



# ENERGY EFFICIENCY AND THE INFLATION REDUCTION ACT:

## *A User Guide for Owners and Developers of Affordable Housing*



BLUEGREEN  
ALLIANCE  
FOUNDATION

The more than \$14 billion in new money for residential energy efficiency that came with the passage of the 2021 Bipartisan Infrastructure Law (BIL) and the Inflation Reduction Act provides an extraordinary opportunity to make investments in improving the efficiency of affordable housing while also benefiting the health of workers and residents. Using these new investments as opportunities to increase the procurement of healthier and U.S.-made energy-efficient products in affordable housing can decrease exposures to hazardous materials, improve the physical and economic health of marginalized communities, and help rebuild the U.S. manufacturing sector.

Investments in energy efficiency of affordable housing are much needed measures to address equity. As

extreme weather events become more frequent due to climate change, houses and buildings must be made to be climate resilient and energy efficient in order to protect the health and well-being of occupants. Black, Hispanic, Native American, adults aged 65 or older, renters, and low-income multifamily building residents often live in buildings that are poorly insulated and leaky, and end up paying high energy bills because of it. The median energy burden of low-income households is 3.5 times higher than that of non-low-income households.<sup>1</sup> These new federal investments in weatherization and climate resilience measures for residential buildings make it possible for building owners and developers of affordable housing to make much needed improvements that will positively impact resident health and financial equity.

Builders and supporters of affordable housing can help fully realize the potential of these investments by prioritizing the specification and installation of building products that are the most efficient, least toxic, and manufactured in the United States. Additionally, residential efficiency programs like those funded by BIL and Inflation Reduction Act are incentivizing—and even requiring—projects to be increasingly efficient, healthier for occupants, and built with U.S.-made products.

Building Clean, an initiative of the BlueGreen Alliance Foundation, works to help builders better understand the products they use, including chemical content, health impacts from exposure to hazardous chemicals,

and how to identify products that are healthier and made in the United States. [BuildingClean.org](https://www.buildingclean.org) helps builders identify these products with free access to searchable databases of building products that are certified for efficiency and limited in or free from hazardous content, as well as product manufacturers that can be searched by sector, state, and zip code.

This resource is intended to help builders and owners of affordable housing identify federal funding to improve efficiency in their buildings. Building Clean's resources and tools can help builders seeking this funding find building products that meet sourcing provisions set forth in these programs as they relate to efficiency, health, and U.S./local sourcing.

## Federal Energy Efficiency Programs Covered in this User Guide

This document details four programs being funded through the Inflation Reduction Act that rise to the top as mechanisms to spur investment in energy efficiency upgrades of affordable housing through the work of property owners, homebuilders, developers, and housing coalitions. These programs target the development of affordable single- and multi-family housing and include funds for both new construction and retrofitting of existing buildings. Options for grant funding, loans, tax credits, and product rebates provide several avenues for funding, increasing the affordability and viability of green building measures and providing crucial opportunities to impact the health and wellbeing of low-income populations.

A focus of these programs is to direct the benefits of this funding towards lower- and median- income residents. The Department of Housing and Urban Development's (HUD's) competitive grant program requires that at least 50% of units at the property be assisted, and they will favor grant applications for properties with higher numbers of assisted units, as well as those in census tracts with higher poverty rates. The U.S. Department of Energy's (DOE) rebate programs make it so that lower- and middle-income residents are eligible for higher rebate amounts. Additionally, new funding for states to implement contractor training programs enables new opportunities to expand and diversify the workforce while providing further financial incentives to contractors who perform rebate program qualified upgrades in underserved communities.

## What's Not Included and Why

Several other programs funded by the Inflation Reduction Act and BIL—such as expansion of the Weatherization Assistance Program and the Energy Efficient Home Improvement Credit—are available to improve the efficiency of residential housing, but were not included in this document due to their being resident-led rather than for building developers and owners.

There are also two BIL-funded programs notable to this audience that were not included as the initial application deadlines have passed. This includes the

[Energy Efficiency Revolving Loan Fund Capitalization Grant Program](#), which includes \$250 million for states to provide grants and loans to conduct residential energy audits and energy efficiency upgrades and the [Energy Efficiency and Conservation Block Grant Program](#), which provides \$550 million to states and local governments for implementation of strategies to reduce energy use, reduce fossil fuel emissions, and improve energy efficiency—including weatherization measures.<sup>2,3</sup> Visit the web pages to stay up to date on any future rounds of funding for these programs that become available.



