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**U. S. CONGRESS TO CONSIDER NEW LEGISLATION
SEEKING TAX CUTS FOR ENERGY EFFICIENT AFFORDABLE HOMES**

Alexandria, VA (Sept. 29, 1998) – Just in time for Fall and homeowner preparations for the coming winter, the U.S. Congress has under consideration not one, but two, pieces of federal legislation aimed at improving the energy efficiency of both new and existing homes. Introduced separately in September, by members of both parties, the two legislative measures seek tax credits of up to \$2,000 to encourage the use of energy efficient technologies, like insulation, high efficiency windows, heating and cooling equipment, in new and existing homes.

Kenneth D. Mentzer, Executive Vice President of the North American Insulation Manufacturers Association (NAIMA) applauded the congressional action, citing the numerous benefits for homeowners from improved energy efficiency. “Not only does improved energy efficiency make homes more affordable for first time buyers, it reduces consumers’ monthly energy bills by cutting energy use, provides cumulative energy savings and environmental benefits for the life of the home, and enhances the overall value of the home.”

The “Energy Efficient Affordable Home Act of 1998,” introduced by Republican Bill Thomas of California, seeks to provide individuals a tax credit for the purchase of a new energy efficient affordable home, or for the purchase of energy efficiency improvements to an existing home. To qualify for the tax credit, new homes must exceed by 30% or more the energy efficiency standards specified in the 1993 Council of American Building Officials Model Energy Code (1993 CABO MEC). For existing homes, a tax credit is available for energy efficiency home improvements. Under the Thomas bill, the maximum tax credit for both new and existing homes is \$2,000. The legislation is supported by a broad coalition representing homebuilders, utilities, manufacturers and public interest groups.



Also under consideration in the U.S. House of Representative is the “Energy Efficient Technology Tax Act,” introduced by Representative Robert Matsui (D-CA). Included in the Matsui bill is a provision for a tax credit of one percent, up to a maximum of \$2,000, for the purchase of a newly constructed highly energy-efficient home. Under the Matsui legislation, a new house is considered to be energy-efficient if it exceeds by 50% or more the energy efficiency standards specified in the 1993 CABO MEC.

According to Mentzer, the benefits from the legislation will go far beyond the immediate homeowner. “Tax cuts and incentives to support energy-efficient affordable homes also benefit our nation by allowing the marketplace to utilize existing cost-effective energy-efficient technologies, like insulation, to significantly reduce the emission of air pollutants. Tax cuts will support home construction, creating more than 2400 jobs in building and related industries for each 1000 new single-family homes built. At the same time, improved energy efficiency helps cut the U.S. trade deficit by reducing the purchase of imported oil and enhances our national security.”

Both bills have been referred to the U.S. House of Representatives Committee on Way and Means where they await consideration.

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NAIMA is the trade association for North American manufacturers of fiber glass, rock wool and slag wool insulation products. Its role is to promote energy efficiency and environmental preservation through the use of fiber glass, rock wool and slag wool insulation as well as encourage safe production and use of these materials. For more information, write to NAIMA, 44 Canal Center Plaza, Suite 310, Alexandria, VA 22314. Phone: (703) 684-0084, Fax: (703) 684-0427, Website address: <http://www.naima.org> E-mail: insulation @naima.org.