[DISCUSSION DRAFT]

117TH CONGRESS  
1ST SESSION

H. R. ______

To encourage energy efficiency, conservation, and development of renewable energy sources for housing, and to create sustainable communities.

IN THE HOUSE OF REPRESENTATIVES

Mr. Perlmutter introduced the following bill; which was referred to the Committee on _______________________

A BILL

To encourage energy efficiency, conservation, and development of renewable energy sources for housing, and to create sustainable communities.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

3 (a) Short Title.—This Act may be cited as the “Green Neighborhoods Act of 2021”.

4 (b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Implementation of energy efficiency participation incentives for HUD programs.
Sec. 3. Basic HUD energy efficiency standards and standards for additional credit.
Sec. 4. Enhanced energy efficiency underwriting.
Sec. 5. Energy-efficient certifications for manufactured housing with mortgages.
Sec. 6. Making it green.
Sec. 7. Including sustainable development and transportation strategies in comprehensive housing affordability strategies.
Sec. 8. Grant program to increase sustainable low-income community development capacity.
Sec. 9. Benchmarking.
Sec. 10. Workforce development.
Sec. 11. Ensuring availability of homeowners insurance for homes not connected to electricity grid.
Sec. 12. Definitions.

SEC. 2. IMPLEMENTATION OF ENERGY EFFICIENCY PARTICIPATION INCENTIVES FOR HUD PROGRAMS.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall issue such regulations as may be necessary to establish annual energy efficiency participation incentives consistent with this Act to encourage participants in programs administered by the Secretary, including recipients under programs for which HUD assistance is provided, to achieve substantial improvements in energy efficiency.

(b) REQUIREMENT FOR APPROPRIATION OF FUNDS.—The requirement under subsection (a) for the Secretary to provide annual energy efficiency participation incentives pursuant to the provisions of this Act shall be subject to the annual appropriation of necessary funds.
SEC. 3. BASIC HUD ENERGY EFFICIENCY STANDARDS AND STANDARDS FOR ADDITIONAL CREDIT.

(a) Basic HUD Standard.—

(1) Residential Structures.—A residential single-family or multifamily structure shall be considered to comply with the energy efficiency standards under this subsection if—

(A) the structure complies with the applicable provisions of the American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 90.1–2016, as such standard or successor standard is in effect for purposes of this section pursuant to subsection (c);

(B) the structure complies with the applicable provisions of the 2018 International Energy Conservation Code, as such standard or successor standard is in effect for purposes of this section pursuant to subsection (c);

(C) in the case only of an existing structure, where determined cost effective, the structure has undergone rehabilitation or improvements, completed after the date of the enactment of this Act, and the energy consumption for the structure has been reduced by at least 20 percent from the previous level of consumption, as determined in accordance with energy...
audits performed both before and after any rehabilitation or improvements undertaken to reduce such consumption; or

(D) the structure complies with the applicable provisions of such other energy efficiency requirements, standards, checklists, or ratings systems as the Secretary may adopt and apply by regulation, as may be necessary, for purposes of this section for specific types of residential single-family or multifamily structures or otherwise, except that the Secretary shall make a determination regarding whether to adopt and apply any such requirements, standards, checklists, or rating system for purposes of this section not later than the expiration of the 180-day period beginning upon the date of receipt of any written request, made in such form as the Secretary shall provide, for such adoption and application.

In addition to compliance with any of subparagraphs (A) through (D), the Secretary shall by regulation require, for any newly constructed residential single-family or multifamily structure to be considered to comply with the energy efficiency standards under this subsection, that the structure have appropriate
electrical outlets with the facility and capacity to re-
charge a standard electric passenger vehicle, includ-
ing an electric hybrid vehicle, where such vehicle
would normally be parked.

(2) NONRESIDENTIAL STRUCTURES.—For pur-
poses of this section, the Secretary shall identify and
adopt by regulation, as may be necessary, energy ef-
iciency requirements, standards, checklists, or rat-
ing systems applicable to nonresidential structures
that are constructed or rehabilitated with HUD as-
assistance. A nonresidential structure shall be consid-
ered to comply with the energy efficiency standards
under this subsection if the structure complies with
the applicable provisions of any such energy effi-
ciency requirements, standards, checklist, or rating
systems identified and adopted by the Secretary pur-
suant to this paragraph, as such standards are in ef-
fect for purposes of this section pursuant to sub-
section (c).

(3) EFFECT.—Nothing in this subsection may
be construed to require any structure to comply with
any standard established or adopted pursuant to this
subsection, or identified in this subsection, or to pro-
vide any benefit or credit under any Federal pro-
gram for any structure that complies with any such
standard, except to the extent that—

(A) any provision of law other than this
subsection provides a benefit or credit under a
Federal program for compliance with a stand-
ard established or adopted pursuant to this sub-
section, or identified in this subsection; or

(B) the Secretary specifically provides pur-
suant to subsection (c) for the applicability of
such standard.

(b) Enhanced Energy Efficiency Standards
for Purposes of Providing Additional Credit
Under Certain Federally Assisted Housing Pro-
grams.—

(1) Purpose and Effect.—

(A) Purpose.—The purpose of this sub-
section is to establish energy efficiency and con-
servation standards and green building stand-
ards that—

(i) provide for greater energy effi-
ciency and conservation in structures than
is required for compliance with the energy
efficiency standards under subsection (a)
and then in effect;
(ii) provide for green and sustainable building standards not required by such standards; and

(iii) can be used in connection with Federal housing, housing finance, and development programs to provide incentives for greater energy efficiency and conservation and for green and sustainable building methods, elements, practices, and materials.