# Transforming Federal Funding into Opportunities for Workers and Communities

Investments in building efficiency have the potential to improve our environment, protect the health of workers and communities, and grow good jobs in the building trades and manufacturing sectors. The Inflation Reduction Act programs in this document include requirements and guidance related to domestic sourcing, labor standards, and community benefits. The

## [BlueGreen Alliance’s Checklist for Federal Funding](#)

[Applications](#) outlines application criteria that will help ensure projects funded through Inflation Reduction Act and other federal programs meet high-road standards and provide ample community benefits.<sup>4</sup>

The retrofits and efficiency upgrades that will be funded by the programs in this guide provide an opportunity to grow good jobs and strengthen manufacturing through the purchasing of U.S.-made water and energy efficient building products. For

every 100 direct manufacturing jobs, 454.9 indirect jobs are created, and manufacturing jobs pay above average wages, especially for those without college degrees.<sup>5,6</sup> It is also an important path to the middle class, particularly for Black and Hispanic workers in manufacturing, who earn about 18% more than those in non-manufacturing employment.<sup>7</sup>

Policies and programs that require domestic manufacturing—such as Build America, Buy America (BABA)—reinvest in domestic manufacturing and expand U.S. manufacturing jobs. While HUD’s Green and Resilient Retrofit Program is the only program in this guide that requires BABA, all of the listed programs provide an opportunity for builders to source domestically and regionally using

[www.BuildingClean.org](http://www.BuildingClean.org).

## Build America, Buy America (BABA)

BABA establishes preferences for U.S.-made products and materials for infrastructure that receive federal aid, requiring that 100% of iron and steel, construction materials, and 55% content of manufactured products used in public infrastructure projects be produced in the U.S. According to a DOE factsheet, the definition of “public infrastructure” includes public schools, hospitals, and other buildings or projects that are publicly owned and operated, privately

operated on behalf of the public, or places of public accommodation.<sup>8</sup> Retrofits or new construction of such “public infrastructure” buildings must comply with BABA requirements. **Successful implementation of BABA will strengthen domestic supply chains, increase domestic manufacturing, and generate good quality, family-supporting manufacturing jobs.** [Learn more about Build America, Buy America](#) as it applies to HUD buildings and renovations.<sup>9</sup>

# Inflation Reduction Act Energy Efficiency Funding for Owners and Developers of Affordable Housing

The following chart summarizes details on four residential efficiency programs funded by Inflation Reduction Act, including:

- the Green and Resilient Retrofit Program;
- the New Energy Efficient Home Tax Credit;
- Home Efficiency Rebates;
- and Home Electrification and Appliance Rebates.

These programs provide substantial financial incentives for owners and developers of affordable housing to improve the energy efficiency, health, and climate impact of homes, units, and buildings. Each of these programs is broken down into greater detail in subsequent sections.

	Green and Resilient Retrofit Program	New Energy Efficient Home Tax Credit	Home Efficiency Rebates (HER)	Home Electrification and Appliance Rebates (HEAR)
<b>Federal Agency</b>	Department of Housing and Urban Development (HUD)	Department of the Treasury (IRS)	DOE	DOE
<b>Eligible Recipients</b>	Owners and sponsors of HUD-assisted buildings with at least 50% HUD assisted units	Multi-family and single-family homebuilders	States and territories to distribute funds to owners of multi-family buildings, homeowners, contractors, and other eligible entities	Homeowners with incomes from 0-150% of area median income (AMI), multi-family building owners with low- and moderate-income (LMI) households occupying 50% or more units and entities performing the installation in LMI households
<b>Eligible Use of Funds</b>	Energy efficiency and climate-resilient upgrades to HUD-assisted buildings	Construction of new or substantially renovated energy-efficient homes	Energy efficiency upgrades that improve the overall energy performance of a single-family home or multi-family building	Electric and energy efficient appliances, space heating, and building envelope upgrades

