

Summary of Proposed Federal HomeStar (aka Cash for Caulkers) Program

HomeStar is a Federal incentive program for the weatherization of homes. The program is being added into the Senate Jobs bill which is part of the short term jobs bill to create new greener jobs and provide incentives for homeowners/contractors to perform work which will improve home energy efficiency. This bill is still pending (must be passed by Congress and signed by the President), and is being coordinated in the Senate Finance Committee with Senator Reid. In the jobs bill's present form, it would create \$18 billion in homeowner incentives, \$4 billion in retailer incentives and \$2 billion for home energy audits. Building efficiency advocacy groups anticipate the bill could become law within "several weeks".

As proposed, the HomeStar program would reimburse homeowners for residential energy upgrades such as air sealing, insulation, new light bulbs and weather stripping. There is likely to be two levels for the HomeStar program:

Silver Level will allow homeowners to receive a \$2,000 tax credit for taking on two approved home improvement projects or up to \$3,500 for at least four qualifying measures. The homeowners must work with contractors that meet certain "basic standards".

Gold Level involves having a building's energy performance rated by contractors accredited by the Building Performance Institute. Homeowners who achieve energy savings of at least 20 percent would be eligible to receive up to \$4,000 in incentive money, plus \$1,500 for every additional 5 percent reduction in energy consumption.

Incentives would be capped at 50 percent of project costs, and a percentage of projects would be audited to ensure that the improvements perform as expected.