

# International Association of Sheet Metal, Air, Rail, Transportation Workers

## LOCAL UNION NO. 16

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Chair: Representative Fahey

May 4, 2023

Vice Chair: Representative Breese-Iverson

Vice Chair: Representative Kropf Committee Members on Rules RE:

Yes, on HB-3031

## **How Districts Access Federal Dollars**

### **American Rescue Plan Act ESSER and GEER**

Funds provided through the U.S. Department of Education's <u>Elementary and Secondary Schools Emergency</u>
Relief (ESSER) <u>Programs</u> and the <u>Governor's Emergency Education Relief (GEER) Programs</u> and the Department of Health and Humans Services' <u>Head Start and Child Care American Rescue Plan</u> can support improvements to <u>ventilation</u>; repairs, upgrades, and replacements in Heating, Ventilation, and Air Conditioning (HVAC) systems; purchase of MERV-13 air filters, portable HEPA filters, and <u>upper-room germicidal ultraviolet irradiation</u>
<u>systems</u>; as well as implementation of other public health protocols and CDC guidance. Oregon <u>received</u>
\$1,121,814,984 in ARP ESSER funds for schools. Must obligate funds by September 30, 2024.

### American Rescue Plan Act State and Local Fiscal Recovery Funds (SLFRF)

States and local governments can draw on \$350 billion to improve ventilation systems in buildings where people are gathering including schools, hospitals, nursing homes, restaurants, office buildings, commercial buildings, multi-family residential buildings and transportation hubs. This funding can be used for the assessment, updates, repairs, installation, and other projects to improve ventilation and indoor air quality in buildings. Funds must be obligated by December 31, 2024 and spent by December 31, 2026. The Treasury Department recommends that recipients ensure that the inspection, testing, commissioning, maintenance, repair, replacement, and upgrading of ventilation systems is performed by a skilled, trained, and certified workforce. An overview of this funding is available on the Treasury Department's website and its guidance regarding how the funds can be used to install and improve ventilation systems is outlined on pages 16-19. The state of Oregon received \$2,648,024,988.20, each metro-area in Oregon received an allocation, which can be viewed here, each county in Oregon received an allocation of funding, which can be viewed here, each town with less than 50,000 people received funding and reach tribal government received funding.

### Bipartisan Infrastructure Law (BIL) funding to improve indoor air quality in buildings

The Bipartisan Infrastructure Law provides billions of dollars for different types of buildings to improve ventilation and indoor air quality. This includes:

- Renew America's Schools Grant Program: \$500 million grant program titled, "Renew America's Schools." The funding can be used by schools to update HVAC systems. Information about the program is available here.
- State Energy Program: The U.S. Department of Energy's State Energy Program (SEP) provides annual funding to all 50 states. SEP received an additional \$500 million from BIL. States can use SEP funding to support public school facilities HVAC improvements. Information about this funding is available here.
- **DOE's Loan Programs Office:** U.S. DOE's Loan Programs Office Renewable Energy and Efficient Energy Solicitation can be utilized by schools to provide up to \$3 billion in loan guarantees for retrofit projects. More information <a href="here">here</a>.
- Energy Efficiency Revolving Loan Fund Capitalization Grant Program: Every state energy office will need to establish an Energy Efficiency Revolving Loan Fund Capitalization Grant Program. The program in each state will provide loans and grants for energy efficiency audits, upgrades, and retrofits to increase energy efficiency and improve the comfort of buildings, which can include schools. Oregon will receive \$1,300,570. More information here.
- Energy Efficiency Conservation Block Grant Program (EECBG): BIL allocated \$550 million to assist states and local governments improve energy efficiency, which can include public school buildings. There are three pathways for local governments to access EECBG funding: 1) formula grants, 2) state applications and 3) a competitive grant through the U.S. Department of Energy (DOE). An overview of the program is available here.

#### **Inflation Reduction Act**

The Inflation Reduction Act includes significant funding for schools to make indoor air quality and energy efficiency upgrades. This includes:

- EPA school grant funding: The Inflation Reduction Act includes \$50 million for the <a href="Environmental Protection Agency">Environmental Protection Agency</a> to assist schools to improve air quality and reduce greenhouse gas emissions. Of those funds, \$37.5 million is available via grants for schools in low-income and disadvantaged communities to monitor and reduce air pollution and greenhouse gas emissions, and \$12.5 million will be available via technical assistance to help schools address environmental issues, mitigate ongoing air pollution hazards, and develop school environmental quality plans that include standards for school building design, construction, and renovation.
- **EPA Clean Communities Investment Accelerator**: \$6 billion is available to help public institutions ensure schools and other buildings in in low-income and disadvantaged communities have access to financing for cost-saving and pollution-reducing clean technology projects, including making energy efficiency upgrades. More information here.
- 179D tax deduction: Expands and increases the deduction for building owners that install energy-efficient systems for 10 years until December 31, 2032. Energy efficient ground up construction and energy efficient retrofits of older buildings are eligible for the deduction. Increases the deduction from current \$1.88 to \$5 per square foot if labor standards and energy efficiency standards are met. Designers of buildings owned by government entities are eligible and could pass on cost saving to schools through final cost of the project. The deduction can now be taken once every 4 years if government owned (previously was only permitted once over the life of the building). Details are outlined on page 115 of this White House guidebook.