	Green and Resilient Retrofit Program	New Energy-Efficient Home Tax Credit	Home Efficiency Rebates (HER)	Home Electrification and Appliance Rebates (HEAR)
<b>Application Deadline(s)</b>	Funding for all cohorts is distributed between the following application waves: 1/4/23 and 3/28/24. Applicants who are not awarded funding will automatically be entered for the next funding period	Filed with taxes for the corresponding year upgrades were installed	August 16, 2024: State must provide notice to DOE if they choose not to apply  January 31, 2025: State program applications are due to DOE	August 16, 2024: State must provide notice to DOE if they choose not to apply  January 31, 2025: State program applications are due to DOE
<b>Funding Type and Implementer</b>	Competitive grants and loans distributed by HUD	Tax credits administered by IRS	Rebates implemented by State Energy Offices	Rebates implemented by State Energy Offices
<b>Maximum Project Funding Amount</b>	<p>Elements: \$40,000 per unit or \$750,000 per property</p> <p>Leading Edge: \$60,000 per unit or \$10,000,000 per property</p> <p>Comprehensive: \$80,000 per unit or \$20,000,000 per property</p>	\$5,000 per unit	<p>Modeled: \$4,000 per unit or \$400,000 per multi-family building (MFB)</p> <p>Measured: 80% of project cost, or a reimbursement per kilowatt-hour of energy saved</p>	<p>\$14,000 per household or unit</p> <p>\$500 per entities performing installation of upgrades in LMI households</p>
<b>Program End Date</b>	March 2024	2032	2031	2031
<b>Labor Standards</b>	Prevailing Wage <sup>10</sup>  Section 3 Employment requirements <sup>11</sup>	Prevailing Wage in order to receive full tax credit value	To be determined by the state	To be determined by the state
<b>Build America Buy America (BABA) Requirements</b>	Yes	None	Will vary by state	Will vary by state
<b>Where to Apply</b>	<a href="https://www.hud.gov/grp">https://www.hud.gov/grp</a>	<a href="https://www.energy.gov/eere/buildings/45l-tax-credits-zero-energy-ready-homes">https://www.energy.gov/eere/buildings/45l-tax-credits-zero-energy-ready-homes</a>	Funds are not yet available for consumers and households. As of October 2023, applications are open to states and territories who will then disperse to consumers	Funds are not yet available for consumers and households. As of October 2023, applications are open to states and territories who will then disperse to consumers

# Green and Resilient Retrofit Program (GRRP)

*Provides competitive loans and grants to HUD-assisted properties in performing comprehensive and energy-efficient climate resilience upgrades.*

## Summary

The newly established Green and Resilient Retrofit Program aims to improve the quality and safety of HUD-assisted multi-family housing while enhancing a building’s ability to withstand natural disasters and reduce greenhouse gas emissions. Eligible HUD-assisted multi-family properties can receive direct loans and grants to fund projects that increase a property’s sustainability and building performance utilizing innovative green strategies and through the achievement of green building certifications. Additionally, participating properties must address all capital needs at the property, not only a few green or resilient improvements.

## Eligible Applicants

Eligible applicants include owners or sponsors of properties assisted under the Section 8 Project-Based Rental Assistance (PBRA) program, including properties that converted under the Rental Assistance Demonstration (RAD) program prior to September 30, 2021; the Section 202 Housing for the Elderly program; the Section 811 Housing for Persons with Disabilities program; or the Section 236 program.

HUD Green and Resilient Retrofit Program (Inflation Reduction Act, Sec 30002) <sup>12</sup>				
Total Funding Allocated	Funding Type	New or Existing	Eligible Use of Funds	Stackability
\$837.5 million and \$4 billion in loan authority	Competitive grants and loans	New program	GRRP provides funds for property owners of HUD assisted properties to address carbon emissions reduction; improved energy and/or water efficiency; energy and water benchmarking; improved indoor air quality; low-emission building materials or processes; climate resilience upgrades; building electrification; zero-emission electricity generation; and energy storage	To fully finance projects, funds from GRRP are recommended to be combined with mortgage proceeds, Low Income Housing Tax Credits, state and local funds, and reserves from other available funds

## Funding Cohorts

HUD is distributing funding for GRRP through three different funding cohorts: Elements, Leading Edge, and Comprehensive. Each cohort's target applicant groups are largely determined by the property owner's stage of recapitalization and the level of involvement and technical support provided by HUD to complete greening and resilience measures. Comprehensive is the most widely accessible cohort: property

owners are not expected to have experience with recapitalization and are provided a contractor by HUD to complete the assessment suite and design the project's scope of work. Elements and Leading Edge Cohorts are focused on achievement of green building certifications. More information about each cohort can be found in the corresponding Notices of Funding Opportunity at [www.hud.gov/grrp](http://www.hud.gov/grrp).

