



Rep. Hayworth (R-NY) may
rescue PACE from the feds

It looks like we've finally found an environmental issue that can attract strong bipartisan support. The PACE program allows municipal bond financing to pay for energy efficiency retrofits and solar panels, among other environmentally benign building improvements, to be repaid through property tax assessments. But the Federal Housing Finance Administration (FHFA) essentially [squashed](#) the residential version of this program, and lawsuits against FHFA have had [mixed results](#). The only hope has been Congress, and now Republicans seem to be riding to the rescue.

While Congress flailed during the debt ceiling deliberations, Republicans Nan Hayworth (NY) and Dan Lungren (CA) co-sponsored the [PACE Assessment Protection Act of 2011](#), along with 12 other Republicans and 11 Democrats. The proposed law tells FHFA to rescind its policy of withholding mortgage insurance for residential properties with PACE assessments, provided that the PACE arrangements meet certain standards. These standards include the use of a locally approved contractor, a home energy audit or feasibility study by a certified auditor prior to the PACE deal, and eligibility limited to property owners who have not been delinquent for at least the past three years on property taxes, among other safeguards.

Why would a Tea Party-supported member of Congress like Hayworth sponsor this bill? Much of it has to do with preserving local control and staving off federal intervention into local matters, typically a Republican ideal. But the benefits go beyond philosophy or political structure: energy efficiency retrofits save building owners money, create much-needed construction jobs, and clean our air. And they don't require federal spending, since these measures pay for themselves over time. Certainly after the light bulb fiasco that Dan [wrote](#) about, it's nice to see that some energy efficiency measures pass muster in a Republican-controlled House.