribe”  
8 has the meaning given the term in section 4 of the  
9 Indian Self-Determination and Education Assistance  
10 Act (25 U.S.C. 450b).

11 (13) NATIONAL HOME PERFORMANCE COUN-  
12 CIL.—The term “National Home Performance Coun-  
13 cil” means the National Home Performance Council,  
14 Inc., which is a nonprofit corporation created to pro-  
15 mote whole home energy efficiency retrofits.

16 (14) NATURAL GAS UTILITY.—The term “nat-  
17 ural gas utility” means any person or State agency  
18 that transports, distributes, or sells natural gas at  
19 retail, including nonregulated utilities and utilities  
20 that are subject to State regulation.

21 (15) QUALITY ASSURANCE PROGRAM.—

22 (A) IN GENERAL.—The term “quality as-  
23 surance program” means a program established  
24 under this Act that is implemented through  
25 procedures established by a State, with funding

1 and oversight by the Secretary, to oversee the  
2 delivery of home efficiency retrofit programs  
3 sponsored or overseen by a State to ensure that  
4 work is accurately performed in accordance  
5 with standards and criteria established under  
6 this Act, including inspections of worker certifi-  
7 cations, penalties, or remediation for improper  
8 or ineligible work, and other applicable code re-  
9 quirements.

10 (B) INCLUSIONS.—The term “quality as-  
11 surance program” includes delivery of quality  
12 assurance reviews of rebate applications and  
13 field inspections with the consent of partici-  
14 pating consumers and without delaying pay-  
15 ments to consumers.

16 (16) QUALITY ASSURANCE PROVIDER.—

17 (A) IN GENERAL.—The term “quality as-  
18 surance provider” means any entity that en-  
19 sures the competence and qualifications of con-  
20 tractors for or installers of home energy effi-  
21 ciency retrofits.

22 (B) INCLUSIONS.—The term “quality as-  
23 surance provider” includes a person certified  
24 through—

25 (i) the International Code Council;

- 1 (ii) the BPI;
- 2 (iii) the RESNET;
- 3 (iv) a State;
- 4 (v) a State-approved energy efficiency
- 5 program; or
- 6 (vi) other entities designated by the
- 7 Secretary, in consultation with the Admin-
- 8 istrator.

9 (17) **QUALIFIED CONTRACTOR.**—The term  
10 “qualified contractor” means a residential energy ef-  
11 ficiency contractor qualified to participate in the  
12 program established under this Act by meeting min-  
13 imum applicable State contractor requirements and  
14 other requirements, as determined by the Secretary,  
15 including—

16 (A) contractor licensing requirements or (if  
17 the State has no State licensing requirement)  
18 Federal identification number;

19 (B) insurance of at least \$1,000,000 for  
20 general liability and such other levels as may be  
21 required by the State; and

22 (C) warranties that completed work under  
23 the program will—

24 (i) be free of defects;

- 1 (ii) be installed in accordance with the  
2 specifications of the manufacturer; and  
3 (iii) perform properly for a period of  
4 at least 1 year after the date of comple-  
5 tion.

6 (18) REBATE AGGREGATOR.—The term “rebate  
7 aggregator” means an entity that meets the require-  
8 ments of section 4.

9 (19) RESNET.—The term “RESNET” means  
10 the Residential Energy Services Network, which is a  
11 nonprofit certification and standard setting organi-  
12 zation for home energy raters that evaluate the en-  
13 ergy performance of a home.

14 (20) SECRETARY.—The term “Secretary”  
15 means the Secretary of Energy.

16 (21) SILVER STAR HOME ENERGY RETROFIT  
17 PROGRAM.—The term “Silver Star home energy ret-  
18 rofit program” means the Silver Star home energy  
19 retrofit program established under section 5.

20 (22) STATE.—The term “State” means—

- 21 (A) a State;  
22 (B) the District of Columbia;  
23 (C) the Commonwealth of Puerto Rico;  
24 (D) Guam;  
25 (E) American Samoa; and

1 (F) the United States Virgin Islands.

2 **SEC. 3. HOME STAR RETROFIT REBATE PROGRAM.**

3 (a) IN GENERAL.—The Secretary shall establish the  
4 Home Star Retrofit Rebate program.

5 (b) ADMINISTRATION.—

6 (1) APPOINTMENT OF PERSONNEL.—Notwith-  
7 standing the provisions of title 5, United States  
8 Code, governing appointments in the competitive  
9 service and General Schedule classifications and pay  
10 rates, the Secretary may appoint such professional  
11 and administrative personnel as the Secretary con-  
12 siderers necessary to carry out this Act.

13 (2) RATE OF PAY.—The rate of pay for a per-  
14 son appointed under paragraph (1) shall not exceed  
15 the maximum rate payable for GS-15 of the General  
16 Schedule under chapter 53 of title 5, United States  
17 Code.

18 (3) CONSULTANTS.—Notwithstanding section  
19 303 of the Federal Property and Administrative  
20 Services Act of 1949 (41 U.S.C. 253), the Secretary  
21 may retain such consultants on a noncompetitive  
22 basis as the Secretary considers necessary to carry  
23 out this Act.

24 (4) CONTRACTING.—In carrying out this Act,  
25 the Secretary may waive all or part of any provision

1 of the Competition in Contracting Act of 1984 (Pub-  
2 lic Law 98–369; 98 Stat. 1175), an amendment  
3 made by that Act, or the Federal Acquisition Regu-  
4 lation on a determination that circumstances make  
5 compliance with the provisions contrary to the public  
6 interest.

7 (5) REGULATIONS.—

8 (A) IN GENERAL.—Notwithstanding sec-  
9 tion 553 of title 5, United States Code, the Sec-  
10 retary may issue regulations that the Secretary,  
11 in the sole discretion of the Secretary, deter-  
12 mines necessary to carry out the Home Star  
13 Retrofit Rebate program.

14 (B) DEADLINE.—If the Secretary deter-  
15 mines that regulations described in subpara-  
16 graph (A) are necessary, the regulations shall  
17 be issued not later than 60 days after the date  
18 of the enactment of this Act.

19 (6) INFORMATION COLLECTION.—Chapter 35 of  
20 title 44, United States Code, shall not apply to any  
21 information collection requirement necessary for the  
22 implementation of the Home Star Retrofit Rebate  
23 program.

24 (c) REBATE PROCESSING SYSTEM.—

1           (1) IN GENERAL.—Not later than 30 days after  
2           the date of enactment of this Act, the Secretary, in  
3           consultation with the Secretary of the Treasury and  
4           the Administrator, shall—

5                   (A) establish a database and information  
6                   technology system that will allow rebate  
7                   aggregators to submit claims for reimbursement  
8                   using standard data protocols;

9                   (B) establish a national website that pro-  
10                  vides information on rebate programs to im-  
11                  prove the energy efficiency of homes; and

12                   (C) publish model forms and data proto-  
13                   cols for use by qualified contractors and quality  
14                   assurance providers.