	Elements Cohort	Leading Edge Cohort	Comprehensive Cohort
<b>Eligible Use of Funds</b>	To add or preserve green or resilient elements in the existing scopes of work (provide gap funding) for planned renovation projects.	For retrofit activities to achieve ambitious green certifications which also include climate resilience components.	To assist properties with a high need for investment in energy efficiency and climate resilience.
<b>Eligible Recipients</b>	Property owners with existing renovation projects looking to make them greener and more climate resilient by implementing targeted energy efficiency, climate resilience, and carbon reduction upgrades. Projects in this cohort are owner driven, and should be able to achieve project targets with limited HUD involvement.  No assisted unit minimum.	Owners with experience and capability of driving the design and scope of work to address utility efficiency, carbon emissions reduction, and climate resilience needs. Existing properties and new development projects may be eligible.  Owners must have at least 50% HUD-assisted units at the property.	HUD-assisted properties with a high need for investment in energy efficiency and climate risk.  Owners must have at least 50% HUD-assisted units at the property.



	Elements Cohort	Leading Edge Cohort	Comprehensive Cohort
<b>Recapitalization Stage</b>	Applicants who: are pursuing recapitalization and are advanced in the process but not yet closed; have secured a major source of funding; and have completed substantial third party due diligence reports.	Any stage of planning for a recapitalization accepted. Owners should be able to leverage other financing sources without extensive technical assistance from HUD.	Property owners are not required to have prior experience with recapitalization transactions.
<b>Funding Amount</b>	The lesser of \$750,000 per property or \$40,000 per unit for construction.	The lesser amount of \$10 million per project or \$60,000 per unit.	The lesser of \$20 million per-project maximum or \$80,000 per-unit maximum (total units, not only assisted).
<b>Selection Criteria</b>	Includes achievement of green building certification, whole-building electrification plans, Better Climate Challenge partnership agreements, <a href="#">priority energy community location</a> , and Better Buildings Challenge. <sup>13</sup>	Based on property needs as measured by energy efficiency through DOE's Multifamily Building Efficiency Screening Tool (MBEST), with higher needs properties taking preference. Ties to be decided by ranking applicants based on poverty rates of the census tracts where the properties are located, and properties with the highest number of assisted units.	Based on property needs as measured by energy efficiency (through MBEST or the U.S. Environmental Protection Agency's Portfolio Manager ENERGY STAR) and climate risk (through the U.S. Federal Emergency Management Agency's National Risk Index (NRI)).

	Elements Cohort	Leading Edge Cohort	Comprehensive Cohort
<b>Program Requirements</b>	<p>During rehab, compliance with BABA, Davis-Bacon prevailing wage rates, and Section 3 employment requirements for low-income persons.</p> <p>Extend the property's affordability commitment 15-25 years beyond existing use restrictions.</p> <p>Create a property-specific disaster preparedness plan.</p> <p>Complete installation of proposed upgrades.</p> <p>See the complete Elements program compliance measures at <a href="http://www.hud.gov/grrp/elements">www.hud.gov/grrp/elements</a>.</p>	<p>During rehab, compliance with BABA, Davis-Bacon prevailing wage rates, and Section 3 employment requirements for low-income persons.</p> <p>Extend the property's affordability commitment 15-25 years beyond existing use restrictions.</p> <p>Achieve green certification and accomplish 25% modeled energy reduction.</p> <p>See the complete Leading Edge program compliance measures at <a href="http://www.hud.gov/grrp/leadingedge">www.hud.gov/grrp/leadingedge</a>.</p>	<p>During rehab, compliance with BABA, Davis-Bacon prevailing wage rates, and Section 3 employment requirements for low-income persons.</p> <p>Create a property-specific disaster preparedness plan.</p> <p>Work with HUD provided contractor-to-complete assessment suite and design scope of work.</p> <p>See the complete Comprehensive program compliances measures at <a href="http://www.hud.gov/grrp/comprehensive">www.hud.gov/grrp/comprehensive</a>.<sup>14</sup></p>
<b>How to Apply</b>	<p>Applicants must apply for one of three cohorts: Elements, Leading Edge, and Comprehensive.<sup>15,16,17</sup> There are two remaining waves of funding with deadlines of 1/4/24 and 3/28/24.</p> <p>Applicants who do not receive funding for their corresponding wave will automatically be entered in the following round. The final deadline for GRRP funding is 3/28/24.</p>		

