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A BILL
25-119

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Clean and Affordable Energy Act of 2008 to create the Breathe Easy Program within the Department of Energy and the Environment to provide residential electrification retrofits for low-income and moderate-income households; to amend the Green Building Act of 2006 to exempt the value of improvements made through the Breathe Easy Program from the definition of “substantial improvement” for the purposes of the Green Building Act of 2006, and to provide that the Green Building Advisory Council shall advise the Mayor on implementation of the Breathe Easy Program; to amend the Retail Competition and Consumer Protection Act of 1999 to exempt subscribers of projects created through the Solar For All Program from limits on offsets to costs of electricity consumption; and to amend section 47-1803.02 of the District of Columbia Official Code to provide that the value of benefits received through the Breathe Easy Program shall not be subject to District income tax.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Healthy Homes and Residential Electrification Amendment Act of 2024”.

Sec. 2. The Clean and Affordable Energy Act of 2008, effective October 22, 2008 (D.C. Law 17-250; D.C. Official Code § 8-1773.01 *et seq.*), is amended by adding a new section 217 to read as follows:

“Sec. 217. Breathe Easy Program established.

“(a)(1) There is established the Breathe Easy Program (“Program”) within DOEE that:

32 “(A) Shall provide residential electrification retrofits to low-income
33 District households, including households in multi-unit residential buildings where at least 50%
34 of the occupied housing units are occupied by low-income households at the time of income
35 verification;

36 “(B) May provide residential electrification retrofits to moderate-income
37 District households; and

38 “(C) Shall provide training and education to contractors that provide
39 residential electrification retrofits through the Program.

40 “(2) The Program shall provide residential electrification retrofits at no cost to
41 low-income households, including households in multi-unit residential buildings where at least
42 50% of the units are occupied by low-income households in accordance with the following
43 timeline:

44 “(A) 2,500 shall be completed by December 31, 2027;

45 “(B) 10,000 shall be completed by December 31, 2032;

46 “(C) 20,000 shall be completed by December 31, 2037; and

47 “(D) 30,000 shall be completed by December 31, 2040.

48 “(3) The Program may provide residential electrification retrofits to moderate-
49 income households, subsidized in accordance with the sliding scale published pursuant to
50 subsection (b)(6) of this section; provided, that residential electrification retrofits made pursuant

51 to this paragraph shall not be counted towards the requirements of paragraph (2) of this
52 subsection.

53 “(4) DOEE shall partner with nonprofit organizations to provide training and
54 education related to the provision of residential electrification retrofits for businesses and
55 individuals in accordance with the recommendations published pursuant to subsection (b)(7) of
56 this section.

57 “(b) By September 30, 2024, DOEE shall publish on its website and submit to the
58 Council a plan to administer the Program, which shall include:

59 “(1) A description of how residential electrification retrofits will be completed;

60 “(2) If DOEE proposes to partner with private contractors to make residential
61 electrification retrofits, a description of how DOEE will maximize participation of District
62 residents and businesses that are eligible to be certified as equity impact enterprises;

63 “(3) Eligibility criteria for:

64 “(A) Low-income and moderate-income households to receive a
65 residential
66 electrification retrofit through the Program, including a process for income verification;

67 “(B) Multi-unit residential buildings to receive a residential retrofit
68 through the Program, including a process for certifying that at least 50% of units are occupied by
69 low-income households; and

70 “(C) Private contractors to provide residential electrification retrofits
71 through the Program;

72 “(4) A description of allowable appliances, methods, materials, and technology to
73 be used in residential electrification retrofits;

74 “(5) Strategies for:

75 “(A) Prioritizing residential electrification retrofits for households with the
76 lowest household incomes; and

77 “(B) Identifying and prioritizing low-income households that can receive
78 residential electrification retrofits most cost-effectively, including by combining electrification
79 retrofits with other services provided or subsidized by DOEE or other District agencies;

80 “(6) A sliding scale to be used when subsidizing the cost of providing residential
81 electrification retrofits to moderate-income households;

82 “(7) Recommendations to eliminate or reduce the cost to businesses and
83 individuals of providing training pursuant to subsection (a)(4) of this section in order to
84 maximize:

85 “(A) Participation in the Program of businesses that are eligible
86 to be certified as equity impact enterprises; and

87 “(B) Employment of District residents by businesses participating in the
88 Program;

89 “(8) The estimated number of low-income and moderate-income households that
90 will receive residential electrification retrofits in each year of the Program; and

91 “(9) A description of how DOEE will coordinate with the Green Building
92 Advisory Council.

93 “(c) Beginning on January 1, 2025, and annually thereafter, DOEE shall publish on its
94 website and submit to the Council a report on progress toward meeting the requirements of
95 subsection (a)(1) and (2) of this section, including the number of residential electrification
96 retrofits completed in each calendar year of the Program’s operation and the number of
97 residential electrification retrofits planned to be completed in the following calendar year.