15           (2) MODEL CERTIFICATION FORMS.—In car-  
16           rying out this section, the Secretary shall consider  
17           the model certification forms developed by the Na-  
18           tional Home Performance Council.

19           (d) UPDATES TO REBATE AMOUNTS.—Effective be-  
20           ginning on the date that 180 days after the date of enact-  
21           ment of this Act, the Secretary may adjust the rebate  
22           amounts provided under the Home Star Retrofit Rebate  
23           program based on program data.

24           (e) INFORMATION TO HOMEOWNERS, CONTRACTORS  
25           AND EQUIPMENT INSTALLERS.—Not later than 30 days

1 after the date of enactment of this Act, the Secretary shall  
2 make available on an Internet website and through other  
3 means, information about the Home Star Retrofit Rebate  
4 program, including—

5 (1) how to determine whether particular effi-  
6 ciency measures are eligible for rebate; and

7 (2) how to participate in the program.

8 **SEC. 4. REBATE AGGREGATORS.**

9 (a) IN GENERAL.—The Secretary shall develop a net-  
10 work of rebate aggregators that can facilitate the delivery  
11 of rebates to participating contractors by—

12 (1) reviewing the proposed rebate application  
13 for completeness and accuracy;

14 (2) reviewing measures for eligibility in accord-  
15 ance with this Act;

16 (3) providing data to the Federal Data Proc-  
17 essing Center consistent with data protocols estab-  
18 lished by the Secretary; and

19 (4) as soon as practicable but not later than 30  
20 days after the date of receipt, distributing funds re-  
21 ceived from DOE to contractors, vendors, or other  
22 persons who have been approved for rebates by a  
23 quality assurance provider, if funding to contractors,  
24 vendors, or other persons is required by the Sec-  
25 retary.

1 (b) ELIGIBILITY.—To be eligible to apply to the Sec-  
2 retary for approval as a rebate aggregator, an entity shall  
3 be—

4 (1) a Home Performance with Energy Star  
5 partner;

6 (2) an entity administering a residential energy  
7 efficiency retrofit program established or approved  
8 by a State;

9 (3) a Federal Power Marketing Administration,  
10 an electric utility, or a natural gas utility that has—

11 (A) an approved residential energy effi-  
12 ciency retrofit program; and

13 (B) an established quality assurance pro-  
14 vider network; or

15 (4) an entity that demonstrates to the Sec-  
16 retary that the entity can perform the functions of  
17 an rebate aggregator, without disrupting existing  
18 residential retrofits in the States that are incor-  
19 porating the Home Star Program, including dem-  
20 onstration of—

21 (A) a relationship with 1 or more quality  
22 assurance providers that is sufficient to meet  
23 the volume of contracting services delivered;

24 (B) corporate status or status as a State  
25 or local government;

1 (C) the capability to provide electronic  
2 data to the Federal rebate processing system;

3 (D) a financial system that is capable of  
4 tracking the distribution of rebates to partici-  
5 pating contractors; and

6 (E) coordination and cooperation by the  
7 entity with the appropriate State energy office  
8 regarding participation in the existing energy  
9 efficiency programs that will be delivering the  
10 Home Star Program.

11 **SEC. 5. SILVER STAR HOME ENERGY RETROFIT PROGRAM.**

12 (a) IN GENERAL.—If the energy efficiency retrofit of  
13 a home is carried out after the date of enactment of this  
14 Act in accordance with this section, a rebate shall be  
15 awarded for the energy retrofit of a home for the installa-  
16 tion of energy savings measures—

17 (1) selected from the list of energy savings  
18 measures described in subsection (b);

19 (2) installed in the home by a qualified con-  
20 tractor; and

21 (3) carried out in compliance with this section.

22 (b) ENERGY SAVINGS MEASURES.—Subject to sub-  
23 section (c), a rebate shall be awarded under this section  
24 for the installation of the following energy savings meas-

1 ures for a home energy retrofit that meet technical stand-  
2 ards established under this section:

3 (1) Whole house air-sealing measures, in ac-  
4 cordance with BPI standards or other procedures  
5 approved by the Secretary.

6 (2) Attic insulation measures that—

7 (A) include sealing of air leakage between  
8 the attic and the conditioned space, in accord-  
9 ance with BPI standards or the attic portions  
10 of the DOE or EPA thermal bypass checklist or  
11 other procedures approved by the Secretary;

12 (B) add at least R-19 insulation to exist-  
13 ing insulation;

14 (C) result in at least R-38 insulation in  
15 DOE climate zones 1 through 4 and at least R-  
16 49 insulation in DOE climate zones 5 through  
17 8, including existing insulation, within the lim-  
18 its of structural capacity; and

19 (D) cover at least—

20 (i) 100 percent of an accessible attic;

21 or

22 (ii) 75 percent of a total conditioned  
23 space floor area.

24 (3) Duct seal or replacement that—

1 (A) is installed in accordance with BPI  
2 standards or other procedures approved by the  
3 Secretary; and

4 (B) in the case of duct replacement, re-  
5 places at least 50 percent of a distribution sys-  
6 tem.

7 (4) Wall insulation that—

8 (A) is installed in accordance with BPI  
9 standards or other procedures approved by the  
10 Secretary;

11 (B) is to full-stud thickness; and

12 (C) covers at least 75 percent of total wall  
13 area.

14 (5) Crawl space insulation or basement wall  
15 and rim joist insulation that is installed in accord-  
16 ance with BPI standards or other procedures ap-  
17 proved by the Secretary—

18 (A) covers at least 500 square feet of crawl  
19 space or basement wall and adds at least—

20 (i) R-19 of cavity insulation or R-15  
21 of continuous insulation to existing crawl  
22 space insulation; or

23 (ii) R-13 of cavity insulation or R-10  
24 of continuous insulation to basement walls;  
25 and

1 (B) fully covers the rim joist with at least  
2 R-10 of new continuous or R-13 of cavity insu-  
3 lation.

4 (6) Window replacement that replaces at least  
5 8 exterior windows and skylights, or 75 percent of  
6 the exterior windows and skylights in a home, which-  
7 ever is less, with windows and skylights that—

8 (A) are certified by the National Fenestra-  
9 tion Rating Council; and

10 (B) comply with criteria applicable to win-  
11 dows and skylights under section 25(c) of the  
12 Internal Revenue Code of 1986.

13 (7) Door replacement that replaces at least 1  
14 exterior door with doors that comply with criteria  
15 applicable to doors under section 25(c) of the Inter-  
16 nal Revenue Code of 1986.

