

V. Funding

Meeting your environmental goals usually requires financial incentives. Finance programs for replacing old wood burning appliances involves the creation of incentives primarily for homeowners. The goal is to provide the most low-cost means to purchase cleaner burning appliances.

Discounts/vouchers: The Hearth, Patio, and Barbecue Association (HPBA), along with their retailers and manufacturers, will typically work with organizations to provide discounts when implementing wood stove changeouts. The industry discounts range between 10% - 20% off the price of a cleaner burning appliance. The HPBA contact is John Crouch and can be reached at john.crouch.hpba@sbcglobal.net or at 916-536-2390.

Tax Credit: Tax credits reduce the amount of tax a person owes. They are also transferable, so low-income people who do not owe taxes can still benefit. Corporations such as power companies, banks, or stove vendors can buy the tax credit from individuals and write it off to reduce their tax bill. There are also state and federal tax credits that apply to cleaner burning appliances.

Federal Tax Credit: The 2009 Economic Stimulus legislation was signed into law on February 17, 2009, by President Obama and includes a 30% tax credit (up to \$1,500) for the purchase of a 75% efficient biomass-burning heater. This credit is available in 2009 and 2010.

State Tax Credit:

Oregon
Montana - The State of Montana offers an Alternative Energy Systems Credit against income tax liability for the cost of purchasing and installing an energy system in a resident's principal home that uses "... a low emission wood or biomass combustion device such as a pellet or wood stove." For more information, go to <http://www.deq.state.mt.us/Energy/renewable/taxincentrenew.asp#15-32-201>

Idaho - The State of Idaho offers taxpayers who buy new wood stoves, pellet stoves, or natural gas or propane heating units for their residences a tax deduction to replace old, uncertified wood stoves. For more information go to http://www.deq.state.id.us/air/prog_issues/burning/wood_stove_tax_deduction_brochure.pdf.

Voluntary Environmental Improvement Bonds: This type of program allows property owners to finance and install energy efficient projects with little or no upfront cost. The costs are repaid through property tax bills over 20 years. This program has been used to finance solar panels and other energy efficiency projects in several California cities. It can also be used to replace old wood burning appliances. For detailed information go to www.renewfund.com/cityfirst/cityfirst-overview.

Here's how it works:

- The local government creates a property secured financing district.

- Property owners in district voluntarily sign up for financing and install energy projects.
- Proceeds from Environmental Improvement Bond are provided to property owners to pay for energy projects.
- Property owner repays bond through property tax bill over 20 years.

Other Federal Programs to Support Wood Stove Changeouts

As a result of President Obama's American Recovery and Reinvestment Act, there are new announcements about funding coming out every day. Go to <http://www.recovery.gov/>.

Department of Energy: This funding can help pay for energy efficiency and weatherization projects. For more information, go to <http://www.energy.gov/recovery/funding.htm>

Department of Health & Human Services: Low Income Home Energy Assistance Program (LIHEAP): This program is a Federally-funded program that helps low-income households with their home energy bills. The LIHEAP program in your community determines if your household's income qualifies for the program. It may offer you one or more of the following types of assistance:

- Bill payment assistance.
- Energy crisis assistance.
- Weatherization and energy-related home repairs.

LIHEAP funds have been used to help pay for the replacement of old wood stoves to cleaner burning appliances. For more information go to http://www.acf.hhs.gov/programs/ocs/liheap/consumer_info/.

Department of Agriculture: The Rural Housing Repair and Rehabilitation Loan and Grant Programs enable low-income elderly (62+) homeowners to remove health and safety hazards from their homes. Changing out old or improperly installed wood stoves may be eligible under this program. Funding availability is determined by the local service center. For more information and to locate your service center go to www.rurdev.usda.gov/rhs/

Department of Housing and Urban Development: There are many programs that provide funding for wood smoke mitigation. You can find programs located in your area at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm> and clicking on "Information by State". Search Housing Preservation Grants, Rural Housing Development Program, Housing Block Grant Program, and the Community Development Block Grant Program. The following is a sample of three programs:

Indian Housing Block Grants: Tribes have discretion to use these funds on most housing related projects. Wood stove changeouts would be an eligible activity for low income households. For more information go to <http://www.hud.gov/recovery/native-american-formula.cfm>.

Rural Housing and Economic Development Program: This program provides support for innovative housing and economic development activities in rural areas. Eligible applicants are

local rural non-profits, community development corporations (CDCs), federally recognized Indian tribes, state housing finance agencies (HFAs), and state community and/or economic development agencies. For more information go to

<http://www.hud.gov/offices/cpd/economicdevelopment/programs/rhed/>.

Indian Community Development Block Grants: Funds a variety of community development activities, including wood stove changeouts as part of "housing rehabilitation". For more information go to <http://www.hud.gov/offices/pih/ih/grants/icdbg.cfm>.

Supplemental Environmental Projects (SEPs) and Mitigation Projects: A SEP is a beneficial environmental project which a defendant agrees to undertake in settlement of an enforcement action, which the defendant is not otherwise legally required to perform. Where a defendant agrees to perform a SEP, EPA considers the costs to be incurred by defendant in performing the SEP as one of the factors in determining the appropriate penalty to be assessed in a particular case. A wood smoke mitigation project is eligible as a SEP. For more information about SEPs, go to

http://www.epa.gov/woodstoves/Documents/Process/Funding/ws_sepguide_042807.pdf.

Also @ state level

VI. Partnerships

Hearth, Patio, & Barbecue Association (HPBA) is the trade organization that represents more than 1000 hearth retailers and manufacturers across the country. They can help support changeout incentives (i.e., provide industry discounts); market changeout programs and help educate the public about air quality benefits from changing out old wood stoves/fireplaces and reducing wood smoke emissions. EPA recommends that your program contact HPBA's John Crouch (john.crouch.hpba@sbcglobal.net or at 916.536.2390) to discuss opportunities to partner with HPBA.

American Lung Association (ALA) can help bring a strong voice and credibility to your wood smoke public education campaign. In addition to public education, they have been partners and supporters of wood stove changeouts. EPA recommends that you contact your local ALA office to request their assistance in helping raise awareness about your wood smoke control program. Go to www.ala.org to find your local ALA office.

Chimney Safety Institute of America (CSIA) is a non-profit, educational organization dedicated to chimney and venting system safety. They represent more than 1000 chimney sweeps throughout the country that can help disseminate educational materials. Chimney sweeps are also an excellent source of information and can provide insight on local wood burning practices.. CSIA can identify chimney sweeps in most communities and connect the air quality agency with those sweeps. Contact Melissa Heeke at mheeke@csia.org or at 317-837-1500 x 105 or go to www.CSIA.org for more information.

DOE: Low-income Weatherization Program This program enables low-income families to permanently reduce their energy bills by making their homes more energy efficient. New EPA-certified wood stoves are 50% more energy efficient than older wood stoves. To pursue a potential partner with your local weatherization program to changeout old dirty inefficient wood stoves, go to the following website to find your local program:

(<http://apps1.eere.energy.gov/states/>)

Other Partners: There are many other organizations that may bring resources and assistance in addressing wood smoke in your community:

- Firefighters
- Health Organizations
- Environmental Groups
- Local Businesses