# Tax Credits for Zero Energy Homes (45L)

*Provides a tax credit for construction of new or substantially reconstructed energy-efficient homes.*

## Eligible Applicants

Single family homebuilders and multi-family developers who meet Energy Star and/or Zero Energy Ready Certification are eligible for this tax credit. Eligible contractors must have constructed and owned, and sold or leased the homes or units as residences. Eligible multi-family buildings are limited to no more than five stories.

## Summary

The New Energy-Efficient Home Credit provides up to \$5,000 in tax credits for each new energy-efficient home and up to \$1,000 for each unit in a multi-family building. However, for multi-family homes, builders who meet the DOE's Zero Energy Ready Certification while also meeting prevailing wage can earn \$5,000 per unit; a tax credit 5 times greater than the base amount per unit. This credit incentivizes builders to lower monthly energy costs for future owners and renters and to pay prevailing wage. Single and multi-family dwellings that meet Energy Star requirements are eligible.

45L Tax Credits for Zero Energy Ready Homes (Inflation Reduction Act Sec. 13302) <sup>18</sup>				
Base Credit	Bonus Credit	Funding Type	New or Existing	Stackability
Single family and manufactured homes: \$2,500 for new homes meeting DOE Energy Star Certification and \$5,000 for DOE Zero Energy Ready Certification.	n/a	Tax credit	Existing but had expired. Retroactively extended with new rules effective for homes acquired after 2022.	Can be combined with Low Income Housing Tax Credit (LIHTC) and potentially also 179D Commercial Buildings Energy Efficiency Tax Deduction. <sup>19</sup>
Multi-family: \$500 per unit for Energy Star and \$1000 per unit for Zero Energy Ready.	Five times the base amount if prevailing wage requirements are met. Initial guidance on the labor provisions is available online. <sup>20</sup>			

# Home Energy Rebates (HER)

*Awards grants to state energy offices to develop a whole-house energy saving retrofits program that will provide rebates to homeowners and aggregators.*

## Eligible Applicants

Homeowners and multi-family building owners that have performed energy efficiency improvements who have met a 20% modeled energy reduction or a 15% measured energy reduction. Low- to moderate-income households are eligible to receive increased rebate amounts. Eligible contractors providing retrofits in low-income communities are also eligible for a rebate.

## Summary

This program offers rebates for energy efficiency upgrades that improve the overall energy performance of a single-family home or multi-family building, including insulation updates, HVAC system replacements, and retrofits that save whole-house energy use. Larger rebates will be available for lower-income program participants. Contractors providing retrofits under HER state programs can also claim a \$200 rebate per home they service in an underserved community. State Energy Offices must first apply for funding from DOE and then implement programs at the state level. Residents who live in states that do not apply for the funds will not have access to the beneficial funding of the program.

DOE (HER) Home Energy Performance-Based, Whole-House Rebates (Inflation Reduction Act Sec. 50121) <sup>21</sup>				
Total Allocated Funds	Funding Type	New or Existing	Implementer of Funds	Stackability
\$4.3 billion	Formula grants	New	State Energy Offices (who will disperse to homeowners, contractors, owners of MFB, and other eligible entities)	<p>HER using the Modeled Energy Savings route can combine funds with Home Electrification and Appliance Rebates (HEAR) for separate upgrades. HER using Measured route cannot combine funds with HEAR.</p> <p>The Inflation Reduction Act allows combining HOMES rebates with state/utility rebate programs and federal tax credits like 25C (Energy-Efficient Home Improvement Credit)</p>

## Modeled vs. Measured Energy Savings

Applicants must compare energy consumption before and after the retrofits, utilizing either estimated energy performance via building energy models, or by directly measuring the home performance. The charts below explain the details for the modeled and measured energy savings method for this program. Modeled energy savings are approximations/estimates of energy

savings as determined by energy modeling programs run on computers. Alternatively, measured energy savings are a measured indication of the home's actual energy performance post weatherization and efficiency upgrade work. The resulting rebate amounts and income formulas differ in the modeled method from the measured method.