17 (8)(A) Heating system replacement of—

18 (i) a natural gas or propane furnace with  
19 an AFUE of 92 or greater;

20 (ii) a natural gas or propane boiler with an  
21 AFUE of 90 or greater;

22 (iii) an oil furnace with an AFUE of 86 or  
23 greater that uses an electrically commutated  
24 blower motor;

1 (iv) an oil boiler with an AFUE of 86 or  
2 greater that has temperature reset or thermal  
3 purge controls; or

4 (v) a wood or wood pellet furnace, boiler,  
5 or stove, if—

6 (I) the new system is the primary  
7 heating system in a home that—

8 (aa) meets at least 75 percent of  
9 the heating demands of the home;

10 (bb) has a distribution system  
11 (such as ducts or vents) that allows  
12 heat to reach all or most parts of the  
13 home; and

14 (cc) in the case of a wood stove,  
15 replaces an existing wood stove; and

16 (II) a third party certifies that the  
17 new system—

18 (aa) has thermal efficiency (with  
19 a lower heating value) of at least 75  
20 percent for stoves and 80 percent for  
21 furnaces and boilers; and

22 (bb) has particulate emissions of  
23 less than 4.5 grams per hour for  
24 stoves.

1 (B) A rebate may be provided under this sec-  
2 tion for the replacement of a furnace or boiler de-  
3 scribed in clauses (i) through (iv) of subparagraph  
4 (A) only if the new furnace or boiler is installed in  
5 accordance with ANSI/ACCA Standard 5 QI –  
6 2007.

7 (9) Air-conditioner or heat-pump replacement  
8 with a new unit that—

9 (A) is installed in accordance with ANSI/  
10 ACCA Standard 5 QI–2007; and

11 (B) meets or exceeds—

12 (i) in the case of an air conditioner,  
13 SEER 16 and EER 13; and

14 (ii) in the case of a heat pump, SEER  
15 15 and EER 12.5 and HSPF 8.5.

16 (10) Replacement of or with—

17 (A) a natural gas or propane water heater  
18 with a storage water heater with an energy fac-  
19 tor of 0.80 or more or a thermal efficiency of  
20 90 percent or more;

21 (B) a tankless natural gas or propane  
22 water heater with an energy factor of at least  
23 .82;

24 (C) a natural gas or propane storage water  
25 heater with an energy factor of at least .67;

1 (D) an indirect water heater with an insu-  
2 lated storage tank that—

3 (i) has a storage capacity of at least  
4 30 gallons and is insulated to at least R-  
5 16; and

6 (ii) is installed in conjunction with a  
7 qualifying boiler described in paragraph  
8 (7);

9 (E) an electric water heater with an energy  
10 factor of 2.0 or more; or

11 (F) a water heater with a solar hot water  
12 system that—

13 (i) is certified by the Solar Rating and  
14 Certification Corporation; or

15 (ii) meets technical standards estab-  
16 lished by the State of Hawaii.

17 (c) INSTALLATION COSTS.—Measures described in  
18 paragraphs (1) through (10) of subsection (b) shall in-  
19 clude expenditures for labor and other installation-related  
20 costs properly allocable to the onsite preparation, assem-  
21 bly, or original installation of the component.

22 (d) AMOUNT OF REBATE.—

23 (1) IN GENERAL.—Subject to paragraphs (2)  
24 through (4), the amount of a rebate provided to the  
25 owner of a home or designee under this section shall

1 be \$1,000 per measure for the installation of energy  
2 savings measures described in subsection (b)

3 (2) HIGHER REBATE AMOUNT.—Subject to  
4 paragraph (4), the amount of a rebate provided to  
5 the owner of a home or designee under this section  
6 shall be \$1,500 per measure for—

7 (A) attic insulation and air sealing de-  
8 scribed in subsection (b)(2); and

9 (B) wall insulation described in subsection  
10 (b)(4).

11 (3) LOWER REBATE AMOUNT.—Subject to para-  
12 graph (4), the amount of a rebate provided to the  
13 owner of a home or designee under this section shall  
14 be—

15 (A) \$125 per door for the installation of  
16 up to 2 Energy Star doors described in sub-  
17 section (b)(7);

18 (B) \$250 for a tankless natural gas or pro-  
19 pane storage water heater described in sub-  
20 section (b)(10)(C); and

21 (C) \$250 for rim joist insulation described  
22 in subsection (b)(5)(B).

23 (4) MAXIMUM AMOUNT.—The total amount of a  
24 rebate provided to the owner of a home or designee  
25 under this section shall not exceed the lower of—

- 1 (A) \$3,000;
- 2 (B) the sum of the amounts per measure
- 3 specified in paragraphs (1) through (3);
- 4 (C) 50 percent of the total cost of the in-
- 5 stalled measures; or
- 6 (D) the reduction in the price paid by the
- 7 owner of the home, relative to the price of the
- 8 installed measures in the absence of the Silver
- 9 Star home energy retrofit program.

10 (e) QUALIFICATION.—On submission of a claim by a  
11 rebate aggregator to the system established under section  
12 4, the Secretary shall provide reimbursement to the rebate  
13 aggregator for reduced-cost energy-efficiency measures in-  
14 stalled in a home, if—

- 15 (1) the measures undertaken for the retrofit
- 16 are—

- 17 (A) eligible measures described on the list
- 18 established under subsection (b);

- 19 (B) installed properly in accordance with
- 20 applicable technical specifications; and

- 21 (C) installed by a qualified contractor;

- 22 (2) the amount of the rebate does not exceed
- 23 the maximum amount described in subsection (d)(4);

- 24 (3) not less than—

1 (A) 20 percent of the retrofits performed  
2 by each qualified contractor under this section  
3 are randomly subject to a third-party field  
4 verification of all work associated with the ret-  
5 rofit by a quality assurance provider; or

6 (B) in the case of qualified contractor that  
7 uses a certified workforce, 10 percent of the  
8 retrofits performed under this section are ran-  
9 domly subject to a third-party field verification  
10 of all work associated with the retrofit by a  
11 quality assurance provider; and

12 (4)(A) the installed measures will be brought  
13 into compliance with the specifications and quality  
14 standards for the Home Star Retrofit Rebate pro-  
15 gram, by the installing qualified contractor, at no  
16 additional cost to the homeowner, not later than 14  
17 days after the date of notification of a defect, if a  
18 field verification by a quality assurance provider  
19 finds that corrective work is needed;

20 (B) a subsequent quality assurance visit is con-  
21 ducted to evaluate the remedy not later than 7 days  
22 after notification of the defect; and

23 (C) notification of disposition of the visit occurs  
24 not later than 7 days after the date of that visit.