(B) EFFECT.—Nothing in this subsection may be construed to require any structure to comply with any standard established pursuant to this subsection or to provide any benefit or credit under any Federal program for any structure, except to the extent that any provision of law other than this subsection provides a benefit or credit under a Federal program for compliance with a standard established pursuant to this subsection.

(2) COMPLIANCE.—A residential or nonresidential structure shall be considered to comply with the enhanced energy efficiency and conservation standards or the green building standards under this subsection, to the extent that such structure is verified
by a third party as compliant with, or certified to, the applicable provisions of the standards under paragraph (3) or (4), respectively (as such standards are in effect for purposes of this section, pursuant to paragraph (7)), in a manner that is not required for compliance with the energy efficiency standards under subsection (a) then in effect and subject to the Secretary’s determination of which standards are applicable to which structures.

(3) ENERGY EFFICIENCY AND CONSERVATION STANDARDS.—The energy efficiency and conservation standards under this paragraph are as follows:

(A) RESIDENTIAL STRUCTURES.—With respect to residential structures:

(i) NEW CONSTRUCTION.—For new construction, the Energy Star for Homes certification or Energy Star for Multi-family New Construction certification standards established by the Environmental Protection Agency, as such standards are in effect for purposes of this subsection pursuant to paragraph (7);

(ii) EXISTING STRUCTURES.—For existing structures, a reduction in energy consumption from the previous level of
consumption for the structure, as determined in accordance with energy audits performed both before and after any rehabilitation or improvements undertaken to reduce such consumption by at least 30 percent or achievement of ENERGY STAR certification.

(B) Nonresidential Structures.—

With respect to nonresidential structures, such energy efficiency and conservation requirements, standards, checklists, or rating systems for nonresidential structures as the Secretary shall identify and adopt by regulation, as may be necessary, for purposes of this paragraph.

(4) Green Building Standards.—The green building standards under this paragraph are the most recent adopted versions of the following:

(A) The national Green Communities criteria checklist for residential construction that provides criteria for the design, development, and operation of affordable housing, as such checklist or successor checklist is in effect for purposes of this section pursuant to paragraph (7).
(B) The LEED for New Construction rating system, the LEED for Homes rating system, the LEED for Core and Shell rating system, as applicable, as such systems or successor systems are in effect for purposes of this section pursuant to paragraph (7).


(D) For manufactured housing, energy star rating with respect to fixtures, appliances, and equipment in such housing, as such standard or successor standard is in effect for purposes of this section pursuant to paragraph (7).

(E) The National Green Building Standard.

(F) Any other proven requirements, standards, checklists, or rating systems for green building or sustainability as the Secretary may identify and adopt by regulation, as may be necessary for purposes of this paragraph, except that the Secretary shall make a determination regarding whether to adopt and apply any such requirements, standards, checklist, or rating system for purposes of this section not later than the expiration of the 180-day period begin-
ning upon date of receipt of any written request, made in such form as the Secretary shall provide, for such adoption and application.

(5) **GREEN BUILDING.**—For purposes of this subsection, the term “green building” means, with respect to standards for structures, standards to require use of sustainable design principles to reduce the use of nonrenewable resources, minimize the impact of development on the environment, and to improve indoor air quality.

(6) **ENERGY AUDITS.**—The Secretary shall establish standards and requirements for energy audits for purposes of paragraph (3)(A)(ii).

(7) **APPLICABILITY AND UPDATING OF STANDARDS.**—

(A) **APPLICABILITY.**—Except as provided in subparagraph (B), the requirements, standards, checklists, and rating systems referred to in this subsection that are in effect for purposes of this subsection are such requirements, standards, checklists, and systems are as in existence upon the date of the enactment of this Act.

(B) **UPDATING.**—For purposes of this section, the Secretary may adopt and apply by regulation, as may be necessary, future amend-
ments and supplements to, and editions of, the
requirements, standards, checklists, and rating
systems referred to in this subsection.

(c) Authority of Secretary To Apply Standards to Federally Assisted Housing and Programs.—

(1) HUD housing and programs.—The Secretary of Housing and Urban Development may, by regulation, provide for the applicability of the energy efficiency standards under subsection (a) or the enhanced energy efficiency and conservation standards and green building standards under subsection (b), or both, with respect to any covered federally assisted housing described in paragraph (3)(A) or any HUD assistance.

(2) RURAL HOUSING.—The Secretary of Agriculture may, by regulation, provide for the applicability of the energy efficiency standards under subsection (a) or the enhanced energy efficiency and conservation standards and green building standards under subsection (b), or both, with respect to any covered federally assisted housing described in paragraph (3)(B) or any assistance provided with respect to rural housing by the Rural Housing Service of the Department of Agriculture.
(3) COVERED FEDERALLY ASSISTED HOUSING.—For purposes of this subsection, the term “covered federally assisted housing” means—

(A) any residential or nonresidential structure for which any HUD assistance is provided; and

(B) any new construction of single-family housing (other than manufactured homes) subject to mortgages insured, guaranteed, or made by the Secretary of Agriculture under title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.).

SEC. 4. ENHANCED ENERGY EFFICIENCY UNDERWRITING.

(a) DEFINITIONS.—In this section:

(1) COVERED AGENCY.—The term “covered agency”—

(A) means—

(i) an executive agency, as that term is defined in section 102 of title 31, United States Code; and

(ii) any other agency of the Federal Government; and

(B) includes each enterprise, as that term is defined under section 1303 of the Federal
Housing Enterprises Financial Safety and

(2) COVERED LOAN.—The term “covered loan”
means a loan secured by a home that is issued, in-
sured, purchased, or securitized by a covered agency.

