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SENATE BILL 6468

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State of Washington

61st Legislature

2010 Regular Session

By Senators Kauffman, Rockefeller, Pridemore, Berkey, and Kline

Read first time 01/14/10. Referred to Committee on Environment, Water & Energy.

1 AN ACT Relating to coordinating the weatherization and structural  
2 rehabilitation of residential structures; and amending RCW 70.164.010,  
3 70.164.030, 70.164.040, and 70.164.070.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 70.164.010 and 1987 c 36 s 1 are each amended to read  
6 as follows:

7 (1) The legislature finds and declares that weatherization of the  
8 residences of low-income households will help conserve energy resources  
9 in this state and can reduce the need to obtain energy from more costly  
10 conventional energy resources. The legislature also finds that  
11 ((rising energy costs have made it difficult for low income citizens of  
12 the state to afford adequate fuel for residential space heat.  
13 Weatherization of residences will lower energy consumption, making  
14 space heat more affordable for persons in low income households. It  
15 will also reduce the uncollectible accounts of fuel suppliers resulting  
16 from low income customers not being able to pay fuel bills.)) while  
17 many efforts have been made by the federal government and by the state,  
18 including its cities, counties, and utilities, to increase both the  
19 habitability and the energy efficiency of residential structures within

1 the state, stronger coordination of these efforts will result in even  
2 greater energy efficiencies, increased cost savings to the state's  
3 residents in the form of lower utility bills, improvements in health  
4 and safety, lower greenhouse gas emissions and associated climate  
5 impacts, as well as increased employment for the state's workforce.

6 (2) Therefore, it is the intent of the legislature that state funds  
7 be dedicated to weatherization and energy efficiency activities as well  
8 as the moderate to significant repair and rehabilitation of residential  
9 structures that are required as a necessary antecedent to those  
10 activities.

11 (3) The program implementing the policy of this chapter is  
12 necessary to support the poor and infirm and also to benefit the  
13 health, safety, and general welfare of all citizens of the state.

14 **Sec. 2.** RCW 70.164.030 and 1991 sp.s. c 13 s 62 are each amended  
15 to read as follows:

16 (1) The low-income weatherization and structural rehabilitation  
17 assistance account is created in the state treasury. All moneys from  
18 the money distributed to the state pursuant to *Exxon v. United States*,  
19 561 F.Supp. 816 (1983), affirmed 773 F.2d 1240 (1985), or any other oil  
20 overcharge settlements or judgments distributed by the federal  
21 government, that are allocated to the low-income weatherization and  
22 structural rehabilitation assistance account shall be deposited in the  
23 account. The department may accept such gifts, grants, and endowments  
24 from public or private sources as may be made from time to time, in  
25 trust or otherwise, and shall deposit such funds in the account. Any  
26 moneys received from sponsor match payments shall be deposited in the  
27 account. The legislature may also appropriate moneys to the account.  
28 Moneys in the account shall be spent pursuant to appropriation and only  
29 for the purposes and in the manner provided in RCW 70.164.040. Any  
30 moneys appropriated that are not spent by the department shall return  
31 to the account.

32 (2) The purposes of the low-income weatherization and structural  
33 rehabilitation assistance account are to:

34 (a) Maximize the number of energy efficient residential structures  
35 in the state;

36 (b) Achieve the greatest possible expected monetary and energy

1 savings by low-income households and other energy consumers over the  
2 longest period of time;

3 (c) Identify and correct, to the extent practicable, health and  
4 safety problems for residents of low-income households, including  
5 asbestos, lead, and mold hazards;

6 (d) Leverage the many available state and federal programs aimed at  
7 increasing the quality and energy efficiency of low-income residences  
8 in the state;

9 (e) Create family-wage jobs that may lead to careers in the  
10 construction trades or in the energy efficiency sectors; and

11 (f) Leverage, to the extent feasible, sustainable technologies,  
12 practices, and designs, including renewable energy systems.

13 **Sec. 3.** RCW 70.164.040 and 2009 c 379 s 202 are each amended to  
14 read as follows:

15 (1) The department shall solicit proposals for low-income  
16 weatherization programs from potential sponsors. A proposal shall  
17 state the amount of the sponsor match, the amount requested, the name  
18 of the weatherizing agency, and any other information required by the  
19 department.

20 (2)(a) A sponsor may use its own moneys, including corporate or  
21 ratepayer moneys, or moneys provided by landlords, charitable groups,  
22 government programs, the Bonneville power administration, or other  
23 sources to pay the sponsor match.

24 (b) Moneys provided by a sponsor pursuant to requirements in this  
25 section shall be in addition to and shall not supplant any funding for  
26 low-income weatherization that would otherwise have been provided by  
27 the sponsor or any other entity enumerated in (a) of this subsection.

28 (c) No proposal may require any contribution as a condition of  
29 weatherization from any household whose residence is weatherized under  
30 the proposal.