25 (f) AUDITS.—

1           (1) IN GENERAL.—On making payment for a  
2           submission under this section, the Secretary shall re-  
3           view rebate requests to determine whether program  
4           requirements were met in all respects.

5           (2) INCORRECT PAYMENT.—On a determination  
6           of the Secretary under paragraph (1) that a pay-  
7           ment was made incorrectly to a party, the Secretary  
8           may—

9                   (A) recoup the amount of the incorrect  
10           payment; or

11                   (B) withhold the amount of the incorrect  
12           payment from the next payment made to the  
13           party pursuant to a subsequent request.

14       (g) FORMS FOR SILVER STAR CERTIFICATION AND  
15       QUALITY ASSURANCE.—

16           (1) IN GENERAL.—Not later than 30 days after  
17           the date of enactment of this Act, the Secretary  
18           shall make available on a designated website, model  
19           certification forms for compliance with quality assur-  
20           ance requirements under this section, to be sub-  
21           mitted by—

22                   (A) each qualified contractor and quality  
23           assurance provider on completion of an eligible  
24           home energy retrofit; and

1 (B) each quality assurance provider on  
2 completion of third party field verification.

3 (2) NATIONAL HOME PERFORMANCE COUN-  
4 CIL.—The Secretary, States, and Indian tribes may  
5 use model certification forms developed by the Na-  
6 tional Home Performance Council to ensure compli-  
7 ance with quality assurance requirements under this  
8 section.

9 **SEC. 6. GOLD STAR HOME ENERGY RETROFIT PROGRAM.**

10 (a) IN GENERAL.—If the energy efficiency retrofit of  
11 a home is carried out after the date of enactment of this  
12 Act by an accredited contractor in accordance with this  
13 section, a rebate shall be awarded for retrofits that achieve  
14 whole home energy savings.

15 (b) AMOUNT OF GRANT.—Subject to subsection (e),  
16 the amount of a rebate provided to the owner of a home  
17 or a designee of the owner under this section shall be—

18 (1) \$3,000 for a 20-percent reduction in whole  
19 home energy consumption; and

20 (2) an additional \$1,000 for each additional 5-  
21 percent reduction up to the lower of—

22 (A) \$8,000; or

23 (B) 50 percent of the total retrofit cost.

24 (c) ENERGY SAVINGS.—

1           (1) IN GENERAL.—Reductions in whole home  
2           energy consumption under this section shall be de-  
3           termined by a comparison of the simulated energy  
4           consumption of the home before and after the ret-  
5           rofit of the home.

6           (2) DOCUMENTATION.—The percent improve-  
7           ment in energy consumption under this section shall  
8           be documented through—

9                   (A)(i) the use of a whole home simulation  
10                  software program that has been approved as a  
11                  commercial alternative under the Weatheriza-  
12                  tion Assistance Program for Low-Income Per-  
13                  sons established under part A of title IV of the  
14                  Energy Conservation and Production Act (42  
15                  U.S.C. 6861 et seq.); or

16                  (ii) a equivalent performance test estab-  
17                  lished by the Secretary, in consultation with the  
18                  Administrator; or

19                   (B)(i) the use of a whole home simulation  
20                  software program that has been approved under  
21                  RESNET Publication No. 06–001 (or a suc-  
22                  cessor publication approved by the Secretary);

23                  (ii) an equivalent performance test estab-  
24                  lished by the Secretary; or

1 (iii) a State-certified equivalent rating net-  
2 work, as specified by IRS Notice 2008–35; or

3 (iv) a HERS rating system required by  
4 State law.

5 (3) MONITORING.—The Secretary—

6 (A) shall continuously monitor the software  
7 packages used for determining rebates under  
8 this section; and

9 (B) may disallow the use of software pro-  
10 grams that improperly assess energy savings.

11 (4) ASSUMPTIONS AND TESTING.—The Sec-  
12 retary may—

13 (A) establish simulation tool assumptions  
14 for the establishment of the pre-retrofit energy  
15 use;

16 (B) require compliance with software per-  
17 formance tests covering—

18 (i) mechanical system performance;

19 (ii) duct distribution system efficiency;

20 (iii) hot water performance; or

21 (iv) other measures; and

22 (C) require the simulation of pre-retrofit  
23 energy usage to be bounded by metered pre-ret-  
24 rofit energy usage.

1           (5) RECOMMENDED MEASURES.—The simula-  
2           tion tool shall have the ability at a minimum to as-  
3           sess the savings associated with all the measures for  
4           which incentives are specifically provided under the  
5           Silver Star home energy retrofit program.

6           (d) QUALIFICATION.—On submission of a claim by  
7           a rebate aggregator to the system established under sec-  
8           tion 4, the Secretary shall provide reimbursement to the  
9           rebate aggregator for reduced-cost whole-home retrofits,  
10          if—

11           (1) the retrofit is performed by an accredited  
12          contractor;

13           (2) the amount of the reimbursement is not  
14          more than the amount described in subsection (b);

15           (3) documentation described in subsection (c) is  
16          transmitted with the claim;

17           (4) a home receiving a whole-home retrofit is  
18          subject to random third-party field verification by a  
19          quality assurance provider in accordance with sub-  
20          section (e); and

21           (5)(A) the installed measures will be brought  
22          into compliance with the specifications and quality  
23          standards for the Home Star Retrofit Rebate pro-  
24          gram, by the installing qualified contractor, at no  
25          additional cost to the homeowner, not later than 14

1 days after the date of notification of a defect if a  
2 field verification by a quality assurance provider  
3 finds that corrective work is needed;

4 (B) a subsequent quality assurance visit is con-  
5 ducted to evaluate the remedy not later than 7 days  
6 after notification of the defect; and

7 (C) notification of disposition of the visit occurs  
8 not later than 7 days after the date of that visit.

9 (e) VERIFICATION.—

10 (1) IN GENERAL.—Subject to subparagraph  
11 (2), all work installed in a home receiving a whole-  
12 home retrofit by an accredited contractor under this  
13 section shall be subject to random third-party field  
14 verification by a quality assurance provider at a rate  
15 of—

16 (A) 15 percent; or

17 (B) in the case of work performed by an  
18 accredited contractor using a certified work-  
19 force, 10 percent.

20 (2) VERIFICATION NOT REQUIRED.—A home  
21 shall not be subject to random third-party field  
22 verification under this section if—

23 (A) a post-retrofit home energy rating is  
24 conducted by an eligible certifier in accordance  
25 with—

1 (i) RESNET Publication No. 06–001  
2 (or a successor publication approved by the  
3 Secretary);

4 (ii) a State-certified equivalent rating  
5 network, as specified in IRS Notice 2008–  
6 35; or

7 (iii) a HERS rating system required  
8 by State law;

9 (B) the eligible certifier is independent of  
10 the qualified contractor or accredited contractor  
11 in accordance with RESNET Publication No.  
12 06–001 (or a successor publication approved by  
13 the Secretary); and

14 (C) the rating includes field verification of  
15 measures.

