

AN ACT

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:

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

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

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

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

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

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

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

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

“(3) The Program may provide residential electrification retrofits to moderate-income households, subsidized in accordance with the sliding scale published pursuant to subsection (b)(6) of this section; provided, that residential electrification retrofits made pursuant to this paragraph shall not be counted towards the requirements of paragraph (2) of this subsection.

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

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

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

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

“(3) Eligibility criteria for:

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

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

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

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

“(5) Strategies for:

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

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

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

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

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

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

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

“(9) A description of how DOEE will coordinate with the Green Building Advisory Council; and

“(10) An explanation of how DOEE will provide a written estimate or explanation to each Program recipient that explains the estimated difference in annual energy costs between electrification and the recipient’s current energy source.

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

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

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

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

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

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

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

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

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

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

(a) Section 2(40) (D.C. Official Code § 6-1451.01(40)) is amended by striking the phrase “improvement of a building or structure, the cost of which equals or exceeds 50% of the market value of the structure” and inserting the phrase “improvement of a building or structure, excluding repairs, alterations, additions, or improvements of a building structure made through the Breathe Easy Program, established by section 217 of the Clean and Affordable Energy Act of 2008, passed on 2nd reading on May 7, 2024 (Enrolled version of Bill 25-119), the cost of which equals or exceeds 50% of the market value of the structure” in its place.

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

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

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

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

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

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

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

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

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

“(5) Equitable implementation of the requirements of the Breathe Easy Program, established by section 217 of the Clean and Affordable Energy Act of 2008, passed on 2nd reading on May 8, 2024 (Enrolled version of Bill 25-119).”.

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

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

“(AAA) Benefits provided through the Breathe Easy Program, established by section 217 of the Clean and Affordable Energy Act of 2008, passed on 2nd reading on May 7, 2024 (Enrolled version of Bill 25-119).”.

Sec. 6. Fiscal impact statement.

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

Sec. 7. Effective date.

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

Chairman
Council of the District of Columbia

Mayor
District of Columbia