(3) HOMEOWNER.—The term “homeowner”
means the mortgagor under a covered loan.

(4) MORTGAGEE.—The term “mortgagee”
means—

(A) an original lender under a covered loan
or the holder of a covered loan at the time at
which that mortgage transaction is con-
summated;

(B) any affiliate, agent, subsidiary, suc-
cessor, or assignee of an original lender under
a covered loan or the holder of a covered loan
at the time at which that mortgage transaction
is consummated;

(C) any servicer of a covered loan; and

(D) any subsequent purchaser, trustee, or
transferee of any covered loan issued by an
original lender.

(5) SECRETARY.—The term “Secretary” means
the Secretary of Housing and Urban Development.
(6) Servicer.—The term “servicer” means the person or entity responsible for the servicing of a covered loan, including the person or entity who makes or holds a covered loan if that person or entity also services the covered loan.

(7) Servicing.—The term “servicing” has the meaning given the term in section 6(i) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(i)).

(b) Findings and Purposes.—

(1) Findings.—The Congress finds that—

(A) energy costs for homeowners are a significant and increasing portion of their household budgets;

(B) household energy use can vary substantially depending on the efficiency and characteristics of the house;

(C) expected energy cost savings are important to the value of the house;

(D) the current test for loan affordability used by most covered agencies, commonly known as the “debt-to-income” test, is inadequate because it does not take into account the expected energy cost savings for the homeowner of an energy efficient home; and
(E) another loan limitation, commonly known as the “loan-to-value” test, is tied to the appraisal, which often does not adjust for efficiency features of houses.

(2) PURPOSES.—The purposes of this section are to—

(A) improve the accuracy of mortgage underwriting by Federal mortgage agencies by ensuring that energy cost savings are included in the underwriting process as described below, and thus to reduce the amount of energy consumed by homes and to facilitate the creation of energy efficiency retrofit and construction jobs;

(B) require a covered agency to include the expected energy cost savings of a homeowner as a regular expense in the tests, such as the debt-to-income test, used to determine the ability of the loan applicant to afford the cost of homeownership for all loan programs; and

(C) require a covered agency to include the value home buyers place on the energy efficiency of a house in tests used to compare the mortgage amount to home value, taking pre-
cautions to avoid double-counting and to support safe and sound lending.

(c) Enhanced Energy Efficiency Underwriting Criteria.—

(1) In general.—Not later than 1 year after the date of enactment of this Act, the Secretary shall, in consultation with the advisory group established in subsection (f)(2), develop and issue guidelines for a covered agency to implement enhanced loan eligibility requirements, for use when testing the ability of a loan applicant to repay a covered loan, that account for the expected energy cost savings for a loan applicant at a subject property, in the manner set forth in paragraphs (2) and (3).

(2) Requirements to account for energy cost savings.—

(A) In general.—The enhanced loan eligibility requirements under paragraph (1) shall require that, for all covered loans for which an energy efficiency report is voluntarily provided to the mortgagee by the mortgagor, the covered agency and the mortgagee shall take into consideration the estimated energy cost savings expected for the owner of the subject property in determining whether the loan applicant has suf-
sufficient income to service the mortgage debt plus other regular expenses.

(B) EXPENSES AS OFFSETS.—To the extent that a covered agency uses a test, such as a debt-to-income test, that includes certain regular expenses, such as hazard insurance and property taxes, the expected energy cost savings shall be included as an offset to these expenses.

(C) ASSESSED ENERGY COSTS.—Energy costs to be assessed include the cost of electricity, natural gas, oil, and any other fuel regularly used to supply energy to the subject property.

(3) DETERMINATION OF ESTIMATED ENERGY COST SAVINGS.—

(A) IN GENERAL.—The guidelines to be issued under paragraph (1) shall include instructions for the covered agency to calculate estimated energy cost savings using—

(i) the energy efficiency report;

(ii) an estimate of baseline average energy costs; and

(iii) additional sources of information as determined by the Secretary.
(B) REPORT REQUIREMENTS.—For the purposes of subparagraph (A), an energy efficiency report shall—

(i) estimate the expected energy cost savings specific to the subject property, based on specific information about the property;

(ii) be prepared in accordance with the guidelines to be issued under paragraph (1); and

(iii) be prepared—

(I) in accordance with the Residential Energy Service Network’s Home Energy Rating System (commonly known as “HERS”) by an individual certified by the Residential Energy Service Network, unless the Secretary finds that the use of HERS does not further the purposes of this section; or

(II) by other methods approved by the Secretary, in consultation with the Secretary of Energy and the advisory group established in subsection (f)(2), for use under this section,
which shall include a quality assurance procedure approved by the Secretary, in consultation with the Secretary of Energy.

(C) USE BY APPRAISER.—If an energy efficiency report is used under paragraph (2), the energy efficiency report shall be provided to the appraiser to estimate the energy efficiency of the subject property and for potential adjustments for energy efficiency.