16 (f) AUDITS.—

17 (1) IN GENERAL.—On making payment for a  
18 submission under this section, the Secretary shall re-  
19 view rebate requests to determine whether program  
20 requirements were met in all respects.

21 (2) INCORRECT PAYMENT.—On a determination  
22 of the Secretary under paragraph (1) that a pay-  
23 ment was made incorrectly to a party, the Secretary  
24 may—

1 (A) recoup the amount of the incorrect  
2 payment; or

3 (B) withhold the amount of the incorrect  
4 payment from the next payment made to the  
5 party pursuant to a subsequent request.

6 (g) FORMS FOR GOLD STAR CERTIFICATION AND  
7 QUALITY ASSURANCE.—

8 (1) IN GENERAL.—Not later than 30 days after  
9 the date of enactment of this Act, the Secretary  
10 shall make available on a designated website, model  
11 certification forms for compliance with quality assur-  
12 ance requirements under this section, to be sub-  
13 mitted by—

14 (A) each qualified contractor and quality  
15 assurance provider on completion of an eligible  
16 home energy retrofit; and

17 (B) each quality assurance provider on  
18 completion of third party field verification.

19 (2) NATIONAL HOME PERFORMANCE COUN-  
20 CIL.—The Secretary, States, and Indian tribes may  
21 use model certification forms developed by the Na-  
22 tional Home Performance Council to ensure compli-  
23 ance with quality assurance requirements under this  
24 section.

1 (h) ADMINISTRATION.—Effective beginning on the  
2 date that is 270 days after the date of enactment of this  
3 Act, the Secretary may adjust the rebate amounts pro-  
4 vided under this section based on the use of the Silver  
5 Star home energy retrofit program and the Gold Star  
6 home energy retrofit program and other program data.

7 **SEC. 7. GRANTS TO STATES AND INDIAN TRIBES.**

8 (a) IN GENERAL.—A State or Indian tribe that re-  
9 ceives a grant under subsection (d) shall notify the Sec-  
10 retary that the State or Indian tribe will use the funds  
11 to carry out—

12 (1) the delivery of the Home Star Retrofit Re-  
13 bate program through an existing or planned State,  
14 multistate, or tribal home energy efficiency retrofit  
15 program; or

16 (2) a quality assurance program.

17 (b) INITIAL GRANTS.—Not later than 30 days after  
18 the date of enactment of this Act, the Secretary shall  
19 make the initial grants available under this section.

20 (c) INDIAN TRIBES.—The Secretary shall reserve an  
21 appropriate amount of funding to be made available to  
22 carry out this section for each fiscal year to make grants  
23 available to Indian tribes under this section.

24 (d) STATE ALLOTMENTS.—From the amounts made  
25 available to carry out this section for each fiscal year re-

1 maining after the reservation required under subsection  
2 (c), the Secretary shall make grants available to States  
3 in accordance with section 15.

4 (e) QUALITY ASSURANCE PROGRAMS.—

5 (1) IN GENERAL.—A State or Indian tribe may  
6 use a grant made under this section to carry out a  
7 quality assurance program that is—

8 (A) operated as part of a State energy con-  
9 servation plan established under part D of title  
10 III of the Energy Policy and Conservation Act  
11 (42 U.S.C. 6321 et seq.);

12 (B) managed by the office or the designee  
13 of the office that is—

14 (i) responsible for the development of  
15 the plan under section 362 of that Act (42  
16 U.S.C. 6322); and

17 (ii) to the maximum extent prac-  
18 ticable, conducting an existing energy effi-  
19 ciency program; and

20 (C) in the case of a grant made to an In-  
21 dian tribe, managed by an entity designated by  
22 the Indian tribe to carry out a quality assur-  
23 ance program or a national quality assurance  
24 program manager.

1           (2) NONCOMPLIANCE.—If the Secretary deter-  
2           mines that a State or Indian tribe has not provided  
3           or cannot provide adequate oversight over a quality  
4           assurance program to ensure compliance with this  
5           Act, the Secretary may—

6                   (A) withhold further quality assurance  
7                   funds from the State or Indian tribe; and

8                   (B) require that quality assurance pro-  
9                   viders operating in the State or by the Indian  
10                  tribe be overseen by a national quality assur-  
11                  ance program manager selected by the Sec-  
12                  retary.

13          (f) IMPLEMENTATION.—A State or Indian tribe that  
14          receives a grant under this section may implement a qual-  
15          ity assurance program through the State, the Indian tribe,  
16          or a third party designated by the State or Indian tribe,  
17          including—

18                   (1) an energy service company;

19                   (2) an electric utility;

20                   (3) a natural gas utility;

21                   (4) a third-party administrator designated by  
22          the State or Indian tribe; or

23                   (5) a unit of local government.

24          (g) PUBLIC-PRIVATE PARTNERSHIPS.—A State or  
25          Indian tribe that receives a grant under this section are

1 encouraged to form partnerships with utilities, energy  
2 service companies, and other entities—

3 (1) to assist in marketing a program;

4 (2) to facilitate consumer financing;

5 (3) to assist in implementation of the Silver  
6 Star home energy retrofit program and the Gold  
7 Star home energy retrofit program, including instal-  
8 lation of qualified energy retrofit measures; and

9 (4) to assist in implementing quality assurance  
10 programs.

11 (h) COORDINATION OF REBATE AND EXISTING  
12 STATE-SPONSORED PROGRAMS.—

13 (1) IN GENERAL.—A State or Indian tribe  
14 shall, to the maximum extent practicable, prevent  
15 duplication through coordination of a program au-  
16 thorized under this Act with—

17 (A) the Energy Star appliance rebates pro-  
18 gram authorized under the American Recovery  
19 and Reinvestment Act of 2009 (Public Law  
20 111–5; 123 Stat. 115); and

21 (B) comparable programs planned or oper-  
22 ated by States, political subdivisions, electric  
23 and natural gas utilities, Federal power mar-  
24 keting administrations, and Indian tribes.

1           (2) EXISTING PROGRAMS.—In carrying out this  
2 subsection, a State or Indian tribe shall—

3           (A) give priority to—

4                 (i) comprehensive retrofit programs in  
5 existence on the date of enactment of this  
6 Act, including programs under the super-  
7 vision of State utility regulators; and

8                 (ii) using Home Star funds made  
9 available under this Act to enhance and ex-  
10 tend existing programs; and

11           (B) seek to enhance and extend existing  
12 programs by coordinating with administrators  
13 of the programs.

