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## SUBSTITUTE HOUSE BILL 1060

State of Washington 61st Legislature 2009 Regular Session

Local Government & Housing (originally sponsored **By** House Ericks, Ormsby, Miloscia, Representatives Liias, Walsh, Simpson, Nelson, Rolfes, Conway, Wood, Kenney, Chase, Moeller, and Upthegrove; by request of Department of Community, Trade, and Economic Development) READ FIRST TIME 02/09/09.

- 1 AN ACT Relating to updating the weatherization statute to reflect 2.
- evolving green building and energy conservation practices; and amending
- RCW 70.164.020, 70.164.040, 70.164.050, and 70.164.060. 3
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 4
- 5 Sec. 1. RCW 70.164.020 and 1995 c 399 s 199 are each amended to 6 read as follows:
- Unless the context clearly requires otherwise, the definitions in 8 this section apply throughout this chapter.
- 9 (1) "Department" means the department of community, trade, and 10 economic development.
- (2) "Energy ((assessment)) audit means an analysis of a dwelling 11 unit to determine the need for cost-effective energy conservation 12 13 measures as determined by the department.
- 14 (3) "Household" means an individual or group of individuals living 15 in a dwelling unit as defined by the department.
- 16 (4) "Low income" means household income ((that is at or below one hundred twenty-five percent of the federally established poverty 17 level)), as defined by the department, provided that the definition may 18

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not exceed eighty percent of the median household income, adjusted for household size, for the county in which the dwelling unit to be weatherized is located.

- (5) "Nonutility sponsor" means any sponsor other than a public service company, municipality, public utility district, mutual or cooperative, furnishing gas or electricity used to heat low-income residences.
  - (6) "Residence" means a dwelling unit as defined by the department.
- (7) "Sponsor" means any entity that submits a proposal under RCW 70.164.040, including but not limited to any local community action agency, <u>tribal nation</u>, community service agency, or any other participating agency or any public service company, municipality, public utility district, mutual or cooperative, or any combination of such entities that jointly submits a proposal.
- (8) "Sponsor match" means the share((, if any,)) of the cost of weatherization to be paid by the sponsor.
- (9) "Sustainable residential weatherization" or "weatherization" means ((materials or measures, and their installation, that are used to improve the thermal efficiency of a residence)) activities that use funds administered by the department for one or more of the following:

  (a) Energy and resource conservation; (b) energy efficiency improvements; (c) repairs, indoor air quality improvements, and health and safety improvements; and (d) client education. Funds administered by the department for activities authorized under this subsection (9):

  May only be used for the preservation of a dwelling unit occupied by a low-income household; and must, to the extent feasible, be used to support and advance sustainable technologies.
- (10) "Weatherizing agency" means any approved department grantee, tribal nation, or any public service company, municipality, public utility district, mutual or cooperative, or other entity that bears the responsibility for ensuring the performance of weatherization of residences under this chapter and has been approved by the department.
- **Sec. 2.** RCW 70.164.040 and 1987 c 36 s 4 are each amended to read as follows:
- 35 (1) The department shall solicit proposals for low-income 36 weatherization programs from potential sponsors. A proposal shall 37 state the amount of the sponsor match, the amount requested ((from the

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low-income weatherization assistance account)), the name of the weatherizing agency, and any other information required by the department.

- (2)(a) A sponsor may use its own moneys, including corporate or ratepayer moneys, or moneys provided by landlords, charitable groups, government programs, the Bonneville Power Administration, or other sources to pay the sponsor match.
- (b) Moneys provided by a sponsor pursuant to requirements in this section shall be in addition to and shall not supplant any funding for low-income weatherization that would otherwise have been provided by the sponsor or any other entity enumerated in (a) of this subsection.
- (c) No proposal may require any contribution as a condition of weatherization from any household whose residence is weatherized under the proposal.
- (d) Proposals shall provide that full levels of all cost-effective structurally feasible <u>sustainable residential weatherization materials</u>, measures, and <u>practices</u>, as determined by the department, shall be installed when a low-income residence is weatherized.
- (3)(a) The department may in its discretion accept, accept in part, or reject proposals submitted. The department shall allocate funds appropriated from the low-income weatherization assistance account among proposals accepted or accepted in part so as to:
- (i) Achieve the greatest possible expected monetary and energy savings by low-income households and other energy consumers ((and)) over the longest period of time;
- (ii) Identify and correct, to the extent practical, health and safety problems for residents of low-income households; and
- (iii) Leverage, to the extent feasible, environmentally friendly sustainable technologies, practices, and designs.
- (b) The department shall, to the extent feasible, ensure a balance of participation in proportion to population among low-income households for: ((\(\frac{(a)}{a}\))) (i) Geographic regions in the state; ((\(\frac{(b)}{a}\))) (ii) types of fuel used for heating, except that the department shall encourage the use of energy efficient sustainable technologies; ((\(\frac{(c)}{a}\))) (iii) owner-occupied and rental residences; and ((\(\frac{(d)}{a}\))) (iv) singlefamily and multifamily dwellings.
  - (c) The department shall give priority to weatherizing dwelling

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1 <u>units occupied by low-income households with incomes at or below one</u> 2 hundred twenty-five percent of the federally established poverty level.

- (d) The department may allocate funds to a nonutility sponsor without requiring a sponsor match if the department determines that such an allocation is necessary to provide the greatest benefits to low-income residents of the state.
- (4)(a) A sponsor may elect to: (i) Pay a sponsor match as a lump sum at the time of weatherization, or (ii) make yearly payments to the low-income weatherization assistance account over a period not to exceed ten years. If a sponsor elects to make yearly payments, the value of the payments shall not be less than the value of the lump sum payment that would have been made under (a)(i) of this subsection.
- 13 (b) The department may permit a sponsor to meet its match 14 requirement in whole or in part through providing labor, materials, or 15 other in-kind expenditures.
  - (5) The department shall adopt rules to carry out this section.
- **Sec. 3.** RCW 70.164.050 and 1987 c 36 s 5 are each amended to read 18 as follows:
  - (1) The department is responsible for ensuring that sponsors and weatherizing agencies comply with the state laws, the department's rules, and the sponsor's proposal in carrying out proposals.
- 22 (2) Before a residence is weatherized, the department shall require 23 that an energy ((assessment)) <u>audit</u> be conducted.
- **Sec. 4.** RCW 70.164.060 and 1987 c 36 s 6 are each amended to read 25 as follows:

Before a leased or rented residence is weatherized, written permission shall be obtained from the owner of the residence for the weatherization. The department shall adopt rules to ensure that: (1) The benefits of weatherization assistance ((in connection with a leased or rented residence)), including utility bill reduction, and preservation of affordable housing stock, accrue primarily to low-income tenants occupying a leased or rented residence; (2) as a result of weatherization provided under this chapter, the rent on the residence is not increased and the tenant is not evicted; and (3) as a result of weatherization provided under this chapter, no undue or excessive enhancement occurs in the value of the residence. This

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- 1 section is in the public interest and any violation by a landlord of
- 2 the rules adopted under this section shall be an act in trade or
- 3 commerce violating chapter 19.86 RCW, the consumer protection act.

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