

110TH CONGRESS  
2D SESSION

# H. R. 6450

To establish a revolving loan fund to provide loans to States and Indian tribes to provide incentives to undertake activities to provide renewable energy sources for housing and other structures.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 9, 2008

Mr. HODES (for himself and Mr. PERLMUTTER) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish a revolving loan fund to provide loans to States and Indian tribes to provide incentives to undertake activities to provide renewable energy sources for housing and other structures.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Energy Conservation  
5 Opportunity Fund Act of 2008” or the “ECO Fund Act  
6 of 2008”.

1 **SEC. 2. REVOLVING FUND FOR LOANS TO STATES AND IN-**  
2 **DIAN TRIBES TO CARRY OUT RENEWABLE EN-**  
3 **ERGY SOURCES ACTIVITIES.**

4 (a) ESTABLISHMENT OF FUND.—There is estab-  
5 lished in the Treasury of the United States a revolving  
6 fund, to be known as the “Alternative Energy Sources  
7 State Revolving Fund”.

8 (b) CREDITS.—The Fund shall be credited with—

9 (1) any amounts appropriated to the Fund pur-  
10 suant to subsection (g);

11 (2) any amounts of principal and interest from  
12 loan repayments received by the Secretary pursuant  
13 to subsection (d)(7); and

14 (3) any interest earned on investments of  
15 amounts in the Fund pursuant to subsection (e).

16 (c) EXPENDITURES.—

17 (1) IN GENERAL.—Subject to paragraph (2), on  
18 request by the Secretary of Housing and Urban De-  
19 velopment, the Secretary of the Treasury shall  
20 transfer from the Fund to the Secretary such  
21 amounts as the Secretary determines are necessary  
22 to provide loans under subsection (d)(1).

23 (2) ADMINISTRATIVE EXPENSES.—Of the  
24 amounts in the Fund, not more than 5 percent shall  
25 be available for each fiscal year to pay the adminis-

1 trative expenses of the Department of Housing and  
2 Urban Development to carry out this section.

3 (d) LOANS TO STATES AND INDIAN TRIBES.—

4 (1) IN GENERAL.—The Secretary shall use  
5 amounts in the Fund to provide loans to States and  
6 Indian tribes to provide incentives to owners of sin-  
7 gle-family and multifamily housing, commercial  
8 properties, and public buildings to provide—

9 (A) renewable energy sources for such  
10 structures, such as wind, wave, solar, biomass,  
11 or geothermal energy sources, including incen-  
12 tives to companies and business to change their  
13 source of energy to such renewable energy  
14 sources and for changing the sources of energy  
15 for public buildings to such renewable energy  
16 sources;

17 (B) energy efficiency and energy con-  
18 serving improvements and features for such  
19 structures; or

20 (C) infrastructure related to the delivery of  
21 electricity and hot water for structures lacking  
22 such amenities.

23 (2) ELIGIBILITY.—To be eligible to receive a  
24 loan under this subsection, a State or Indian tribe,  
25 through an appropriate State or tribal agency, shall

1 submit to the Secretary an application at such time,  
2 in such manner, and containing such information as  
3 the Secretary may require.

4 (3) CRITERIA FOR APPROVAL.—The Secretary  
5 may approve an application of a State or Indian  
6 tribe under paragraph (2) only if the Secretary de-  
7 termines that the State or tribe will use the funds  
8 from the loan under this subsection to carry out a  
9 program to provide incentives described in para-  
10 graph (1) that—

11 (A) requires that any such renewable en-  
12 ergy sources, and energy efficiency and energy  
13 conserving improvements and features, devel-  
14 oped pursuant to assistance under the program  
15 result in compliance of the structure so im-  
16 proved with the energy efficiency requirements  
17 under section 2(a) of the; and

18 (B) includes such compliance and audit re-  
19 quirements as the Secretary determines are nec-  
20 essary to ensure that the program is operated  
21 in a sound and effective manner.

22 (4) PREFERENCE.—In making loans during  
23 each fiscal year, the Secretary shall give preference  
24 to States and Indian tribes that have not previously  
25 received a loan under this subsection.

1           (5) MAXIMUM AMOUNT.—The aggregate out-  
2           standing principal amount from loans under this  
3           subsection to any single State or Indian tribe may  
4           not exceed \$500,000,000.

5           (6) LOAN TERMS.—Each loan under this sub-  
6           section shall have a term to maturity of not more  
7           than 10 years and shall bear interest at annual rate,  
8           determined by the Secretary, that shall not exceed  
9           interest rate charged by the Federal Reserve Bank  
10          of New York to commercial banks and other deposi-  
11          tory institutions for very short-term loans under the  
12          primary credit program, as most recently published  
13          in the Federal Reserve Statistical Release on se-  
14          lected interest rates (daily or weekly), and commonly  
15          referred to as the H.15 release, preceding the date  
16          of a determination for purposes of applying this  
17          paragraph.

18          (7) LOAN REPAYMENT.—The Secretary shall  
19          require full repayment of each loan made under this  
20          section.

21          (e) INVESTMENT OF AMOUNTS.—

22                (1) IN GENERAL.—The Secretary of the Treas-  
23                ury shall invest such amounts in the Fund that are  
24                not, in the judgment of the Secretary of the Treas-  
25                ury, required to meet needs for current withdrawals.

1           (2) OBLIGATIONS OF UNITED STATES.—Invest-  
2           ments may be made only in interest-bearing obliga-  
3           tions of the United States.

4           (f) REPORTS.—

5           (1) REPORTS TO SECRETARY.—For each year  
6           during the term of a loan made under subsection  
7           (d), the State or Indian tribe that received the loan  
8           shall submit to the Secretary a report describing the  
9           State or tribal alternative energy sources program  
10          for which the loan was made and the activities con-  
11          ducted under the program using the loan funds dur-  
12          ing that year.

13          (2) REPORT TO CONGRESS.—Not later than  
14          September 30 of each year that loans made under  
15          subsection (d) are outstanding, the Secretary shall  
16          submit a report to the Congress describing the total  
17          amount of such loans provided under subsection (d)  
18          to each eligible State and Indian tribe during the fis-  
19          cal year ending on such date, and an evaluation on  
20          effectiveness of the Fund.

21          (g) AUTHORIZATION OF APPROPRIATIONS.—There is  
22          authorized to be appropriated to the Fund  
23          \$5,000,000,000.

24          (h) DEFINITIONS.—For purposes of this section, the  
25          following definitions shall apply:

1           (1) INDIAN TRIBE.—The term “Indian tribe”  
2           has the meaning given such term in section 4 of the  
3           Native American Housing Assistance and Self-De-  
4           termination Act of 1996 (25 U.S.C. 4103).

5           (2) SECRETARY.—The term “Secretary” means  
6           the Secretary of Housing and Urban Development.

7           (3) STATE.—The term “State” means each of  
8           the several States, the Commonwealth of Puerto  
9           Rico, the District of Columbia, the Commonwealth  
10          of the Northern Mariana Islands, Guam, the Virgin  
11          Islands, American Samoa, the Trust Territories of  
12          the Pacific, or any other possession of the United  
13          States.

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