

The energy efficiency economy – among the largest U.S. energy sectors with nearly 2.4 million workers, almost 70% of which are in construction and manufacturing – has drastically slowed as a result of COVID-19. A recent [analysis](#) of unemployment data found that nearly 70,000 efficiency workers lost their jobs in March alone, and that total is increasing rapidly as the crisis wears on. The Alliance to Save Energy is working to ensure that lawmakers understand the severe damage playing out in the efficiency sector and enact policies that both protect existing jobs and help rebuild our economy as the shutdown is lifted. To that end, the Alliance and key stakeholders have developed four policy priorities that could be implemented quickly in a federal recovery package to stimulate economic activity and job creation.

TAX INCENTIVES

Tax incentives are a proven tool for stimulating energy efficiency work in homes and buildings. Strengthening and extending existing tax provisions will give homeowners and businesses the financial incentive and certainty they need to make efficiency investments that put the construction and manufacturing sectors back to work. The Alliance proposes the following [updates to energy efficiency tax incentives](#):

- Strengthen and modernize the Section 25C Nonbusiness Energy Property Credit.
- Strengthen and modernize the Section 179D Energy Efficient Commercial Building Tax Deduction.
- Strengthen and modernize the Section 45L Energy Efficient Home Credit.

PUBLIC BUILDING RETROFITS

Public buildings – including schools, military campuses, convention centers and hospitals – become critical resources during natural disasters or public health crises. Buildings that are resilient, smart and adaptable can more effectively help governments deliver safe and potentially life-saving capacity as temporary shelters, healthcare facilities and other community relief operations. The Alliance has joined with other stakeholders to develop [a proposal for modernizing critical public facilities](#) to be resilient, efficient and flexible:

- \$18 billion of federal appropriations to leverage private investment in building retrofits to deliver nearly \$100 billion of infrastructure and resiliency improvements at critical public facilities.

SMALL BUSINESS ENERGY EFFICIENCY RETROFITS

In the best of economic times, small businesses struggle to produce their share of the capital required to participate in utility-subsidized efficiency projects, despite recognizing the benefits of participation. To stimulate construction activity and help small businesses reduce energy costs, the Alliance proposes the creation of [federal grants](#) to supplement utility incentives with federal funding to cover the cost of efficiency retrofits in small businesses:

- The Small Business Energy Efficiency Grant Program would deliver \$6 billion in federal funding, administered through the Department of Energy, to small businesses through utility demand-side management programs.

TRANSPORTATION & INFRASTRUCTURE

Rebuilding America's transportation infrastructure is a bipartisan opportunity that Congress should embrace. Drawing on work developed by the 50x50 Commission on Transportation Sector Efficiency, the Alliance [recommends](#) the following to update our transportation infrastructure:

- Build out electrification infrastructure.
- Increase funding for public transit programs.
- Increase investment in port efficiency and modernization.
- Increase R&D funding for advanced technologies.

Please contact Ben Evans (bevans@ase.org), Vice President of Public Affairs, if you are interested in working with us on these proposals or would like more information.