### HER Based on Modeled Energy Savings for Multi-Family Homes (Inflation Reduction Act Sec. 50121)

Income	Energy Reduction	Rebate Eligibility	Rebate Cap	Notes	Notes 2
n/a	20%-35%	\$2,000 per dwelling unit	\$200,000 per MFB		Requires models to adopt a specific technique, ANSI/BPI-2400, for calibrating the building energy models
n/a	35%	\$4,000 per dwelling unit	\$400,000 per MFB		
50% or more dwelling units occupied by LMI households	20%-35%	80% of project cost	\$4,000 per dwelling unit	No cap per building	
50% or more dwelling units occupied by LMI households	35%	80% of project cost	\$8,000 per dwelling unit	No cap per building	

**HER Rebates Based on Measured Energy Savings for Single- and Multi-Family Homes (Inflation Reduction Act Sec. 50121)**

Income	Energy Reduction	Rebate Eligibility	Rebate Cap	Notes	Notes 2
n/a	At least 15%	50% of project cost or a reimbursement calculated per kWh of energy saved	none	The rate is \$100 per 1% reduction in energy consumption of the average single-family home or MFB in the state-multiplying this rate by the homeowner's actual energy savings gives the amount of the rebate	Must use DOE approved open-source measurement and verification software required
LMI households or MFBs having at least 50% of LMI households	At least 15%	80% of project cost, or a reimbursement per kWh of energy saved	none	Double above: \$200 per 1% reduction in the state average	



# Home Electrification and Appliance Rebates (HEAR)

*Awards grants to state energy offices and Tribal entities to develop and implement a high-efficiency electric home rebate program.*

## Eligible Applicants

Homeowners with incomes from 0-150% AMI and MFB owners with LMI households occupying 50% or more of a building's units are eligible. Qualified contractors who perform installations of program-covered upgrades for LMI households are eligible for a rebate.

## Summary

HER and HEAR are DOE's two State Energy Rebates. HEAR provides point-of-sale rebates to eligible homeowners for the purchase, labor, and installation of electric and energy-efficient (Energy Star certified) appliances, space heating, and building envelope upgrades. The program covers 100% of electrification costs up to \$14,000 for low income households and 50% of costs up to \$14,000 for low-moderate income households. Contractors providing retrofits under HER and HEAR state programs can also claim a \$200 rebate per home they service in an underserved community. State Energy Offices must first accept formula funding from DOE and then implement programs at the state level. Residents who live in states that do not accept the funds will not have access to the beneficial funding of the program.

Home Electrification Appliance Rebates (HEAR) (Inflation Reduction Act Sec. 50122) <sup>22</sup>				
Funding Amount	Funding Type	New or Existing	Funding Process	Stackability
\$4.5 billion	Formula grants	New program	Funds are not yet available for consumers and households. As of October 2023, applications are open to states and territories. Tribes will have a separate program application. State Energy Offices will disperse rebates to consumers.	Can be combined with HER modeled route for separate upgrades.  Can be combined with other federal funds such as LIHTC and 25C.