14 **SEC. 8. QUALITY ASSURANCE FRAMEWORK.**

15         (a) IN GENERAL.—Not later than 180 days after the  
16 date that the Secretary initially provides funds to a State  
17 under this Act, the State shall submit to the Secretary  
18 a plan to implement a quality assurance program that cov-  
19 ers all federally assisted residential efficiency retrofit work  
20 administered, supervised, or sponsored by the State.

21         (b) IMPLEMENTATION.—The State shall—

22                 (1) develop a quality assurance framework in  
23 consultation with industry stakeholders, including  
24 representatives of efficiency program managers, con-

1 tractors, and environmental, energy efficiency, and  
2 labor organizations; and

3 (2) implement the quality assurance framework  
4 not later than January 1, 2011.

5 (c) COMPONENTS.—The quality assurance framework  
6 established under this section shall include—

7 (1) a requirement that contractors be  
8 prequalified in order to be authorized to perform  
9 federally assisted residential retrofit work;

10 (2) maintenance of a list of prequalified con-  
11 tractors authorized to perform federally assisted res-  
12 idential retrofit work; and

13 (3) minimum standards for prequalified con-  
14 tractors that include—

15 (A) accreditation;

16 (B) legal compliance procedures;

17 (C) proper classification of employees;

18 (D) use of a certified workforce;

19 (E) maintenance of records needed to  
20 verify compliance;

21 (4) targets and realistic plans for—

22 (A) the recruitment of small minority or  
23 women-owned business enterprises;

24 (B) the employment of graduates of train-  
25 ing programs that primarily serve low-income

1 populations with a median income that is below  
2 200 percent of the poverty line (as defined in  
3 section 673(2) of the Community Services  
4 Block Grant Act (42 U.S.C. 9902(2), including  
5 any revision required by that section)) by par-  
6 ticipating contractors; and

7 (5) a plan to link workforce training for energy  
8 efficiency retrofits with training for the broader  
9 range of skills and occupations in construction or  
10 emerging clean energy industries.

11 (d) NONCOMPLIANCE.—If the Secretary determines  
12 that a State has not taken the steps required under this  
13 section, the Secretary shall provide to the State a period  
14 of at least 90 days to comply before suspending the par-  
15 ticipation of the State in the program.

16 **SEC. 9. REPORT.**

17 (a) IN GENERAL.—Not later than 1 year after the  
18 date of enactment of this Act, the Secretary shall submit  
19 to the Committee on Energy and Natural Resources of  
20 the Senate and the Committee on Energy and Commerce  
21 of the House of Representatives a report on the use of  
22 funds under this Act.

23 (b) CONTENTS.—The report shall include a descrip-  
24 tion of—

1           (1) the energy savings produced as a result of  
2       this Act;

3           (2) the direct and indirect employment created  
4       as a result of the programs supported by the funds;

5           (3) the specific entities implementing the en-  
6       ergy efficiency programs;

7           (4) the beneficiaries who received the efficiency  
8       improvements;

9           (5) the manner in which funds provided under  
10      this Act were used;

11          (6) the sources (such as mortgage lenders, util-  
12      ity companies, and local governments) and types of  
13      financing used by the beneficiaries to finance the  
14      retrofit expenses that were not covered by grants  
15      provided under this Act; and

16          (7) the results of verification requirements; and

17          (8) any other information the Secretary con-  
18      siders appropriate

19      (c) NONCOMPLIANCE.—If the Secretary determines  
20      that a rebate aggregator, State, or Indian tribe has not  
21      provided the information required under this section, the  
22      Secretary shall provide to the rebate aggregator, State, or  
23      Indian tribe a period of at least 90 days to provide any  
24      necessary information, subject to penalties imposed by the  
25      Secretary for entities other than States and Indian tribes,

1 which may include withholding of funds or reduction of  
2 future grant amounts.

3 **SEC. 10. ADMINISTRATION.**

4 Subject to section 15(b), not later than 30 days after  
5 the date of enactment of this Act, the Secretary shall pro-  
6 vide such administrative and technical support to rebate  
7 aggregators, States, and Indian tribes as is necessary to  
8 carry out the functions designated to States under this  
9 Act.

10 **SEC. 11. TREATMENT OF REBATES.**

11 (a) IN GENERAL.—For purposes of the Internal Rev-  
12 enue Code of 1986, rebates received under this Act—

13 (1) shall not be considered taxable income to a  
14 homeowner; and

15 (2) shall reduce any credit allowed under sec-  
16 tion 25C of that Code for eligible work performed in  
17 the home of the homeowner by the amount of any  
18 rebate provided under this Act for the eligible work.

19 (b) NOTICE.—A participating contractor shall pro-  
20 vide notice to a homeowner of the provisions of subsection  
21 (a) before eligible work is performed in the home of the  
22 homeowner.

1   **SEC. 12. PUBLIC INFORMATION CAMPAIGN.**

2           Not later than 60 days after the date of enactment  
3 of this Act, the Administrator shall develop and implement  
4 a public education campaign that describes—

5           (1) the benefits of home energy retrofits; and

6           (2) the availability of rebates for the installa-  
7 tion of qualifying efficiency measures and for whole  
8 home efficiency improvements.

9   **SEC. 13. PENALTIES.**

10          (a) IN GENERAL.—It shall be unlawful for any per-  
11 son to violate this title (including any regulation issued  
12 under this Act), other than a violation as the result of  
13 a clerical error.

14          (b) CIVIL PENALTY.—Any person who commits a vio-  
15 lation of this Act shall be liable to the United States for  
16 a civil penalty in an amount that is not more than the  
17 higher of—

18           (1) \$15,000 for each violation; or

19           (2) 3 times the value of any associated rebate  
20 under this Act.

21          (c) ADMINISTRATION.—The Secretary may—

22           (1) assess and compromise a penalty imposed  
23 under subsection (b); and

24           (2) require from any entity the records and in-  
25 spections necessary to enforce this Act.

1 (d) FRAUD.—In addition to any civil penalty, any  
2 person who commits a fraudulent violation of this Act  
3 shall be subject to criminal prosecution.

4 **SEC. 14. FINANCING CLEAN ENERGY JOBS.**

5 (a) HOME STAR ENERGY EFFICIENCY LOAN PRO-  
6 GRAM.—

7 (1) DEFINITIONS.—In this subsection:

8 (A) ELIGIBLE PARTICIPANT.—The term  
9 “eligible participant” means a homeowner who  
10 receives financial assistance from a qualified fi-  
11 nancing entity to carry out energy efficiency or  
12 renewable energy improvements to an existing  
13 home or other residential building of the home-  
14 owner in accordance with the Gold Star home  
15 energy retrofit program or the Silver Star home  
16 energy retrofit program.

