

# SENATE BILL REPORT

## SB 6468

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As Reported by Senate Committee On:  
Environment, Water & Energy, February 3, 2010

**Title:** An act relating to coordinating the weatherization and structural rehabilitation of residential structures.

**Brief Description:** Coordinating the weatherization and structural rehabilitation of residential structures.

**Sponsors:** Senators Kauffman, Rockefeller, Pridemore, Berkey and Kline.

**Brief History:**

**Committee Activity:** Environment, Water & Energy: 2/03/10 [DPS, DNP].

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### SENATE COMMITTEE ON ENVIRONMENT, WATER & ENERGY

**Majority Report:** That Substitute Senate Bill No. 6468 be substituted therefor, and the substitute bill do pass.

Signed by Senators Rockefeller, Chair; Pridemore, Vice Chair; Fraser, Marr, Morton, Oemig, Ranker and Sheldon.

**Minority Report:** Do not pass.

Signed by Senators Honeyford, Ranking Minority Member; Delvin.

**Staff:** Jan Odano (786-7486)

**Background:** The Energy Matchmakers Program began in 1987 and was funded with federal court ordered settlements from oil overcharges that occurred during the 1980's. Since 1991 after the oil overcharge funds were depleted, the Legislature has provided, through capital funds, at least \$8 million per biennia to the Department of Commerce (department) for the Energy Matchmakers Program. The program provides matching funds on a dollar for dollar basis to local energy conservation programs to weatherize homes of low-income persons. The matching funds are usually provided by public and private utilities, rental property owners, and local governments. Since 1988 the Energy Matchmakers program has weatherized over 61,000 homes.

During the 2009 Legislative Session, the Legislature required the Energy Matchmakers Program to allocate funding for weatherization projects that: identify and correct health and

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safety problems for residents of low-income households; create family-wage jobs leading to careers in construction or the energy efficiency sectors; and leverage environmentally friendly sustainable technologies practices and designs. In addition, the funds are to be used for the preservation of homes occupied by low-income households and to support and advance sustainable technologies. Priority must be given to weatherization of homes occupied by low-income households with incomes at or below 125 percent of the federally established poverty level.

**Summary of Bill (Recommended Substitute):** The Low-Income Weatherization Assistance Account is revised to the Low-Income Weatherization and Structural Rehabilitation Assistance Account. The department must prioritize weatherization and structural rehabilitation projects to facilitated the allocation of funding from federal energy efficiency programs such as the Weatherization Assistance Program, Energy Efficiency and Conservation Block Grant Program, residential energy efficiency aspects of the State Energy Program, and the retrofit ramp-up program.

The department must prioritize allocation of fund from the Low-Income Weatherization and Structural Rehabilitation Assistance Account to projects that maximizes energy efficiency and extends the usable life of a home by installing energy efficiency measures, and installing rehabilitation and repair activities so that federal funding can be distributed expeditiously.

Service providers, not programs, that receive funding must report to the department at least quarterly, or consistent with federal reporting timeframes, the number of homes repaired, rehabilitated, and weatherized.

Technical changes were made including deleting definitions that did not apply to the Energy Matchmaker program.

**EFFECT OF CHANGES MADE BY ENVIRONMENT, WATER & ENERGY COMMITTEE (Recommended Substitute):**

- The strict prioritization of first allocating state funds from the Low-Income Weatherization and Structural Rehabilitation Account was revised and the department is directed to prioritize allocation of funding to projects that maximize energy efficiency and extend the usable life of a home by installing energy efficiency measures and installing structural rehabilitation and repairs so that federal funding can be expeditiously distributed.
- Adds that the intent of the Legislature is to prioritize weatherization, energy efficiency and structural rehabilitation in order to facilitate allocation of funds from federal energy efficiency programs.
- Requires the department to develop policies to ensure cost-effective investments in buildings and homes for energy efficiency activities and repairs that will maximize energy savings and extend the life of a home.
- Requires the department to consider state and local benefits, sponsor match, other fund sources, preservation of affordable housing when allocating funds.
- Makes technical changes including deleting some definitions that did not apply to the energy matchmaker program.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Original Bill:** PRO: This will assist community action agencies in continuing to provide weatherization services. Structural repairs are often needed to complete weatherization projects. Without funding, projects such as this home repair cannot occur and the weatherization project cannot be completed. The combination of the weatherization and structural repairs will extend the durability of people's houses and keep them in their homes. Money is tight in all areas. Sponsor's matching dollars should be applied within the sponsor's service territory. Sometime structural improvements are needed so that energy efficiency repairs achieve their expected outcomes.

OTHER: It is essential that the structural problems are addressed with the energy efficiency work. The Department of Labor and Industries has applied prevailing wages in at least 14 different categories for this type of work. The complexity of the prevailing wages has caused some contractors to not participate in the program. There are some stranded definitions from previous legislation that do not apply to the Energy Matchmaker.

**Persons Testifying:** PRO: Dave Finet, Opportunity Council, Bellingham; Ken Johnson, Puget Sound Energy; Chuck Ebert, The Energy Project; Collins Sprague, Avista.

OTHER: David Bangs, Home Performance, WA; Steve Payne, Department of Commerce.