(4) REQUIRED DISCLOSURE TO CONSUMER FOR A HOME WITH AN ENERGY EFFICIENCY REPORT.—If an energy efficiency report is used under paragraph (2), the guidelines to be issued under paragraph (1) shall require the mortgagee to—

(A) inform the loan applicant of the expected energy costs as estimated in the energy efficiency report, in a manner and at a time as prescribed by the Secretary, and if practicable, in the documents delivered at the time of loan application; and

(B) include the energy efficiency report in the documentation for the loan provided to the borrower.
(5) REQUIRED DISCLOSURE TO CONSUMER FOR A HOME WITHOUT AN ENERGY EFFICIENCY REPORT.—If an energy efficiency report is not used under paragraph (2), the guidelines to be issued under paragraph (1) shall require the mortgagee to inform the loan applicant in a manner and at a time as prescribed by the Secretary, and if practicable, in the documents delivered at the time of loan application of—

(A) typical energy cost savings that would be possible from a cost-effective energy upgrade of a home of the size and in the region of the subject property;

(B) the impact the typical energy cost savings would have on monthly ownership costs of a typical home;

(C) the impact on the size of a mortgage that could be obtained if the typical energy cost savings were reflected in an energy efficiency report; and

(D) resources for improving the energy efficiency of a home.

(6) PRICING OF LOANS.—

(A) IN GENERAL.—A covered agency may price covered loans originated under the en-
hanced loan eligibility requirements required under this section in accordance with the estimated risk of the loans.

(B) Imposition of Certain Material Costs, Impediments, or Penalties.—In the absence of a publicly disclosed analysis that demonstrates significant additional default risk or prepayment risk associated with the loans, a covered agency shall not impose material costs, impediments, or penalties on covered loans merely because the loan uses an energy efficiency report or the enhanced loan eligibility requirements required under this section.

(7) Limitations.—

(A) In General.—A covered agency may price covered loans originated under the enhanced loan eligibility requirements required under this section in accordance with the estimated risk of those loans.

(B) Prohibited Actions.—A covered agency shall not—

(i) modify existing underwriting criteria or adopt new underwriting criteria that intentionally negate or reduce the impact of the requirements or resulting bene-
fits that are set forth or otherwise derived from the enhanced loan eligibility requirements required under this subsection; or

(ii) impose greater buy back requirements, credit overlays, or insurance requirements, including private mortgage insurance, on covered loans merely because the loan uses an energy efficiency report or the enhanced loan eligibility requirements required under this subsection.

(8) APPLICABILITY AND IMPLEMENTATION DATE.—Not later than 3 years after the date of enactment of this Act, and before December 31, 2023, the enhanced loan eligibility requirements required under this subsection shall be implemented by each covered agency to—

(A) apply to any covered loan for the sale, or refinancing of any loan for the sale, of any home;

(B) be available on any residential real property (including individual units of condominiums and cooperatives) that qualifies for a covered loan; and
(C) provide prospective mortgagees with sufficient guidance and applicable tools to implement the required underwriting methods.

(d) **Enhanced Energy Efficiency Underwriting Valuation Guidelines.**—

(1) In general.—Not later than 1 year after the date of enactment of this Act, the Secretary shall—

(A) in consultation with the Federal Financial Institutions Examination Council and the advisory group established in subsection (f)(2), develop and issue guidelines for a covered agency to determine the maximum permitted loan amount based on the value of the property for all covered loans made on properties with an energy efficiency report that meets the requirements of subsection (c)(3)(B); and

(B) in consultation with the Secretary of Energy, issue guidelines for a covered agency to determine the estimated energy savings under paragraph (3) for properties with an energy efficiency report.
(2) REQUIREMENTS.—The enhanced energy efficiency underwriting valuation guidelines required under paragraph (1) shall include—

(A) a requirement that if an energy efficiency report that meets the requirements of subsection (c)(3)(B) is voluntarily provided to the mortgagee, such report shall be used by the mortgagee or covered agency to determine the estimated energy savings of the subject property; and

(B) a requirement that the estimated energy savings of the subject property be added to the appraised value of the subject property by a mortgagee or covered agency for the purpose of determining the loan-to-value ratio of the subject property, unless the appraisal includes the value of the overall energy efficiency of the subject property, using methods to be established under the guidelines issued under paragraph (1).

(3) DETERMINATION OF ESTIMATED ENERGY SAVINGS.—

(A) AMOUNT OF ENERGY SAVINGS.—The amount of estimated energy savings shall be determined by calculating the difference between
the estimated energy costs for the average comparable houses, as determined in guidelines to be issued under paragraph (1), and the estimated energy costs for the subject property based upon the energy efficiency report.

(B) **Duration of energy savings.**—The duration of the estimated energy savings shall be based upon the estimated life of the applicable equipment, consistent with the rating system used to produce the energy efficiency report.

(C) **Present value of energy savings.**—The present value of the future savings shall be discounted using the average interest rate on conventional 30-year mortgages, in the manner directed by guidelines issued under paragraph (1).

(4) **Ensuring consideration of energy efficient features.**—Section 1110 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3339) is amended—

   (A) in paragraph (2), by striking “and” at the end;

   (B) in paragraph (3), by striking the period at the end and inserting “; and”; and
(C) by inserting after paragraph (3) the following:

“(4) that State certified and licensed appraisers have timely access, whenever practicable, to information from the property owner and the lender that may be relevant in developing an opinion of value regarding the energy- and water-saving improvements or features of a property, such as—

“(A) labels or ratings of buildings;

“(B) installed appliances, measures, systems or technologies;

“(C) blueprints;

“(D) construction costs;

“(E) financial or other incentives regarding energy- and water-efficient components and systems installed in a property;

“(F) utility bills;

“(G) energy consumption and benchmarking data; and

“(H) third-party verifications or representations of energy and water efficiency performance of a property, observing all financial privacy requirements adhered to by certified and licensed appraisers, including section 501 of the Gramm-Leach-Bliley Act (15 U.S.C. 6801).
Unless a property owner consents to a lender, an appraiser, in carrying out the requirements of paragraph (4), shall not have access to the commercial or financial information of the owner that is privileged or confidential.”.

