

House Approves \$10B Energy Efficiency Block Grant

A block grant that would give cities, counties and states funds to develop energy efficiency and conservation strategies is one step closer to becoming a reality now that it has passed the House.

The Energy Efficiency Block Grant is modeled on the Department of Housing and Urban Development's

Community Development Block Grant program, popular for its flexible fund uses. The Senate passed a bill in June containing a similar proposal for a grant program it termed the Energy and Environmental Block Grant.

"This funding will help local governments develop and implement comprehensive energy efficiency strategies to help the nation meet its energy and climate protection goals," said Rep. Albert Wynn, D-Md., in a statement. Wynn introduced the block grant proposal as part of the House's broad energy package.

The program would be administered by the Department of Energy. Funds could go toward wide-ranging uses, including weatherization programs, energy audits, developing land use guidelines and establishing financial incentive programs.

In both the House and Senate versions, funds would be allocated based on a population formula. The House legislation authorizes \$2 billion per year for fiscal years 2008 through 2012. The Senate bill does not specify an amount, but proposes the same time period.

The House legislation would distribute 70 percent of the funds to cities of with populations of 50,000 or more and counties of 200,000 or more. Thirty percent of funds would be set aside for states.

Medium-sized cities receive greater emphasis in the Senate version, which would allocate 68 percent of funds to cities with populations of 35,000, counties of 200,000, and each state's 10 most populated cities and counties. The Senate allocates nearly the same amount to states that the House's version does, although it sets a minimum of 1.25 percent for each state.

The House and Senate will need to resolve differences in their energy legislation packages before the measure makes its way to President Bush's desk to be signed.