31 (d) Proposals shall provide that full levels of all cost-effective,  
32 structurally feasible, sustainable residential weatherization  
33 materials, measures, and practices, as determined by the department,  
34 shall be installed when a low-income residence is weatherized.

35 (3)(a) The department may in its discretion accept, accept in part,  
36 or reject proposals submitted. The department shall prioritize  
37 projects that utilize funding from related federal energy efficiency

1 programs including, but not limited to, the weatherization assistance  
2 program, the energy efficiency and conservation block grant program,  
3 residential energy efficiency components of the state energy program,  
4 and the retrofit ramp-up program.

5 (b) After making a determination of cost-effectiveness, the  
6 department shall first allocate state funds appropriated from the low-  
7 income weatherization and structural rehabilitation assistance account  
8 to provide funding for homes that only require low-cost repair and  
9 rehabilitation as a necessary prerequisite to weatherization  
10 improvements. If there are sufficient funds available, state funds may  
11 be used for substantial rehabilitation as a necessary prerequisite to  
12 weatherization improvements.

13 (c) The department shall then allocate either sponsor funds, state  
14 funds, or both, appropriated from the low-income weatherization and  
15 structural rehabilitation assistance account primarily for energy  
16 efficiency and weatherization activities among proposals accepted or  
17 accepted in part ((so as to:

18 (i) Achieve the greatest possible expected monetary and energy  
19 savings by low income households and other energy consumers over the  
20 longest period of time;

21 (ii) Identify and correct, to the extent practical, health and  
22 safety problems for residents of low income households, including  
23 asbestos, lead, and mold hazards;

24 (iii) Create family wage jobs that may lead to careers in the  
25 construction trades or in the energy efficiency sectors; and

26 (iv) Leverage, to the extent feasible, environmentally friendly  
27 sustainable technologies, practices, and designs)).

28 ((+b)) (d) The department shall, to the extent feasible, ensure a  
29 balance of participation in proportion to population among low-income  
30 households for: (i) Geographic regions in the state; (ii) types of  
31 fuel used for heating, except that the department shall encourage the  
32 use of energy efficient sustainable technologies; (iii) owner-occupied  
33 and rental residences; and (iv) single-family and multifamily  
34  dwellings.

35 ((+e)) (e) The department shall give priority to the structural  
36 rehabilitation and weatherization of dwelling units occupied by low-  
37 income households with incomes at or below one hundred twenty-five  
38 percent of the federally established poverty level.

1        ~~((d))~~ (f) The department may allocate funds to a nonutility  
2 sponsor without requiring a sponsor match if the department determines  
3 that such an allocation is necessary to provide the greatest benefits  
4 to low-income residents of the state.

5        ~~((e))~~ (g) The department shall require ~~((sponsors))~~ weatherizing  
6 agencies to employ individuals trained from workforce training and  
7 apprentice programs established under chapter 536, Laws of 2009 if  
8 these workers are available, pay prevailing wages under chapter 39.12  
9 RCW, hire from the community in which the program is located, and  
10 create employment opportunities for veterans, members of the national  
11 guard, and low-income and disadvantaged populations.

12        (4)(a) A sponsor may elect to: (i) Pay a sponsor match as a lump  
13 sum at the time of structural rehabilitation or weatherization~~((τ))~~; or  
14 (ii) make yearly payments to the low-income weatherization and  
15 structural rehabilitation assistance account over a period not to  
16 exceed ten years. If a sponsor elects to make yearly payments, the  
17 value of the payments shall not be less than the value of the lump sum  
18 payment that would have been made under (a)(i) of this subsection.

19        (b) The department may permit a sponsor to meet its match  
20 requirement in whole or in part through providing labor, materials, or  
21 other in-kind expenditures.

22        (5) ~~((Programs))~~ Service providers receiving funding under this  
23 section must report to the department ~~((every six months following the~~  
24 ~~receipt of a grant regarding the number of dwelling units))~~ at least  
25 quarterly, or in alignment with federal reporting, whichever is the  
26 greater frequency, the number of dwelling units repaired,  
27 rehabilitated, and weatherized, the number of jobs created or  
28 maintained, and the number of individuals trained through workforce  
29 training and apprentice programs~~((, with the last report submitted six~~  
30 ~~months after program completion))~~. The director of the department  
31 shall review the accuracy of these reports.

32        (6) The department shall adopt rules to carry out this section.

33        **Sec. 4.** RCW 70.164.070 and 1987 c 36 s 7 are each amended to read  
34 as follows:

35        Payments to the low-income weatherization and structural  
36 rehabilitation assistance account shall be treated, for purposes of

1 state law, as payments for energy conservation and shall be eligible  
2 for any tax credits or deductions, equity returns, or other benefits  
3 for which conservation investments are eligible.

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