(5) TRANSACTIONS REQUIRING STATE CERTIFIED AND COMPETENT APPRAISERS.—Section 1113 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3342) is amended—

(A) in paragraph (1), by inserting before the semicolon the following: “, or any real property on which the appraiser makes adjustments using an energy efficiency report”; and

(B) in paragraph (2), by inserting after “atypical” the following: “, or an appraisal on which the appraiser makes adjustments using an energy efficiency report.”.

(6) APPRAISER COMPETENCY REQUIREMENT.—

Mortgagee shall require that the appraiser conducting an appraisal of any real property for which an energy report is provided shall have the requisite knowledge required to perform a professional quality appraisal, as evidenced by professional certification approved by the Secretary.
(7) Protections.—

(A) Authority to impose limitations.—The guidelines to be issued under paragraph (1) shall include such limitations and conditions as determined by the Secretary to be necessary to protect against meaningful under or over valuation of energy cost savings or duplicative counting of energy efficiency features or energy cost savings in the valuation of any subject property that is used to determine a loan amount.

(B) Additional authority.—At the end of the 7-year period following the implementation of enhanced eligibility and underwriting valuation requirements under this section, the Secretary may modify or apply additional exceptions to the approach described in paragraph (2), where the Secretary finds that the unadjusted appraisal will reflect an accurate market value of the efficiency of the subject property or that a modified approach will better reflect an accurate market value.

(8) Applicability and implementation date.—Not later than 3 years after the date of enactment of this Act, and before December 31, 2023,
each covered agency shall implement the guidelines required under this subsection, which shall—

(A) apply to any covered loan for the sale, or refinancing of any loan for the sale, of any home; and

(B) be available on any residential real property, including individual units of condominiums and cooperatives, that qualifies for a covered loan.

(c) Monitoring.—Not later than 1 year after the date on which the enhanced eligibility and underwriting valuation requirements are implemented under this section, and every year thereafter, each covered agency with relevant activity shall issue and make available to the public a report that—

(1) enumerates the number of covered loans of the agency for which there was an energy efficiency report, and that used energy efficiency appraisal guidelines and enhanced loan eligibility requirements;

(2) includes the default rates and rates of foreclosures for each category of loans; and

(3) describes the risk premium, if any, that the agency has priced into covered loans for which there was an energy efficiency report.
(f) RULEMAKING.—

(1) IN GENERAL.—The Secretary shall prescribe regulations to carry out this section, in consultation with the Secretary of Energy and the advisory group established in paragraph (2), which may contain such classifications, differentiations, or other provisions, and may provide for such proper implementation and appropriate treatment of different types of transactions, as the Secretary determines are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.

(2) ADVISORY GROUP.—To assist in carrying out this section, the Secretary shall establish an advisory group, consisting of individuals representing the interests of—

(A) mortgage lenders;

(B) appraisers;

(C) energy raters and residential energy consumption experts;

(D) energy efficiency organizations;

(E) real estate agents;

(F) home builders and remodelers;

(G) State energy officials; and

(H) others as determined by the Secretary.
(g) ADDITIONAL STUDY.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary shall reconvene the advisory group established in subsection (f)(2), in addition to water and locational efficiency experts, to advise the Secretary on the implementation of the enhanced energy efficiency underwriting criteria established in subsections (c) and (d).

(2) RECOMMENDATIONS.—

(A) IN GENERAL.—The advisory group established in subsection (f)(2) shall provide recommendations to the Secretary on any revisions or additions to the enhanced energy efficiency underwriting criteria deemed necessary by the group, which may include alternate methods to better account for home energy costs and additional factors to account for substantial and regular costs of homeownership such as location-based transportation costs and water costs.

(B) LEGISLATIVE RECOMMENDATIONS.—
The Secretary shall forward any legislative recommendations from the advisory group to Congress for consideration.
SEC. 5. ENERGY-EFFICIENT CERTIFICATIONS FOR MANUFACTURED HOUSING WITH MORTGAGES.

Section 526 of the National Housing Act (12 U.S.C. 1735f–4(a)) is amended—

(1) in subsection (a)—

(A) by striking “, other than manufactured homes,” each place such term appears;

(B) by inserting after the period at the end the following: “The energy performance requirements developed and established by the Secretary under this section for manufactured homes shall require energy star rating for wall fixtures, appliances, and equipment in such housing.”;

(C) by inserting “(1)” after“(a)” ; and

(D) by adding at the end the following new paragraphs:

“(2) The Secretary shall require, with respect to any single- or multi-family residential housing subject to a mortgage insured under this Act, that any approval or certification of the housing for meeting any energy efficiency or conservation criteria, standards, or requirements pursuant to this title and any approval or certification required pursuant to this title with respect to energy-conserving improvements or any renewable energy sources, such
as wind, solar energy geothermal, or biomass, shall
be conducted only by an individual certified by a
home energy rating system provider who has been
accredited to conduct such ratings by the Home En-
ergy Ratings System Council, the Residential En-
ergy Services Network, or such other appropriate
national organization, as the Secretary may provide,
or by licensed professional architect or engineer. If
any organization makes a request to the Secretary
for approval to accredit individuals to conduct en-
ergy efficiency or conservation ratings, the Secretary
shall review and approve or disapprove such request
not later than the expiration of the 6-month period
beginning upon receipt of such request.

