

STATE OF MAINE GOVERNOR'S OFFICE OF POLICY INNOVATION AND THE FUTURE 181 STATE HOUSE STATION AUGUSTA, MAINE 04333-0181

LD 996 An Act to Create the Weatherization Plus Program and Weatherization Plus Fund Testimony Neither for Nor Against April 8, 2025

Senator Curry, Representative Gere, and members of the Committee on Housing and Economic Development, my name is Molly Siegel and I am a Buildings and Lead by Example Policy Advisor with the Governor's Office of Policy Innovation and the Future (GOPIF).

I appreciate the opportunity to provide testimony neither for nor against LD 996, "An Act to Create the Weatherization Plus Program and Weatherization Plus Fund." This testimony aims to offer information about the bill's potential impact on weatherization efforts in Maine, referencing findings from the state climate action plan, *Maine Won't Wait*, and the Maine Climate Council Buildings, Infrastructure, and Housing Working Group's June 2024 recommendations.

LD 996 proposes the establishment of the Weatherization Plus Program within the Maine State Housing Authority. The program's objectives include:

- Assisting eligible low-income households in implementing energy conservation measures through grants for weatherization readiness and weatherization projects;
- Reducing deferrals from the federal Weatherization Assistance for Low-income Persons Program; and
- Maximizing the use of available federal funding.

The bill also proposes the creation of the Weatherization Plus Fund, a nonlapsing, revolving fund, to support the program's initiatives.

The Maine Climate Council has identified building energy efficiency as a critical strategy in reducing greenhouse gas emissions and enhancing the resilience of Maine's building stock. The state's 2024 climate action plan, *Maine Won't Wait*, set targets to weatherize 35,000 homes by 2030, including 10,000 low-income homes. The plan also sets targets for installing highly-efficient heat pumps for heating and cooling, ensuring that by 2030, 130,000 Maine homes are heated partially by heat pumps and 116,000 homes are fully heated by heat pumps, and that 40,000 of those heat pumps are in low-income homes.

The Climate Council identified weatherization readiness, or "pre-weatherization" as a significant unmet need when it comes to weatherizing low-income households that are eligible for the federally-funded Weatherization Assistance Program (WAP) administered by MaineHousing. In *Maine Won't Wait*, the Climate Council recommended that Maine:

"Extend funding and financing for weatherization, heat pumps, heat pump water heaters, and heating assistance in homes and businesses beyond 2030, including home repairs needed to make homes ready for weatherization." (Strategy B, Recommendation 1) In addition, the Maine Climate Council's Buildings, Infrastructure, and Housing (BIH) Working Group provided the following context in their June 2024 recommendations to the Maine Climate Council:¹

- Energy Efficiency and Resilience: Weatherization can have additional benefits beyond energy savings, including more livable homes and greater resilience.² For instance, weatherization increases the amount of time that a home can maintain a comfortable temperature in the event of a power outage. Pre-weatherization remedies common issues such as moisture, electrical or wiring issues, and structural/roofing issues, improving the quality of homes and making them more resilient to extreme weather events.
- **Barriers to Weatherization:** A significant challenge to weatherizing Maine homes is the high rate of deferrals due to structural and safety concerns in existing buildings. For instance, Downeast Community Partners reported that 61% of households applying for weatherization services through MaineHousing were rejected because their homes required more pre-weatherization repairs than the organization could provide.
- Inadequate Funding: MaineHousing was allocated \$403,527 in weatherization readiness funds in Program Year 2023, meaning that the current program is severely limited in its ability to address health and safety repairs needed before weatherization.

The focus of LD 996 on providing support for weatherization readiness directly addresses the barriers identified by the BIH Working Group. By funding necessary pre-weatherization repairs, the program could decrease deferral rates, addressing the backlog of weatherization projects among households with the greatest need for weatherization services. This approach aligns with the Maine Climate Council's emphasis on ensuring that vulnerable populations can access the benefits of weatherization.

While LD 996 has the potential to enhance weatherization efforts in Maine, I'd like to offer the following considerations to help ensure the program's success:

- **Program Integration:** Coordination with existing programs, such as the federal Weatherization Assistance Program, is important to maximize resources and avoid duplication of efforts.
- Long-Term Sustainability: The bill proposes a one-time allocation of \$2,000,000 for grants. As a nonlapsing, revolving fund, the Weatherization Plus Fund's sustainability will depend on effective management and the continuous identification of funding sources to replenish the fund.

In conclusion, LD 996 presents a targeted approach to overcoming barriers in Maine's weatherization initiatives, particularly for low-income households. Careful consideration of program integration and long-term sustainability will help to ensure that the bill achieves its intended impact. Thank you for the opportunity to provide this testimony and thank you for your service on this committee.

¹ Maine Climate Council Buildings, Infrastructure, and Housing Working Group (2024). <u>https://www.maine.gov/future/sites/maine.gov.future/files/inline-files/WG%20Buildings%20-</u> %20Final%20Recommendations%20June%202024.pdf

² Oak Ridge National Laboratory (2014). Health and Household-Related Benefits Attributable to the Weatherization Assistance Program.

https://weatherization.ornl.gov/wpcontent/uploads/pdf/WAPRetroEvalFinalReports/ORNL_TM-2014_345.pdf