

By Rep. Peter Welch

Rare is the initiative that could save the job of a Michigan factory worker, help a Vermonter heat her home and put an Arizona contractor back out in the field. But one program embraced by President Barack Obama and gaining momentum in Congress would accomplish all three — and then some.

Home Star — better known as Cash for Caulkers — is a simple idea that would provide immediate, tangible benefits for local economies across the country, while helping families pay their energy bills. By encouraging homeowners to invest in energy efficiency retrofits, Home Star would create an estimated 168,000 manufacturing and construction jobs that could not be outsourced. It would also help more than 3 million Americans improve their homes and save families close to \$10 billion in energy bills over 10 years.

House and Senate committees are now considering whether to include Home Star in the next jobs bill. If our purpose is to revitalize flagging industries, support struggling families and lay the groundwork for a new economy, the answer could not be more clear.

Home Star provides two ways for Americans to invest in their homes. The first is a point-of-sale rebate for up to 50 percent of the cost of certain energy efficiency improvements up to \$3,000 per home — including insulation, HVAC units, duct sealing and water heaters. The second is a more comprehensive retrofit that rewards homeowners for the total amount of energy they save. For example, a 20 percent energy savings demonstrated by a home energy audit would result in a \$3,000 rebate.

The program's job creation benefits would be threefold.

First, energy efficiency rebates would trigger a wave of consumer spending at local hardware stores and national retailers — boosting struggling businesses like the popular Cash for Clunkers program did.

Second, the bill would put to work contractors, carpenters and HVAC technicians — all reeling from the construction trades' 25 percent unemployment rate, caused by the housing bust.

Third, it would spur manufacturing by increasing demand for American-made insulation, roofing materials, storm windows and heating systems.

The potential for Home Star to create jobs is proven and real. In my own small state of Vermont, which leads the nation in energy efficiency investments, a statewide efficiency program created more than 430 jobs in one year and generated more than \$40 million in income. It also laid the groundwork for a clean energy economy that promises to pay dividends down the road.

But the benefits of Home Star would go far beyond job creation. For a stimulus program to be worth its cost, it must not only create a short-term economic boost but also generate lasting value. Home Star would do that by breaking down the key barrier between homeowners and money-saving retrofits: upfront costs.

Leveraging private capital, the rebates would enable the renovation of 3 million homes for a fraction of the federal investment. The savings for homeowners — between \$200 and \$500 a year in reduced energy bills — would be invaluable to families throughout the country.

Investing in efficiency is a critical step toward addressing our nation's growing energy crisis and our planet's growing climate crisis. Homes and buildings, many of which are old and drafty, eat up 40 percent of the energy America uses.

These inefficiencies detract from our national security by leaving us reliant on foreign oil; and they exacerbate climate change by forcing us to produce far more energy than we need.

While the thorny politics of energy policy have, so far, prevented Congress from passing comprehensive energy legislation, the low-hanging fruit of efficiency will move us in the right direction.

Vermont has shown that efficiency works. Our state energy efficiency utility cut Vermont's energy use by 7 percent in its first seven years, reducing costs for homes and businesses by \$31 million annually. Expanded nationally, Home Star could save as much energy as taking hundreds of thousands of cars off the road.

As Congress continues to look for ways to put Americans back to work, Home Star provides the perfect opportunity. In every congressional district, builders and contractors need work, homeowners need to save money, and leaking buildings need to be plugged.

Investing in efficiency is an investment in our families — and an investment in our economy.