“(3) The Secretary shall periodically examine
the method used to conduct inspections for compli-
ance with the requirements under this section, ana-
lyze various other approaches for conducting such
inspections, and review the costs and benefits of the
current method compared with other methods.”; and

(2) in subsection (b), by striking “, other than
a manufactured home,”.

SEC. 6. MAKING IT GREEN.

(a) PARTNERSHIPS WITH TREE-PLANTING ORGани-
zATIONS.—The Secretary shall establish and provide in-
centives for developers of housing for which any HUD financial assistance, as determined by the Secretary, is provided for development, maintenance, operation, or other costs, to enter into agreements and partnerships with tree-planting organizations, nurseries, and landscapers to certify that trees, shrubs, grasses, and other plants are planted in the proper manner, are provided adequate maintenance, and survive for at least 3 years after planting or are replaced. The financial assistance determined by the Secretary as eligible under this section shall take into consideration such factors as cost effectiveness and affordability.

(b) MAKING IT GREEN PLAN.—In the case of any new or substantially rehabilitated housing for which HUD financial assistance, as determined in accordance with subsection (a), is provided by the Secretary for the development, construction, maintenance, rehabilitation, improvement, operation, or costs of the housing, including financial assistance provided through the Community Development Block Grant program under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), the Secretary shall require the development of a plan that provides for—

(1) in the case of new construction and improvements, siting of such housing and improve-
ments in a manner that provides for energy efficiency and conservation to the extent feasible, taking into consideration location and project type;

(2) minimization of the effects of construction, rehabilitation, or other development on the condition of existing trees;

(3) selection and installation of indigenous trees, shrubs, grasses, and other plants based upon applicable design guidelines and standards of the International Society for Arboriculture;

(4) post-planting care and maintenance of the landscaping relating to or affected by the housing in accordance with best management practices; and

(5) establishment of a goal for minimum greenspace or tree canopy cover for the housing site for which such financial assistance is provided, including guidelines and timetables within which to achieve compliance with such minimum requirements.

(c) PARTNERSHIPS.—In carrying out this section, the Secretary is encouraged to consult, as appropriate, with national organizations dedicated to providing housing assistance and related services to low-income families, such as the Alliance for Community Trees and its affiliates, the American Nursery and Landscape Association, the Amer-
ican Society of Landscape Architects, and the National Arbor Day Foundation.

SEC. 7. INCLUDING SUSTAINABLE DEVELOPMENT AND TRANSPORTATION STRATEGIES IN COMPREHENSIVE HOUSING AFFORDABILITY STRATEGIES.

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by striking “and” at the end of paragraph (19);

(2) by striking the period at the end of paragraph (20) and inserting “; and”;

(3) and by inserting after paragraph (20) the following new paragraphs:

“(21) describe the jurisdiction’s strategies to encourage sustainable development for affordable housing, including single-family and multifamily housing, as measured by—

“(A) greater energy efficiency and use of renewable energy sources, including any strategies regarding compliance with the energy efficiency standards under section 3(a) of the Green Neighborhoods Act of 2020 and with the enhanced energy efficiency and conservation
standards, and the green building standards, under section 3(b) of such Act;

“(B) increased conservation, recycling, and reuse of resources;

“(C) more effective use of existing infrastructure;

“(D) use of building materials and methods that are healthier for residents of the housing, including use of building materials that are free of added known carcinogens that are classified as Group 1 Known Carcinogens by the International Agency for Research on Cancer; and

“(E) such other criteria as the Secretary determines, in consultation with the Secretary of Energy, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, are in accordance with the purposes of this paragraph; and

“(22) describe the jurisdiction’s efforts to coordinate its housing strategy with its transportation planning strategies to ensure to the extent practicable that residents of affordable housing have access to public transportation.”.
SEC. 8. GRANT PROGRAM TO INCREASE SUSTAINABLE LOW-INCOME COMMUNITY DEVELOPMENT CAPACITY.

(a) IN GENERAL.—The Secretary may make grants to nonprofit organizations to use for any of the following purposes:

(1) Training, educating, supporting, or advising an eligible community development organization or qualified youth service and conservation corps in improving energy efficiency, resource conservation and reuse, design strategies to maximize energy efficiency, installing or constructing renewable energy improvements (such as wind, wave, solar, biomass, and geothermal energy sources), and effective use of existing infrastructure in affordable housing and economic development activities in low-income communities, taking into consideration energy efficiency standards under section 3(a) of this Act and with the enhanced energy efficiency and conservation standards, and the green building standards, under section 3(b) of this Act.

(2) Providing loans, grants, or predevelopment assistance to eligible community development organizations or qualified youth service and conservation corps to carry out energy efficiency improvements that comply with the energy efficiency standards
under section 3(a) of this Act, resource conservation and reuse, and effective use of existing infrastructure in affordable housing and economic development activities in low-income communities. In providing assistance under this paragraph, the Secretary shall give more preference to activities based on the extent to which the activities will result in compliance with the enhanced energy efficiency and conservation standards, and the green building standards, under section 3(b) of this Act.

(3) Such other purposes as the Secretary determines are in accordance with the purposes of this subsection.

(b) APPLICATION REQUIREMENT.—To be eligible for a grant under this section, a nonprofit organization shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) AWARD OF CONTRACTS.—Contracts for architectural or engineering services funded with amounts from grants made under this section shall be awarded in accordance with chapter 11 of title 40, United States Code (relating to selection of architects and engineers).

