

**Statement by Conrad Egan
President and CEO of the National Housing Conference**

NHC Urges Congress and the Administration to Approve “Cash for Caulkers,” a Program That Would Help Create or Save an Estimated 360,000 to 500,000 Jobs, Among Other Impacts

“NHC applauds recent efforts to develop incentives for home energy-efficiency retrofits, and urges Congress and the Administration to work together to authorize a "cash for caulkers" program that would help to create jobs, improve residential energy-efficiency, and reduce carbon emissions and the consumption of limited natural resources. If funded at the proposed \$20 billion, the program would create or save an estimated 360,000 to 500,000 jobs. Among other impacts, this innovative program would create direct jobs for local contractors, construction workers, and others in the construction industry, which saw an unemployment rate that reached 21 percent this year. By reducing utility costs for America’s families, it would also increase their spending power, creating additional jobs as those funds are spent.

In addition, by promoting investment in home energy-efficiency, the program would generate important environmental benefits. Energy Department statistics show that more modest home improvements undertaken through the Weatherization Assistance Program have helped to reduce national energy demand by the equivalent of 18 million barrels of oil each year. The proposed "cash for caulkers" program would magnify this impact exponentially, resulting in even greater environmental benefits.

The proposed program would also help to meet the needs of working families that earn too much to qualify for weatherization or utility bill assistance programs targeted to very low-income households, but too little to benefit from the relatively modest tax credits that are now available. This coverage gap, highlighted in a recently-released paper from NHC and its research affiliate, the Center for Housing Policy, leaves low- and moderate-income households with growing utility bills and few resources to improve the energy-efficiency of their homes.

Specifically, the program would provide a 50 percent rebate on eligible energy-efficient investments up to \$24,000 for a maximum tax credit of \$12,000. This is a very substantial incentive that will encourage families to undertake energy-efficiency improvements, putting hundreds of thousands of contractors back to work. While current proposals appear to limit the program to owner-occupied homes, extending eligibility to a broader range of housing types - both single- and multi-family and both renter- and owner-occupied homes - would increase the economic and environmental impacts of the program.

To magnify the impact of the proposal, the Administration and Congress should consider creating a loan guarantee or other mechanism to ensure the availability of up-front financing for the improvements, helping to make the tax credit accessible to working families that may not be able to afford the up-front costs of home retrofits. This would help speed implementation and promote needed job creation.”

###

About the Data in This Statement:

- The estimates for the number of jobs that would be created by the “cash for caulkers” program are based on projections developed by ICF International on the job creation impacts of energy-efficient retrofits contained in [*Rapid Deployment Energy Efficiency Toolkit: Planning & Implementation Guides*](#), which indicate job creation of 18 to 25 jobs per \$1 million of program spending on energy audit and easy direct install programs and the Home Performance with Energy Star program.
- For details on the current unemployment rate within the industry, please see the following source: <http://www.whitehouse.gov/the-press-office/remarks-president-energy-efficiency-and-job-creation>
- For additional information on weatherization’s impact on national energy demand, please see the following source: http://apps1.eere.energy.gov/weatherization/recovery_act_faqs.cfm#background
- The recently-released NHC and Center for Housing Policy report referenced above is [*Financing Residential Energy Efficiency: Assessing Opportunities and Coverage Gaps in the American Recovery and Reinvestment Act of 2009*](#).