

Written Statement
Congressman Ed Perlmutter (CO-7)
Green Housing in the 21st Century
June 30, 2010

Thank you Chairman Menendez, Ranking Member Vitter and Members of the Subcommittee, for inviting me here to testify on green housing and energy efficiency. Renewable energy and energy efficiency have long been a priority of mine. We must find different ways to power our country and find ways to save energy where possible. Our nation's building stock is one area in particular where it is important we focus our efforts. Combined, our homes, businesses, schools, governments and industries consume more than 70 percent of the natural gas and electricity used in the country.

When I came to Congress in 2007, I was selected to serve on the House Financial Services Committee. I proposed ways to increase green housing and energy efficiency during the Committee's consideration of several bills. Chairman Frank recognized the interest among Committee members and asked me to head the Energy Efficiency Task Force. The task force included Democrats and Republicans. We held a number of meetings to gather feedback on best practices and ways to increase energy efficiency. As a result of the input the task force received, Congresswoman Judy Biggert and I introduced the Green Resources for Energy Efficient Neighborhoods Act (GREEN Act). The GREEN Act initially passed as part of the comprehensive House energy package in the 110th Congress and then again in the 111th Congress.

Senator Sheldon Whitehouse introduced companion legislation last year. I am proud to work with Senator Whitehouse as someone who shares the commitment to renewable energy and energy efficiency. I would like to take the opportunity to thank him for all of his work and expertise on these matters. For the purposes of my testimony, I will refer to the GREEN Act and Senator Whitehouse's Energy Efficiency Housing Act of 2009 interchangeably.

The legislation is an incentive-based bill and will help create jobs and save taxpayers money. According to an independent study by the American Institute of Architects, the GREEN Act would potentially create more than 140,000 jobs. HUD estimates it spends approximately \$5 billion on both direct and indirect energy costs, making energy one of HUD's biggest line items. This legislation establishes a demonstration program of 50,000 HUD units to show cost-effectiveness and to confirm utility costs will go down. HUD believes this is an area where significant cost savings can be recognized and estimates a conservative savings of just 5 percent would save taxpayers \$1 billion over the next 5 years. Savings from energy efficiency will also help improve the quality of life for consumers, while putting money back in their pockets and giving them greater control over their disposable income.

Energy efficient and location efficient mortgage outreach, which is a critical component to fostering livable communities is included. A renewable energy systems leasing program will

be developed, allowing consumers to take advantage of renewable energy without the up-front costs. Appraisal standards are updated to ensure that energy efficient and renewable features are taken into account during the appraisal process, a necessary step towards properly incentivizing green housing.

The provisions included in the GREEN Act were developed in consultation with stakeholders and other industry experts. Many groups support this legislation including the National Association of Home Builders, the National Multi-Housing Council, the Mortgage Bankers Association, the U.S. Green Building Council, Enterprise Community Partners, American Planning Association, American Institute of Architects and individual companies such as LENNAR Ventures to name a few.

Both the GREEN Act and Energy Efficient Housing Act are examples of the forward-thinking we must do to encourage energy efficiency and move our nation towards greater energy independence. These bills strike a balance by showing it is easy to be green, making energy efficient practices more affordable, accessible and achievable. Simply put, energy efficiency measures are good for national security, good for the environment and good for jobs. For these reasons, I hope the bill introduced by Senator Whitehouse will be part of the conversation going forward on comprehensive energy reform.

I look forward to working with you to move this legislation. Thank you again for this opportunity, I am happy to take any questions.