## Means Testings for HEAR (Inflation Reduction Act Sec. 50122)

Income Eligibility	Rebate Amount
Below 80% of AMI	Full expense of upgrades up to \$14,000
80%-150% of AMI	50% of costs, up to \$14,000
Over 150% of AMI	Not eligible for rebates
Owners and certain entities who install upgrades in MFB with 50% of dwelling units with incomes not greater than 150% of AMI	50% of the value of the above rebates
Owners and certain entities who install upgrades in MFB with 50% of dwelling units with incomes not greater than 80% of AMI	100% of the value of the above rebates

Qualified Electrification Measures	Rebate Cap	Notes
Heat pumps for water heating	\$1,750	<p>\$14,000 cap per household</p> <p>New equipment must be Energy Star certified</p> <p>Qualified contractors who perform the installation in LMI communities may receive up to \$500, as determined by state programs.</p> <p>States can apply for funding from DOE to create workforce training programs to support the training, testing, and certification of residential energy efficiency and electrification contractors—including the certification of contractors who will provide services for HER and HEAR programs.</p>
Heat pumps for space heating	\$8,000	
Electric stoves or electric heat pump clothes dryers	\$840	
Electric load service center upgrade	\$4,000	
Electric wiring upgrades	\$2,500	
Insulation, air sealing, ventilation	\$1,600	



## HER and HEAR Qualified Contractors

Homeowners and building owners that make use of HER and HEAR rebates will likely be required to have their upgrades installed by a state-approved contractor. When State Energy Offices (SEOs) establish their Home Energy Rebates programs, they will be required to maintain a list of qualified contractors who meet the professional qualifications for certification. SEOs will also be responsible for establishing what qualifications will be necessary for their networked contractors list.

To support these efforts, DOE has allocated \$190 million for formula and competitive grants for SEOs to provide training and education to contractors and organizations involved in the rebate programs. As part of the application, states and Tribes are required to submit Community Benefit Plans that emphasize labor and community engagement, build a qualified and skilled workforce, advance diversity, equity, inclusion, and the Justice40 Initiative.<sup>23</sup>

State-Based Home Energy Efficiency Contractor Training Grants (Inflation Reduction Act Sec. 50123) <sup>24</sup>					
Funding Amount	Funding Type	End	New or Existing	Application Due Date	Recipient
\$150 million total	Formula grants	2031	New program	September 30, 2023	State energy offices and Tribes
\$40 million	Competitive grants			Not yet announced	

## Endnotes

- 1 American Council for Energy Efficiency, National and Regional Energy Burdens, September 2020. <https://www.aceee.org/sites/default/files/pdfs/ACEEE-01%20Energy%20Burden%20-%20National.pdf>
- 2 U.S. Department of Energy (DOE), Energy Efficiency Revolving Loan Fund Capitalization Grant Program. <https://www.energy.gov/scep/energy-efficiency-revolving-loan-fund-capitalization-grant-program>
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- 4 BlueGreen Alliance (BGA), BlueGreen Alliance Checklist for Federal Funding Applications. <https://www.bluegreenalliance.org/resources/bluegreen-alliance-checklist-for-federal-funding-applications/>
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- 6 The Century Foundation, Why Manufacturing Jobs Are Worth Saving. <https://tcf.org/content/report/manufacturing-jobs-worth-saving/?agreed=1>
- 7 EPI, Botched policy responses to globalization have decimated manufacturing employment with often overlooked costs for Black, Brown, and other workers of color. <https://www.epi.org/publication/botched-policy-responses-to-globalization/>
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- 9 U.S. Department of Housing and Urban Development (HUD), Build America, Buy America Act (BABA). [https://www.hud.gov/program\\_offices/general\\_counsel/BABA](https://www.hud.gov/program_offices/general_counsel/BABA)
- 10 U.S. Department of Labor (DOL), Prevailing Wage and the Inflation Reduction Act. <https://www.dol.gov/agencies/whd/IRA>
- 11 HUD, Section 3 of the Housing and Development Act of 1968. <https://www.hud.gov/section3/>
- 12 HUD, The Green and Resilient Retrofit Program (GRRP). <http://www.hud.gov/grrp>
- 13 Interagency Working Group on Coal & Power Plant Communities & Economic Revitalization, Priority Energy Communities. <https://energycommunities.gov/priority-energy-communities>
- 14 HUD, GRRP Comprehensive Overview. [www.hud.gov/grrp/comprehensive](http://www.hud.gov/grrp/comprehensive)
- 15 HUD, Elements Fact Sheet. [https://www.hud.gov/sites/dfiles/Housing/documents/GRRP\\_Elements\\_FactSheet.pdf](https://www.hud.gov/sites/dfiles/Housing/documents/GRRP_Elements_FactSheet.pdf)
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