

The Honorable Ron Wyden  
Chairman, Committee on Energy  
and Natural Resources  
United States Senate

The Honorable Lisa Murkowski  
Ranking Member, Committee on Energy  
and Natural Resources  
United States Senate

The Honorable Jeanne Shaheen  
United States Senate

The Honorable Rob Portman  
United States Senate

Dear Senators Wyden, Murkowski, Shaheen and Portman:

The undersigned groups write today to ask for your help and support in advancing legislation that Senators Johnny Isakson of Georgia and Michael Bennet of Colorado have introduced and appear open to moving either on its own or as an amendment to other legislation. The bill, S.1106, is aimed at encouraging greater homeowner investment in energy efficiency by correcting a “blind spot” in current mortgage underwriting and home appraisals. Enacting this carefully crafted and broadly supported bill will serve consumers and bring overdue recognition of energy cost savings to the home appraisal and mortgage underwriting processes.

S. 1106, the Sensible Accounting to Value Energy Act, or SAVE Act, instructs federal loan agencies and the Department of Housing and Urban Development (HUD) to issue updated underwriting and appraisal guidelines for borrowers who submit a qualified home energy report. These guidelines will allow a home’s expected energy cost savings to be included when determining the value and affordability of the home. In situations where a borrower does not have a qualified home energy report, the guidelines will instruct lenders to inform loan applicants of the costs and benefits of energy efficiency measures. Since utility bills are usually larger than either real estate taxes or homeowners insurance, this pro-consumer measure will both stimulate greater demand for energy-efficiency and protect borrowers from unforeseen costs that can imperil mortgage repayment.

Unfortunately, we understand that the Congressional Budget Office (CBO) has scored this bill as resulting in direct spending of approximately \$15-20 million (in total) over the 10-year budget window. While we have provided CBO with data showing that there should be no negative budgetary impact, and indeed that the budgetary impact may in reality be positive, we further understand that unless an offset of \$1.5-2 million per year is found, the SAVE Act will fail if it is considered during debate on S. 1392.

Members of our coalition have been working with Senators Isakson and Bennet to identify an appropriate offset to satisfy this CBO scoring issue. We write today to ask that you and your staffs, in coordination with the Department of Energy, help in this endeavor.

Thank you for your consideration.

Sincerely,

Affordable Comfort, Inc.  
Alliance for Environmental Sustainability  
American Institute of Architects  
Appraisal Institute  
Blow In Blanket Contractors Association  
California Energy Efficiency Industry Council  
Center for American Progress  
CNT Energy  
Community Home Energy Retrofit Program  
Consumer Federation of America  
Council of the North American Insulation Manufacturers Association  
Environmental Defense Fund  
Green Builder Coalition  
Insulation Contractors Association of America  
International Code Council  
Johns Manville  
Leading Builders of America  
Masco Corporation  
Midwest Energy Efficiency Alliance  
National Association of Home Builders  
National Association of Manufacturers  
National Association of the Remodeling Industry  
Northeast Energy Efficiency Partnerships  
Passive House Institute US  
Residential Energy Services Network  
Southeast Energy Efficiency Alliance  
The Dow Chemical Company  
U.S. Chamber of Commerce  
U.S. Green Building Council

cc: The Honorable Michael Bennet  
United States Senate

The Honorable Johnny Isakson  
United States Senate