98 “(d) Participation in the Program shall not preclude a person from receiving other
99 improvements provided by DOEE or another District agency.

100 “(e)(1) The Mayor, pursuant to Title I of the District of Columbia Administrative
101 Procedure
102 Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 *et seq.*), may issue
103 rules to implement the provisions of this section. The proposed rules shall be submitted to the
104 Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of
105 Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in
106 part, by resolution within the 45-day review period, the proposed rules shall be deemed
107 approved.

108 “(2) The rules issued pursuant to paragraph (1) of this subsection may include
109 rules to preserve the affordability of homes that receive residential electrification retrofits under
110 this section.

111 “(f) For purposes of this section, the term:

112 “(1) “Equity impact enterprise” shall have the same meaning as provided in
113 section 2302(8A) of the Small, Local, and Disadvantaged Business Enterprise Development and
114 Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-
115 218.02(8A)).

116 “(2) “Low-income household” means a household with a total income less than
117 80% of the median family income for the metropolitan area that includes the District, as
118 published by the U.S. Department of Housing and Urban Development.

119 “(3) “Moderate-income household” means a household with a total income
120 equal to or greater than 80% but less than 150% of the median family income for the
121 metropolitan area that includes the District, as published by the U.S. Department of Housing and
122 Urban Development.

123 “(4) “Residential electrification retrofit” means replacement of all appliances or
124 other systems, such as an oven, water heater, or heating system, that combust fossil fuels on site
125 with appliances or other systems that perform the same function and that are powered
126 exclusively by electricity.”.

127 Sec. 3. The Green Building Act of 2006, effective March 8, 2007 (D.C. Law 16-234;
128 D.C. Official Code § 6-1451.01 *et seq.*), is amended as follows:

129 (a) Section 2(40) (D.C. Official Code § 6-1451.01(40)) is amended by striking the phrase
130 “improvement of a building or structure, the cost of which equals or exceeds 50% of the market
131 value of the structure” and inserting the phrase “improvement of a building or structure,
132 excluding repairs, alterations, additions, or improvements of a building structure made through
133 the Breathe Easy Program, established by section 217 of the Clean and Affordable Energy Act of
134 2008, as approved by the Committee on Transportation and the Environment on March 4, 2024
135 (Committee print of Bill 25-119), the cost of which equals or exceeds 50% of the market value of
136 the structure” in its place.

137 (b) Section 10 (D.C. Official Code § 6-1451.09) is amended as follows:

138 (1) Subsection (c)(1) is amended as follows:

139 (A) The lead-in language is amended by striking the phrase “following 13
140 members” and inserting the phrase “following 15 members” in its place.

141 (B) Subparagraphs (G) is amended by striking the phrase “One member”
142 and inserting the phrase “Two members” in its place.

143 (C) Subparagraphs (H) is amended by striking the phrase “One member”
144 and inserting the phrase “Two members” in its place.

145 (2) Subsection (d) is amended as follows:

146 (A) Paragraph (3) is amended by striking the phrase “; and” and inserting
147 a semicolon in its place.

148 (B) Paragraph (4) is amended by striking the period and inserting the
149 phrase “; and” in its place.

150 (C) A new paragraph (5) is added to read as follows:

151 “(5) Equitable implementation of the requirements of the Breathe Easy Program,
152 established by section 217 of the Clean and Affordable Energy Act of 2008, as approved by the
153 Committee on Transportation and the Environment on March 4, 2024 (Committee print of Bill
154 25-119).”.

155 Sec. 4. Section 118a(b) of the Retail Competition and Consumer Protection Act of 1999,
156 effective December 13, 2013 (D.C. Law 20-47; D.C. Official Code § 34–1518.01(b)), is
157 amended by striking the phrase “12 months.” and inserting the phrase “12 months; except, that
158 this subsection shall not apply to subscribers of a project constructed through the Solar for All
159 Program established by section 216 of the Clean and Affordable Energy Act of 2008, effective
160 October 8, 2016 (D.C. Law 21-154; D.C. Official Code § 8-1774.16).” in its place.

161 Sec. 5. Section 47-1803.02(a)(2) of the District of Columbia Official Code is amended by
162 adding a new subparagraph (AAA) to read as follows:

163 “(AAA) Benefits provided through the Breathe Easy Program, established
164 by section 217 of the Clean and Affordable Energy Act of 2008, as approved by the Committee
165 on Transportation and the Environment on March 4, 2024 (Committee print of Bill 25-119).”.

166 Sec. 6. Fiscal impact statement.

167 The Council adopts the fiscal impact statement in the committee report as the fiscal
168 impact statement required by section 4a of the General Legislative Procedures Act of 1975,
169 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

170 Sec. 7. Effective date.

171 This act shall take effect following approval by the Mayor (or in the event of veto by the
172 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
173 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
174 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)).