17 (B) PROGRAM.—The term “program”  
18 means the Home Star Energy Efficiency Loan  
19 Program established under paragraph (2).

20 (C) QUALIFIED FINANCING ENTITY.—The  
21 term “qualified financing entity” means a  
22 State, political subdivision of a State, tribal  
23 government, electric utility, natural gas utility,  
24 nonprofit or community-based organization, en-

1           ergy service company, retailer, or any other  
2           qualified entity that—

3                   (i) meets the eligibility requirements  
4                   of this subsection; and

5                   (ii) is designated by the Governor of a  
6                   State in accordance with paragraph (5)(A).

7           (D) QUALIFIED LOAN PROGRAM MECHA-  
8           NISM.—The term “qualified loan program  
9           mechanism” means a loan program that is—

10                   (i) administered by a qualified financ-  
11                   ing entity; and

12                   (ii) principally funded—

13                           (I) by funds provided by or over-  
14                           seen by a State; or

15                           (II) through the energy loan pro-  
16                           gram of the Federal National Mort-  
17                           gage Association.

18           (2) ESTABLISHMENT.—The Secretary shall es-  
19           tablish a Home Star Energy Efficiency Loan Pro-  
20           gram under which the Secretary shall make funds  
21           available to States to support financial assistance  
22           provided by qualified financing entities for making,  
23           to existing homes, energy efficiency and renewable  
24           energy improvements that qualify under the Gold

1 Star home energy retrofit program or the Silver Star  
2 home energy retrofit program.

3 (3) ELIGIBILITY OF QUALIFIED FINANCING EN-  
4 TITIES.—To be eligible to participate in the pro-  
5 gram, a qualified financing entity shall—

6 (A) offer a financing product under which  
7 eligible participants may pay over time for the  
8 cost to the eligible participant (after all applica-  
9 ble Federal, State, local, and other rebates or  
10 incentives are applied) of making improvements  
11 described in paragraph (2);

12 (B) require all financed improvements to  
13 be performed by contractors in a manner that  
14 meets minimum standards that are at least as  
15 stringent as the standards provided under sec-  
16 tions 5 and 6; and

17 (C) establish standard underwriting cri-  
18 teria to determine the eligibility of program ap-  
19 plicants, which criteria shall be consistent  
20 with—

21 (i) with respect to unsecured con-  
22 sumer loan programs, standard under-  
23 writing criteria used under the energy loan  
24 program of the Federal National Mortgage  
25 Association; or

1 (ii) with respect to secured loans or  
2 other forms of financial assistance, com-  
3 mercially recognized best practices applica-  
4 ble to the form of financial assistance  
5 being provided (as determined by the des-  
6 ignated entity administering the program  
7 in the State).

8 (4) ALLOCATION.—In making funds available to  
9 States for each fiscal year under this subsection, the  
10 Secretary shall use the formula used to allocate  
11 funds to States to carry out State energy conserva-  
12 tion plans established under part D of title III of the  
13 Energy Policy and Conservation Act (42 U.S.C.  
14 6321 et seq.).

15 (5) QUALIFIED FINANCING ENTITIES.—Before  
16 making funds available to a State under this sub-  
17 section, the Secretary shall require the Governor of  
18 the State to provide to the Secretary a letter of as-  
19 surance that the State—

20 (A) has 1 or more qualified financing enti-  
21 ties that meet the requirements of this sub-  
22 section;

23 (B) has established a qualified loan pro-  
24 gram mechanism that—

- 1 (i) includes a methodology to ensure  
2 credible energy savings or renewable en-  
3 ergy generation;
- 4 (ii) incorporates an effective repay-  
5 ment mechanism, which may include—
- 6 (I) on-utility-bill repayment;
- 7 (II) tax assessment or other form  
8 of property assessment financing;
- 9 (III) municipal service charges;
- 10 (IV) energy or energy efficiency  
11 services contracts;
- 12 (V) energy efficiency power pur-  
13 chase agreements;
- 14 (VI) unsecured loans applying  
15 the underwriting requirements of the  
16 energy loan program of the Federal  
17 National Mortgage Association; or
- 18 (VII) alternative contractual re-  
19 payment mechanisms that have been  
20 demonstrated to have appropriate risk  
21 mitigation features; and
- 22 (C) will provide, in a timely manner, all in-  
23 formation regarding the administration of the  
24 program as the Secretary may require to permit

1 the Secretary to meet the reporting require-  
2 ments of paragraph (8).

3 (6) USE OF FUNDS.—Funds made available to  
4 States under the program may be used to support  
5 financing products offered by qualified financing en-  
6 tities to eligible participants, by providing——

7 (A) interest rate reductions;

8 (B) loan loss reserves or other forms of  
9 credit enhancement;

10 (C) revolving loan funds from which quali-  
11 fied financing entities may offer direct loans; or

12 (D) other debt instruments or financial  
13 products necessary——

14 (i) to maximize leverage provided  
15 through available funds; and

16 (ii) to support widespread deployment  
17 of energy efficiency and renewable energy  
18 finance programs.

19 (7) USE OF REPAYMENT FUNDS.—In the case  
20 of a revolving loan fund established by a State de-  
21 scribed in paragraph (6)(C), a qualified financing  
22 entity may use funds repaid by eligible participants  
23 under the program to provide financial assistance  
24 for additional eligible participants to make improve-  
25 ments described in paragraph (2) in a manner that

1 is consistent with this subsection or other such cri-  
2 teria as are prescribed by the State.

3 (8) PROGRAM EVALUATION.—Not later than 1  
4 year after the date of enactment of this Act, the  
5 Secretary shall submit to Congress a program eval-  
6 uation that describes—

7 (A) how many eligible participants have  
8 participated in the program;

9 (B) how many jobs have been created  
10 through the program, directly and indirectly;

11 (C) what steps could be taken to promote  
12 further deployment of energy efficiency and re-  
13 newable energy retrofits;

14 (D) the quantity of verifiable energy sav-  
15 ings, renewable energy deployment, homeowner  
16 energy bill savings, and other benefits of the  
17 program; and

18 (E) the performance of the programs car-  
19 ried out by qualified financing entities under  
20 this subsection, including information on the  
21 rate of default and repayment.

22 (b) CREDIT SUPPORT.—Section 1705(a) of the En-  
23 ergy Policy Act of 2005 (42 U.S.C. 16516(a)) is amended  
24 by adding at the end the following:

1           “(4) Energy efficiency projects, including  
2           projects to retrofit residential, commercial, and in-  
3           dustrial buildings, facilities, and equipment.”.