(d) MATCHING REQUIREMENT.—A grant made under this section may not exceed the amount that the nonprofit
organization receiving the grant certifies, to the Secretary,
will be provided (in cash or in-kind) from nongovernmental
sources to carry out the purposes for which the grant is
made.

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

(1) NONPROFIT ORGANIZATION.—The term
“nonprofit organization” has the meaning given
such term in section 104 of the Cranston-Gonzalez
National Affordable Housing Act (42 U.S.C.
12704).

(2) ELIGIBLE COMMUNITY DEVELOPMENT OR-
GANIZATION.—The term “eligible community devel-
opment organization” means—

(A) a unit of general local government (as
defined in section 104 of the Cranston-Gonzalez
National Affordable Housing Act (42 U.S.C.
12704));

(B) a community housing development or-
ganization (as defined in section 104 of the
Cranston-Gonzalez National Affordable Housing
Act (42 U.S.C. 12704));

(C) an Indian tribe or tribally designated
housing entity (as such terms are defined in
section 4 of the Native American Housing As-
sistance and Self-Determination Act of 1996
(25 U.S.C. 4103)); or

(D) a public housing agency, as such term
is defined in section 3(b) of the United States
Housing Act of 1937 (42 U.S.C. 1437(b)).

(3) LOW-INCOME COMMUNITY.—The term “low-
income community” means a census tract in which
50 percent or more of the households have an in-
come which is less than 80 percent of the greater
of—

(A) the median gross income for such year
for the area in which such census tract is lo-
cated; or
(B) the median gross income for such year
for the State in which such census tract is lo-
cated.

(f) AUTHORIZATION OF APPROPRIATIONS.—There
are authorized to be appropriated to the Secretary to carry
out this section $20,000,000 for each of fiscal years 2021
through 2025.

SEC. 9. BENCHMARKING.

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

(1) SECRETARY.—The term “Secretary” means
the Secretary of Housing and Urban Development.
(2) HUD-ASSISTED PROPERTY.—The term “HUD-assisted property” means a property assisted by any of the following programs:

(A) The program under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) for supportive housing for the elderly.

(B) The program under section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) for supportive housing for persons with disabilities.

(C) Any program under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) for rental assistance for low-income families.

(D) Any program for mortgage insurance for single-family housing under title II of the National Housing Act (12 U.S.C. 1707 et seq.).

(E) The programs under section 223(a)(7), 223(f), or 241(a) of the National Housing Act (12 U.S.C. 1715n(a), 1715n(f), 1715z–6(a)).

(3) BENCHMARKED HUD-ASSISTED PROPERTY.—The term “benchmarked HUD-assisted property” means a HUD-assisted property with respect to which energy and water benchmarking data is required by a State or local authority to be re-
ported through the ENERGY STAR Portfolio Manager.

(4) Climate Zone.—The term “Climate Zone” means a region of the United States as defined by the Environmental Protection Agency under the ENERGY STAR program or the Office of Energy Efficiency and Renewable Energy of the Department of Energy.

(b) Benchmarking Report.—

(1) In general.—Not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, the Secretary shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, a report that includes—

(A) an assessment of the current state of energy and water use benchmarking in the multifamily property sector;

(B) data identifying the number and square footage of multifamily properties that are required by State or local authorities to report benchmarking data, the proportion that are HUD-assisted properties, and the propor-
tion of all HUD-assisted properties that are subject to such requirements;

(C) data identifying multifamily properties that participate in each pathway in the HUD Green Mortgage Insurance Premium program, including the number and square footage of participating properties and the proportion of eligible properties participating;

(D) data identifying multifamily properties that participate in the HUD Better Buildings Challenge, including the number and square footage of participating properties;

(E) estimates of the extent of HUD-assisted properties that are not conducting energy and water benchmarking;

(F) estimates of potential energy and Federal cost savings if various levels of efficiency were implemented in HUD-assisted properties;

(G) information identifying the typical costs of multifamily benchmarking and resources available to support multifamily owners and operators in benchmarking; and

(H) information relevant to the impact of multifamily benchmarking, including published research studies.
(2) Public Availability.—The Secretary shall make the report publicly available on the website of HUD.

(c) Provision of Existing Benchmarking Data.—

(1) Policies.—Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Secretary shall issue such regulations as may be necessary to ensure that owners of benchmarked HUD-assisted properties provide to the Secretary-selected ENERGY STAR Portfolio Manager data for the property. In developing such regulations, the Secretary shall—

(A) provide for data to be released in a manner that protects information that identifies particular properties, but retains essential geographical and building characteristics to enable aggregate analysis;

(B) require data sharing not less often than every three years;

(C) identifies the minimum data to be shared; and

(D) develop mechanisms to streamline data requests and sharing in collaboration with the
Environmental Protection Agency ENERGY STAR program.

(2) ANALYSIS.—Not later than the expiration of the 2-year period beginning on the date of the enactment of this Act and annually thereafter, the Secretary shall conduct an analysis of the data received under this subsection and shall make the findings publicly available on the website of HUD.

(d) ENERGY USE TARGETS BY CLIMATE ZONE.—

(1) IN GENERAL.—Not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, the Secretary shall—

(A) compile energy consumption and bill data from multifamily properties that is provided to HUD in connection with utility allowance determination and capital needs assessment activities;

(B) analyze the data in order to better understand energy consumption patterns and trends throughout the portfolio of properties represented, including relevant subcategory types of multifamily properties;

(C) using the data from subparagraphs (A) and (B), develop energy intensity statistics for
each climate zone and multifamily subcategory; and

(D) using the data from subparagraphs (A) and (B), develop energy intensity targets for each climate zone and multifamily subcategory reflecting energy efficiency performance of at least 25 percent below the baseline and related to ENERGY STAR performance scores for each respective climate zone and multifamily subcategory.

