

In this issue ...

### ***FEDERAL UPDATE***

#### Economic Stimulus Package Includes Incentives for Energy Efficiency Retrofits of Residential and Commercial Buildings

House appropriators began the task of moving forward on an \$825 billion economic stimulus package this week that includes major spending for energy efficiency initiatives that could benefit older and historic residential and commercial structures. Lawmakers hope to complete the stimulus before the start of the Presidents Day recess on February 13<sup>th</sup>.

The Appropriations Committee approved \$3.5 billion for Energy Efficiency and Conservation Block Grants Recovery, which could provide funding for retrofitting older and historic residential and commercial buildings. According to the House Appropriations committee report on their portion of the stimulus, "the Energy Efficiency and Conservation Block Grant Program will assist states, local governments and Indian tribes in implementing strategies to reduce fossil fuel emissions created as a result of activities within the jurisdictions of the eligible entities and reduce the total energy use. Activities eligible to receive funding include: conducting residential and commercial building energy audits; establishing financial incentives programs for energy efficiency improvements; grants to non-profits organizations to perform energy efficiency retrofits; developing/implementing programs to conserve energy used in transportation; developing and implementing building codes and inspections services to promote building energy efficiency; installing light emitting diodes (LEDs); and developing, implementing, and installing on or in any government building on-site renewable energy technology that generates electricity from renewable sources."

Financial  
Incentives and  
Grants to  
Nonprofits  
Included in  
Energy Portion of  
Stimulus for  
Energy Efficiency  
Improvements,  
Audits for  
Residential and  
Commercial  
Buildings

In a separate markup of the tax portion of the stimulus plan, the House Ways and Means committee approved a scaled-down version of the National Trust's proposed tax incentive for energy retrofits for homeowners. Under the Committee's proposal, homeowners making energy efficiency improvements to existing homes, who are now eligible for a 10 percent tax credit, would see that boosted to 30 percent, with a cap of \$1,500. The National Trust had proposed an expansion of the non-business energy tax credit, which was created under Section 1333 of the Energy Policy Act of 2005, from a 10% credit capped at \$500 to a 20% credit with a maximum cap of \$5,000 to provide enough incentive for historic homeowners to make energy-efficiency retrofits. In addition, the Trust advocates expanding the non-business energy credit to fund not only equipment, such as Energy Star-rated hot water heaters, but also include the labor and material costs of more traditional weatherization in these homes — such as insulating windows and doors, for example.

Ways & Means  
Panel Includes  
Modified Version  
of Trust Proposal  
on Tax Credit for  
Energy Efficiency  
Improvements to  
Existing Homes

The National Trust hopes to continue to shape the debate on how financial incentives and grant programs for energy efficiency can benefit older and historic buildings as the legislative process moves forward. On that note, House Appropriations Committee chairman David Obey (D-WI) said House leaders would like to have the stimulus bill on the floor by January 28<sup>th</sup>.

LaHood Proposes  
to Include  
Sustainability and  
Community  
Character in  
Transportation  
Planning and  
Infrastructure  
Decisions

### LaHood Sails through Confirmation Hearing for Transportation Secretary Cabinet Post

The Senate Commerce, Science and Transportation Committee approved Transportation Secretary nominee Ray LaHood on Wednesday with little fanfare and was subsequently confirmed by the full Senate on January 22<sup>nd</sup>.

LaHood, a former member of the House, was questioned by the Commerce panel about his stance on earmarking and the Obama administration's opposition to the practice, which LaHood promised to enforce in both the stimulus infrastructure spending plan and the new surface transportation reauthorization bill. LaHood also stated he would be open to new, creative ideas for addressing the projected funding shortfalls in the Highway Trust Fund, but he did not elaborate on any alternatives. In addition, the committee panel neglected to ask him whether he would support raising gasoline taxes to bolster the Trust Fund, as a National Surface Transportation Policy and Revenue Commission study recommended last year. In response to a question from Sen. Kay Bailey Hutchison (R-TX), LaHood said he does not support privatizing toll roads on the Interstate Highway System.

LaHood did make special mention of sustainability in both his oral and written testimony, stating that "sustainability must permeate all our infrastructure investments, from highways and transit to aviation and ports." In addition, he noted that we must invest our transportation resources "in a way that respects the unique character of each community. The era of one-size-fits-all transportation projects must give way to one where preserving and enhancing unique community characteristics, be they rural or urban, is a primary mission of our work rather than an afterthought." LaHood's sentiments should be a good omen for preserving existing historic preservation protections in the upcoming reauthorization bill from any attempts to streamline environmental and cultural resource reviews of federally-funded transportation projects.

### Energy/Climate Change and Transportation Bills to Dominate Congressional Agenda in Spring

Energy and  
Climate Change  
Bills May Provide  
Opportunity for  
Proposed Tax  
Incentive for  
Historic  
Homeowners

More information was leaked this week about the coming legislative agenda after Congress finishes tackling the economic stimulus package. For instance, House Transportation and Infrastructure Chairman James Oberstar (D-MN) hopes the House will approve a surface transportation reauthorization program by June. Preservationists have a large stake in defending and ensuring that existing protections for historic and cultural resources are retained in place during the drafting of the new transportation bill. In addition, the Democrats have announced that they plan to press forward with the first portion of their energy/climate agenda in the early spring, which will focus exclusively on renewable energy. Democrats say they have the votes to speedily move the

measure through. In addition, Senate Energy Committee chairman Jeff Bingaman D-NM) said he is likely to introduce an energy package, including a renewable-energy standard, in the weeks following passage of the economic stimulus bill. Other components of that package may depend on what final energy provisions are included in the stimulus package. The National Trust is closely monitoring these developments to take advantage of any opportunities that present themselves for improving the energy efficiency of older and historic buildings and structures.

