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U.S. SENATOR



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Senator Van Hollen's HOPE for HOMES Provisions in the Inflation Reduction Act

The Inflation Reduction Act of 2022 includes the most significant action our nation has undertaken to combat the climate crisis. This legislation will reduce carbon emissions by roughly 40 percent by 2030 while spurring green energy investments, creating jobs, and reducing costs for Americans. The legislation includes key provisions from Senator Van Hollen's HOPE for HOMES legislation, which will help homeowners make energy efficiency upgrades to their homes and cut their monthly energy costs. Additionally, these provisions will stimulate the energy efficiency market to create new jobs and support suppliers, invest in workforce training for this crucial industry, and combat the climate crisis by promoting clean, energy efficient technology.

Modeled off of provisions authored by Senator Van Hollen and included in his HOPE for HOMES legislation, the Inflation Reduction Act provides \$4.3 billion for home energy performance-based rebates, supporting homeowners' ability to reduce their energy costs. To ensure the program is accessible to all homeowners, low-and-moderate income (LMI) households receive increased rebates. The legislation also includes \$200 million to help develop training curriculums and assist companies in providing financial incentives to contractors to undertake online training to advance their capabilities to efficiently retrofit homes.

- The Home Owner Managing Energy Savings (HOMES) Rebate Program established under this bill will incentivize homeowners and multifamily building owners to invest in climate-friendly, energy efficiency measures – reducing costs for owners and driving demand for these highly trained, local workers – while making the country more resilient and homes and buildings more able to use renewable energy generation.
- Through the establishment of HOPE Training Program grants for online workforce training, residential contractors will immediately gain access to online training designed to prepare them to conduct comprehensive home energy efficiency retrofits.

HOMES Rebate Program

The HOMES Rebate Program provides rebates to homeowners to allow them to retrofit their homes and ultimately save money on their energy costs. To help ensure this program benefits LMI households, LMI-qualifying owners are eligible for larger percentage rebates.

- How the rebates work for non-LMI homeowners:
 - Non-LMI homeowners may receive up to \$2000 or 50% of the project cost per multifamily building with a modeled energy savings of not less than 20 percent (or a measured energy savings of 15 percent); and
 - **Non-LMI homeowners may receive up to \$4000 or 50% of the project cost per multifamily building with a modeled energy savings of not less than 35 percent, incentivizing the deeper retrofits that can save families up to \$750 annually.**
- How the rebates work for LMI homeowners:
 - LMI households may claim up to \$4000 or 80% of the project cost for the same amount (20%) of measured or modeled energy savings; and
 - **LMI households may claim up to \$8000 or 80% of the project cost for the same amount (35%) of measured or modeled energy savings, incentivizing the deeper retrofits that can save families up to \$750 annually.**
- Rebates for Multifamily buildings:
 - Multifamily buildings may receive up to \$200,000 or 50% of the project cost per multifamily building with a modeled energy savings of not less than 20 percent (or a measured energy savings of 15 percent).
 - Multifamily buildings with more than 50% LMI occupancy may claim up to 80% of the project cost for the same amount of measured or modeled energy savings.
 - Multifamily buildings may receive up to \$400,000 or 50% of the project cost per multifamily building with a modeled energy savings of not less than 35 percent.
 - Multifamily buildings with more than 50% LMI occupancy may claim up to 80% of the project cost for the same amount of measured or modeled energy savings.

“Home On-line Performance-based Energy-efficiency” (HOPE) Training Program

The Contractor “Home On-line Performance-based Energy-efficiency” (HOPE) Training program provides immediate support to contractor businesses, with \$200 million to help companies pay their contractors to undertake online training to advance their understanding of home performance.

- The online training qualification is designed to serve as a pathway to participate in the HOMES rebate program. Because the training is available online, contractors from all states would have access to these courses and would be able to invest in workforce development.
- Contracting jobs are inherently local, and most residential contracting companies are small businesses with fewer than 10 employees. HOPE for HOMES will spur the creation of a highly trained local contractor workforce that cannot be outsourced.
- It will also generate jobs up the supply chain in manufacturing, distribution, and retail sales of energy efficient technologies and products.
- **A 2021 E4theFuture analysis of the policy estimated it would support 83,000 jobs over the next few years.**