(2) Public availability.—The Secretary shall make the analysis and energy intensity targets publicly available on the website of HUD.

(e) Multifamily Utility Benchmarking Toolkit.—The Secretary shall maintain and update, from time to time, the Multifamily Utility Benchmarking Toolkit.

(f) Stakeholder engagement.—In carrying out this section, the Secretary shall—

(1) engage with stakeholders regarding multifamily sustainability, including providing education and opportunities for robust stakeholder input; and

(2) conduct targeted outreach to representatives of public housing agencies, housing and tenant advocates, multifamily property owners and managers, energy efficiency organizations, State and local gov-
ernments, multifamily finance entities, and other interested groups.

SEC. 10. WORKFORCE DEVELOPMENT.

Subtitle D of title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3221 et seq.) is amended by adding at the end the following:

“SEC. 173. GRANTS FOR REGISTERED APPRENTICESHIP PROGRAMS IN CERTAIN INDUSTRIES.

“(a) IN GENERAL.—The Secretary shall provide grants to workforce development boards, labor organizations, nonprofit organizations, and businesses for the purpose of establishing training and registered apprenticeship programs with respect to the following industries:

“(1) Energy-efficient building, construction, and retrofit industries.

“(2) Deconstruction and materials use industries.

“(3) Energy efficiency assessment industry serving residential, commercial, or industrial sectors.

“(4) Manufacturers that produce sustainable processes and materials.

“(5) Building maintenance and management.

“(b) REQUIREMENTS.—The Secretary shall require a recipient of a grant under this section, as a condition of receipt of such grant—
“(1) to advertise opportunities available as a result of such grant—

“(A) on a publicly available website; and

“(B) to dislocated workers;

“(2) to coordinate such program with related efforts of—

“(A) local governments and subdivisions thereof; and

“(B) labor, industry, and environmental advocacy groups;

“(3) on an annual basis, to submit to the Secretary a report with respect to the area served by the recipient on—

“(A) the availability of employment opportunities in the relevant field;

“(B) the risk of an increase in unemployment in such field; and

“(C) other employment trends in such field.

“(c) ELIGIBLE USE OF FUNDS.—A recipient of a grant under this section may use such funds to cover the costs associated with an employee participating in a Registered Apprenticeship Program, including wages of, or stipends for, employees for the duration of the Registered Apprenticeship Program.
“(d) REPORT.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter, the Secretary shall submit to Congress a report on the effects of grants issued under this section, including a description of—

“(1) the number of individuals who are employed upon completion of a registered apprenticeship program funded under this section;

“(2) a description of the wages, benefits, and quality of employment that such individuals receive upon completion of such program;

“(3) a description of the demographics of individuals who receive such employment; and

“(4) the retention rate of individuals who are employed upon completion of a registered apprenticeship program funded under this section.

“(e) AUTHORIZATION.—There is authorized to be appropriated to carry out this section $100,000,000 for each of fiscal years 2021 through 2025.”.

SEC. 11. ENSURING AVAILABILITY OF HOMEOWNERS INSURANCE FOR HOMES NOT CONNECTED TO ELECTRICITY GRID.

(a) CONGRESSIONAL INTENT.—The Congress intends that—
(1) consumers shall not be denied homeowners insurance for a dwelling (as such term is defined in subsection (c)) based solely on the fact that the dwelling is not connected to or able to receive electricity service from any wholesale or retail electric power provider;

(2) States should ensure that consumers are able to obtain homeowners insurance for such dwellings;

(3) States should support insurers that develop voluntary incentives to provide such insurance; and

(4) States may not prohibit insurers from offering a homeowners insurance product specifically designed for such dwellings.

(b) INSURING HOMES AND RELATED PROPERTY IN INDIAN AREAS.—Notwithstanding any other provision of law, dwellings located in Indian areas (as such term is defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103)) and constructed or maintained using assistance, loan guarantees, or other authority under the Native American Housing Assistance and Self-Determination Act of 1996 may be insured by any tribally owned self-insurance risk pool approved by the Secretary of Housing and Urban Development.
(c) DWELLING DEFINED.—For purposes of this section, the term “dwelling” means a residential structure that—

(1) consists of one to four dwelling units;

(2) is provided electricity from renewable energy sources; and

(3) is not connected to any wholesale or retail electrical power grid.

SEC. 12. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) GREEN BUILDING STANDARDS.—The term “green building standards” means standards to require use of sustainable design principles to reduce the use of nonrenewable resources, encourage energy-efficient construction and rehabilitation and the use of renewable energy resources, minimize the impact of development on the environment, and improve indoor air quality.

(2) HUD.—The term “HUD” means the Department of Housing and Urban Development.

(3) HUD ASSISTANCE.—The term “HUD assistance” means financial assistance that is awarded, competitively or noncompetitively, allocated by for-
mula, or provided by HUD through loan insurance
or guarantee.

(4) NONRESIDENTIAL STRUCTURE.—The term
“nonresidential structures” means only nonresiden-
tial structures that are appurtenant to single-family
or multifamily housing residential structures, or
those that are funded by the Secretary of Housing
and Urban Development through the HUD Commu-

(5) SECRETARY.—The term “Secretary”, unless
otherwise specified, means the Secretary of Housing
and Urban Development.