

Hall of the House of Representatives

87th General Assembly - Regular Session, 2009

Amendment Form

Subtitle of House Bill No. 2051

"THE HOME WEATHERIZATION REVOLVING LOAN FUND ACT OF 2009."

Amendment No. 1 to House Bill No. 2051.

Amend House Bill No. 2051 as originally introduced:

Delete everything after the enacting clause and substitute the following:

"SECTION 1. Arkansas Code Title 23, Chapter 4, is amended to add an additional subchapter to read as follows:

23-4-1101. Title.

This subchapter shall be known and may be cited as the "Home Weatherization Revolving Loan Fund Act of 2009".

23-4-1102. Legislative intent.

(a) The purpose of this subchapter is to direct the Arkansas Public Service Commission to establish and oversee a home weatherization revolving loan fund from which Arkansas homeowners may borrow funds solely for the purpose of weatherizing their residential homes through the installation of home weatherization and efficiency measures that will substantially increase the energy efficiency of those homes.

(b) The General Assembly finds and declares that it is in the public interest to substantially improve the energy efficiency of residential homes in Arkansas to:

(1) Conserve energy resources;

(2) Delay the need for the construction of new electric generation facilities; and

(3) Delay the development of new natural gas supplies.

23-4-1103. Definitions.

As used in this subchapter:

(1) "Home weatherization and efficiency measure" means the use of a weatherization or an energy efficiency measure that improves the overall energy efficiency of a residential home, including without limitation the:

(A) Sealing with caulk, foam sealant, weather stripping, window film, a door sweep, an electrical receptacle gasket, or other device to reduce infiltration through a crack, gap, hole, and other energy bypass around a door, window, and pipe that penetrates the attic ceiling and any other area with a high potential for heat loss;

(B) Installation of:



- or flashing;
- (i) Energy efficient roofing, building wrap, siding,
- (ii) Insulation:
- (a) In the wall, the floor, and the ceiling;
- (b) Around a duct, a pipe, and a water heater;
- and
- (c) Near the foundation and a sill;
- (iii) An energy-efficient storm door and window; and
- (iv) Modern, energy-efficient home heating and
- cooling equipment;
- (C) Repair of old, inefficient equipment, including
without limitation a furnace, a boiler, a water heater, a programmable
thermostat, and an air conditioner; and
- (D) Replacement of an old, inefficient:
- (i) Door with a tightly sealing, foam-core door; and
- (ii) Window with an energy efficient, double-glazed
- window; and
- (2) "Residential home" means a home:
- (A) Located in this state;
- (B) Owned by the homeowner; and
- (C) Serving as the primary residence of the homeowner.

23-4-1104. Home Weatherization Revolving Loan Fund.

The Home Weatherization Revolving Loan Fund may be capitalized by the
following:

- (1) Federal funds earmarked for weatherization or energy efficiency
purposes that are received by this state as a result of a congressional
appropriation;
- (2) State funds appropriated for weatherization or energy efficiency
purposes under this subchapter;
- (3)(A) A fee authorized by the Arkansas Public Service Commission to
be charged on the monthly electric and natural gas bill of all retail
residential customers of all electric public utilities and natural gas public
utilities that are subject to the jurisdiction of the commission.
- (B) If the fund is capitalized through a fee under subdivision
(3)(A) of this section, the fee shall not:
- (i) Exceed fifty cents (50¢) on a customer's monthly bill
for electric service or natural gas service; or
- (ii) Be collected for more than two (2) years after its
imposition unless, after notice and hearing, the commission continues the
imposition of a fee in an amount that is less than fifty cents (50¢) per
month for the purpose of:
- (a) Ensuring the adequate capitalization of the
- fund; and
- (b) Covering the cost of administration of the fund;
- or
- (4)(A) Funds provided by an electric public utility or a natural gas
public utility.
- (B) If the fund is capitalized under subdivision (4)(A) of this
section, the commission shall authorize the electric public utility or the
natural gas public utility to:
- (i) Earn a return on its funds that capitalize the fund;

and

(ii) Recover the return authorized under subdivision (4)(B)(i) of this section through the electric public utility's or the natural gas public utility's rates.

23-4-1105. Availability of loan assistance.

Loan assistance from the Home Weatherization Revolving Loan Fund shall be:

(1) Allocated among all electric public utility and natural gas public utility residential customers based on the ratio of each electric public utility's and natural gas public utility's number of residential customers to the total number of residential customers that are served by all the electric and natural gas public utilities in the state;

(2) Capped at a five thousand dollars (\$5,000) maximum limit per residential home;

(3) Restricted to the weatherization of a residential home constructed before 1990;

(4) Utilized exclusively by a residential homeowner for the installation of a home weatherization and efficiency measure; and

(5)(A) Repaid by the residential homeowner receiving the loan on terms and conditions authorized by the Arkansas Public Service Commission.

(B) If the home weatherization revolving loan fund is capitalized through funds provided by a public utility, the terms of the loan under subdivision (5)(A) of this section may include a provision for sharing the savings between the residential homeowner and the public utility.

23-4-1106. Loan priority.

The Arkansas Public Service Commission shall establish guidelines that give a residential homeowner who is eligible for assistance from the federal Low Income Home Energy Assistance Program priority in the receipt of funds from the Home Weatherization Revolving Loan Fund.

23-4-1107. Administration.

(a)(1) The Arkansas Public Service Commission shall delegate the administration of the Home Weatherization Revolving Loan Fund to a public or private entity under terms and conditions that the Arkansas Public Service Commission determines necessary:

(A) To cover the fair and reasonable costs to the administrator of the fund; and

(B) For the continuing oversight by the Arkansas Public Service Commission.

(2) In the process of selecting an administrator of the fund, the Arkansas Public Service Commission shall solicit without limitation input from the:

(A) Department of Human Services;

(B) Attorney General; and

(C) Arkansas Energy Office of the Arkansas Economic Development Commission.

(3) The commission's selection of an administrator is subject to the approval of the Governor and the Legislative Council.

(b) The administrator is authorized to make loans from the fund under rules set by the Arkansas Public Service Commission.

23-4-1108. Report.

The Arkansas Public Service Commission shall report to the General Assembly or the Cochairs of the Legislative Council by April 1 of each year about the status and utilization of the home weatherization revolving loan fund for the preceding calendar year.

23-4-1109. Rules.

(a) Within ninety (90) days after the effective date of this act, the Arkansas Public Service Commission shall initiate a rulemaking proceeding for the purpose of establishing the:

(1) Home weatherization revolving loan fund;

(2) Guidelines and rules necessary for the operation of the fund under this subchapter; and

(3) Procedures for measuring the effectiveness of a home weatherization and efficiency measure implemented under this subchapter.

(b) Within one hundred eighty (180) days of the initiation of the rulemaking proceeding under subsection (a) of this section, the commission shall issue its final order.”

The Amendment was read _____
By: Representative Maxwell
GLG/RCK - 03-23-2009 15:05
GLG150

Chief Clerk