

NEWS

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CNAIMA Urges Congress to Renew Residential Energy Tax Credit

Washington, D.C. – The head of America’s leading trade association of insulation manufacturers today urged congressional leaders to use the current lame duck session to “extend and expand” a residential energy tax credit that’s helped create thousands of jobs and advance energy savings and efficiency.

In a letter this week to the Chairmen and Ranking Members of the Senate Finance and House Ways and Means Committees, Kate Offringa, the President and CEO of the Council of the North American Insulation Manufacturers Association (CNAIMA), called on Congress to renew a provision of the 2005 Energy Policy Act known as 25(C) that has helped tens of thousands of homeowners across the country save substantial amounts on monthly energy bills.

“The current economic environment has hit insulation manufacturers and installers particularly hard,” Offringa said in her letter. “The unemployment rate for the construction industry as a whole is reported to be 24 percent. By extending the 25(C) credit beyond 2010, Congress can help put thousands of installers back to work while at the same time saving homeowners millions of dollars a year in wasted energy.” Congress, Offringa pointed out, must act during the November-December lame duck session, otherwise 25(C) will expire before the end of 2010.

“Regrettably, the 111th Congress has been marked by one missed opportunity after another to enact energy efficiency initiatives,” Offringa wrote today in an op-ed commentary published in Energy Daily. “If more American homes were insulated, we could – each year – save thirty times the amount of energy that tragically spilled into the Gulf of Mexico this spring and summer.”

25(C) provides a tax credit of 30 percent (up to \$1,500) for heating, ventilation, and air conditioning equipment, insulation, energy-smart windows, and other products designed to save energy. It also stipulates that new products meet international standards and be permanent features of the home so the benefits continue for many years to come.

“Not only does 25(C) need to be extended well into the future, but it needs to be expanded,” Offringa wrote in her commentary. “Unfortunately, the cost of actually installing additional insulation and some other products is not currently covered by 25(C). This oversight should be corrected as part of an extension for the credit to work effectively and give the program the biggest bang for its buck.”

The provision has already won wide bipartisan support on Capitol Hill and been extended (and expanded) twice in recent years, Offringa pointed out. It was also adopted by the Obama Administration in its American Recovery and Reinvestment Act. “Any serious effort to reduce reliance on foreign sources of energy or reduce emissions must begin by continuing the programs that are in place and working today,” Offringa said. CNAIMA represents 15 companies in 23 states.

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About the Council of NAIMA

The Council of the North America Insulation Manufacturers Association advocates for policies and programs that encourage and incentivize increased energy efficiency through insulation in new and existing residential and commercial buildings and industrial applications. Membership in the Council of NAIMA is open to thermal and acoustical insulation manufacturers – regardless of insulation product type – and their suppliers located in North America.