

The Honorable Nancy Pelosi
Speaker of the House of Representatives
H-232, United States Capitol
Washington, DC 20515

Dear Madame Speaker:

We write to urge that the economic stimulus package includes measures to advance job growth in the clean-energy sector and reduce consumers' energy bills. Families need immediate and tangible relief from the economic crisis. Stimulating the clean-energy sector will help accomplish this goal, while furthering your efforts to reduce greenhouse-gas pollution.

The policies listed below will decrease energy costs for consumers, encourage economic activity in the struggling contracting and home improvement sector, create high-paying construction jobs and encourage the purchase of energy-efficient products. We have advanced only measures that are "timely, targeted and temporary". Each of these actions will stimulate domestic economic activity effective immediately upon adoption. In addition, the economic growth created by these measures will take place in the U.S. and will not simply encourage consumption of imported retail goods.

One-Year Boost to Weatherization Assistance Program

We support an immediate appropriation of an additional \$200 million for fiscal year 2008 to this successful, established program, which received less than half of its authorized 2008 funding. The funds reach low-income households through 970 community agencies that engage contractors for services to reduce energy waste. For every \$1 invested, the program returns \$3.71 in benefits and specifically supports job growth and economic development. Families are in desperate need of assistance with skyrocketing energy bills and this program delivers immediate and long-term benefits. It also will provide immediate employment for workers in the sagging construction industry.

One-Year Extension of Renewable Energy Production and Investment Tax Credits

If Congress extended this credit hundreds of millions of dollars would be invested into the economy immediately while creating new jobs. Developers and investors are waiting for Congress to act before they move forward with their projects. Extending the 2.0 cent per kilowatt-hour production tax credit for wind; closed-loop biomass; open-loop biomass; geothermal; small-irrigation hydropower; landfill gas; trash-combustion facilities; and marine renewables will continue to drive growth in these industries.

Furthermore, an extension of the 30% Investment Tax Credit to encourage manufacturing of solar and fuel cells, and the 10% credit for microturbines will provide much needed certainty for those utilities that want to develop renewable resources for their energy portfolio. These industries already are losing orders for the first quarter of 2008. The Production Tax Credit and the Investment Tax Credit are estimated to each cost \$50 million for a one year extension.

One-Year Extension of Residential Renewable Energy and Energy Efficiency Property Tax Credit

Currently, the tax code provides valuable federal tax credits for consumers who utilize renewable-energy resources on their property. Extending the tax credit for residential solar property and raising the cap on the credit for solar property to \$4,000 will allow for a larger group of homeowners to purchase these systems. The proposal also allows residential wind property to qualify for the credit. Industries benefiting from this credit estimate such an extension would lead to record sales, and therefore record economic activity, in this sector. The proposal is estimated to cost \$36 million for a one-year extension.

One-Year Extension of Energy-Efficient Existing Homes Credit and Modification and Extension of Energy-Efficient Appliance Credit

The plan could extend the investment tax credit for energy-efficient existing homes as well as the Energy Efficient Appliance credit for one year. Residents would benefit immediately from lower utility bills and potential jobs in this field are in the thousands. The proposal is estimated to cost \$322 million and \$106 million, respectively, for a one-year extension.

One-Year Boost to Fund Green Jobs Programs within WIA

We support an immediate appropriation of \$125 million for the Green Jobs Program within the Workforce Investment Act (WIA) as administered by the Department of Labor. Programs to train for green jobs already exist within various communities around the nation through partnerships with the Department of Labor and local governments. By implementing a green-jobs initiative within WIA, the program will take advantage of WIA's structure, forgoing the need for any new bureaucracy and allowing additional cities to implement such programs. This program has the potential to train up to 30,000 workers this year alone.

One-Year Extension of the Energy-Efficient Commercial Buildings Tax Credit

Extending the recently expired energy efficient commercial buildings deduction for one year will target assistance to a fledgling sector of the economy. Thousands of contractors remain without work as the real estate market struggles. This tax incentive not only will provide long term benefits and cost reductions for managing and operating buildings, but will benefit the building trades, which will see more available work.

This proposal is estimated to cost \$114 million for a one-year extension.

The ideas included in this letter are listed roughly in order of priority. We believe each of these proposals would provide economic activity in the next several months. We hope you will consider all of these proposals for inclusion in the plan. Thank you again for the opportunity to work on these issues which are so important to us and to our constituents. We look forward to working under your leadership on this and many other issues.

Sincerely,
JAY INSLEE

Member of Congress

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