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FOR IMMEDIATE RELEASE

DATE: JULY 20, 2011

CONTACT:

Tim Gay

PHONE:

(202) 863-4215

E-MAIL:

tim.gay@grayling.com

CNAIMA Endorses Bipartisan PACE Home Energy Efficiency Legislation – Bill Will Spur Job Growth While Protecting Federal Treasury

Washington, D.C., July 20, 2011 – Saluting PACE as a “sorely needed way to generate local jobs without spending tax dollars or adding to the federal deficit,” the head of America’s leading association of insulation manufacturers and suppliers today endorsed a renewed bipartisan effort to revitalize the home energy efficiency program. The PACE Assessment Protection Act of 2011, introduced today by Representatives Ann Heyworth (R-NY), Dan Lungren (R-CA), and Mike Thompson (D-CA), is aimed at bringing together small businesses and local governments to ensure accurate residential property assessments, thereby spurring greater homeowner investment in insulation and other energy efficiency measures.

“A revitalized PACE would be a powerful antidote to what’s ailing the American economy,” said Kate Offringa, CEO of the Council of the North American Insulation Manufacturers Association (CNAIMA). “Restoring PACE’s promise is a sensible way to spark economic growth without further exacerbating the federal deficit. It will put insulation workers all over the country back on the job – without imposing federal mandates or taxes.”

Offringa pointed out that economists estimate that if just one percent of America’s homes were retrofitted through PACE, some 226,000 jobs would be created across the country, generating \$42 billion in economic activity. PACE stands for Property Assessed Clean Energy, a federal program aimed at boosting local business growth by encouraging homeowners to make their homes more energy efficient. The Federal Housing Finance Agency (FHFA) undermined PACE programs around the country that were on the verge of launching in 2010 by mischaracterizing the program as imposing loans on properties. The Heyworth-Lungren-Thompson bill will provide a course correction for FHFA, Offringa pointed out, restoring local governments’ latitude in establishing and maintaining their own special assessment districts.

“PACE is fiscally sound. PACE ‘assessments’ are ‘assessments’ – not ‘loans,’” Offringa said. “Studies show that homeowners participating in PACE have lower mortgage default rates than other property owners. Representatives Heyworth, Lungren, and Thompson deserve credit for trying to reenergize PACE – and do it in a way that strengthens state and local governments, protects private banks, and doesn’t cost the federal government money.”

Under the PACE Assessment Protection Act of 2011, PACE home retrofit projects must:

- Show a positive cash flow savings compared to the cost of the PACE investment – the estimated utility bill savings must exceed assessment payments
- Require an energy audit or feasibility study prior to approval
- Require that the work be performed by accredited professionals
- Require that, prior to levying a PACE assessment, the local government determine that there are no signs of an inability to pay

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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.