4   **SEC. 15. FUNDING.**

5           (a) AUTHORIZATION OF APPROPRIATIONS.—

6           (1) IN GENERAL.—Subject to subsection (j),  
7           there is authorized to be appropriated to carry out  
8           this title \$6,000,000,000 for the period of fiscal  
9           years 2010 and 2011, to remain available until ex-  
10          pended.

11          (2) MAINTENANCE OF FUNDING.—Funds pro-  
12          vided under this section shall supplement and not  
13          supplant any Federal and State funding provided to  
14          carry out energy efficiency programs in existence on  
15          the date of enactment of this Act.

16          (b) GRANTS TO STATES.—

17          (1) IN GENERAL.—Of the amount provided  
18          under subsection (a), \$380,000,000 or not more  
19          than 6 percent, whichever is less, shall be used for—

20                  (A) administrative costs;

21                  (B) oversight of quality assurance plans;

22                  (C) development of ongoing quality assur-  
23          ance plans;

24                  (D) establishment and delivery of financing  
25          pilots in accordance with this Act;

1           (E) coordination with existing residential  
2 retrofit programs and infrastructure develop-  
3 ment to assist deployment of the Home Star  
4 program; and

5           (F) the costs of carrying out the Silver  
6 Star home energy retrofit program and the  
7 Gold Star home energy retrofit program.

8           (2) DISTRIBUTION TO STATE ENERGY OF-  
9 FICES.—

10           (A) IN GENERAL.—Not later than 30 days  
11 after the date of enactment of this Act, the Sec-  
12 retary shall provide to State energy offices 25  
13 percent of the funds described in paragraph (1).

14           (B) ALLOCATION.—Funds described in  
15 subparagraph (A) shall be made available in ac-  
16 cordance with the allocation formula for State  
17 energy conservation plans established under  
18 part D of title III of the Energy Policy and  
19 Conservation Act (42 U.S.C.6321 et seq.).

20           (c) QUALITY ASSURANCE COSTS.—

21           (1) IN GENERAL.—Of the amount provided  
22 under subsection (a), not more than 5 percent shall  
23 be used to carry out the quality assurance provisions  
24 of this Act.

1           (2) MANAGEMENT.—Funds provided under this  
2 subsection shall be overseen by—

3           (A) State energy offices described in sub-  
4 section (b)(2); or

5           (B) other entities determined by the Sec-  
6 retary to be eligible to carry out quality assur-  
7 ance functions under this Act.

8           (3) DISTRIBUTION TO QUALITY ASSURANCE  
9 PROVIDERS OR REBATE AGGREGATORS.—The Sec-  
10 retary shall use funds provided under this subsection  
11 to compensate quality assurance providers, or rebate  
12 aggregators, for services under the Silver Star home  
13 energy retrofit program or the Gold Star home en-  
14 ergy retrofit program through the Federal Rebate  
15 Processing Center based on the services provided to  
16 contractors under a quality assurance program and  
17 rebate aggregation.

18           (4) INCENTIVES.—The amount of incentives  
19 provided to quality assurance providers or rebate  
20 aggregators shall be—

21           (A)(i) in the case of the Silver Star home  
22 energy retrofit program—

23           (I) \$25 per rebate review and submis-  
24 sion provided under the program; and

1 (II) \$150 for each field inspection  
2 conducted under the program; and

3 (ii) in the case of the Gold Star home en-  
4 ergy retrofit program—

5 (I) \$35 for each rebate review and  
6 submission provided under the program;  
7 and

8 (II) \$300 for each field inspection  
9 conducted under the program; or

10 (B) such other amounts as the Secretary  
11 considers necessary to carry out the quality as-  
12 surance provisions of this Act.

13 (d) TRACKING OF REBATES AND EXPENDITURES.—  
14 Of the amount provided under subsection (a), not more  
15 than \$150,000,000 shall be used for costs associated with  
16 database systems to track rebates and expenditures under  
17 this Act and related administrative costs incurred by the  
18 Secretary.

19 (e) PUBLIC EDUCATION AND COORDINATION.—Of  
20 the amount provided under subsection (a), not more than  
21 \$10,000,000 shall be used for costs associated with public  
22 education and coordination with the Federal Energy Star  
23 program incurred by the Administrator.

24 (f) INDIAN TRIBES.—Of the amount provided under  
25 subsection (a), the Secretary shall reserve not more than

1 3 percent to make grants available to Indian tribes under  
2 this section.

3 (g) SILVER STAR HOME ENERGY RETROFIT PRO-  
4 GRAM.—In the case of the Silver Star home energy retrofit  
5 program, of the amount provided under subsection (a)  
6 after funds are provided in accordance with subsections  
7 (b) through (e), \$3,417,000,000 for fiscal year 2010 (less  
8 any amounts required under subsection (f)) shall be used  
9 by the Secretary to provide rebates and incentives author-  
10 ized under the Silver Star home energy retrofit program.

11 (h) GOLD STAR HOME ENERGY RETROFIT PRO-  
12 GRAM.—In the case of the Gold Star home energy retrofit  
13 program, of the amount provided under subsection (a)  
14 after funds are provided in accordance with subsections  
15 (b) through (e), \$1,683,000 for fiscal year 2010 (less any  
16 amounts required under subsection (f)) shall be used by  
17 the Secretary to provide rebates and incentives authorized  
18 under the Gold Star home energy retrofit program.

19 (i) PROGRAM REVIEW AND BACKSTOP FUNDING.—

20 (1) IN GENERAL.—Not later than 180 days  
21 after the date of enactment of this Act, the Sec-  
22 retary shall perform a State-by-State analysis and  
23 review the distribution of Home Star retrofit rebates  
24 under this Act.

1           (2) ADJUSTMENT.—The Secretary may allocate  
2           technical assistance funding to assist States that  
3           have not sufficiently benefitted from the Home Star  
4           retrofit rebate program.

5           (j) RETURN OF UNDISBURSED FUNDS.—

6           (1) SILVER STAR HOME ENERGY RETROFIT  
7           PROGRAM.—If the Secretary has not disbursed all  
8           the funds available for rebates under the Silver Star  
9           home energy retrofit program by the date that is 1  
10          year after the date of enactment of this Act, any  
11          undisbursed funds shall be made available to the  
12          Gold Star home energy retrofit program.

13          (2) GOLD STAR HOME ENERGY RETROFIT PRO-  
14          GRAM.—If the Secretary has not disbursed all the  
15          funds available for rebates under the Gold Star  
16          home energy retrofit program by the date that is 2  
17          years after the date of enactment of this Act, any  
18          undisbursed funds shall be returned to the Treasury.

19          (k) FINANCING.—Of the amounts allocated to the  
20          States under subsection (b), not less than \$200,000,000  
21          shall be used to carry out the financing provisions of this  
22          Act in accordance with section 14.