

FACT SHEET

GRANT AND FUNDING OPTIONS TO SUPPORT BUILDING EFFICIENCY PROJECTS

ESSER Grants (Elementary and Secondary School)

Available to any Local Education Agency (LEA) applying for funds through the state. At least 20% of ESSER grants must be used to address learning loss through evidence-based interventions, responding to students' social, emotional, and academic needs in light of Covid-19 pandemic. The remaining 80% can be used for the safe operations of schools and effective maintenance of the health and safety of students, educators, and staff, including "repairing and improving school facilities to reduce risk of virus transmission and exposure to environmental health hazards" and "improving air quality."

- Divided into three phases – ESSER I, II, III
- ESSER II funds must be obligated by September 30, 2023
- ESSER III funds must be obligated by September 30, 2024 and expended by January 28, 2025

See the [Education Stabilization Fund](#) for more data and other information.

Department of Energy (DOE) Funding Options

Energy Efficiency & Renewable Energy (EERE) Funding

EERE works with business, industry, universities, and others to increase the use of renewable energy and energy-efficiency technologies. EERE encourages the growth of these technologies by offering financial assistance opportunities for their development and demonstration.

You can search for current opportunities through the [EERE Funding Opportunities website](#) or through [Grants.gov](#), [FedConnect](#), or the [EERE Funding Opportunity Exchange](#).

State Energy Program (SEP)

The SEP involves funding and technical assistance to states, territories, and the District of Columbia to enhance energy security, advance state-led energy initiatives, and maximize the benefits of decreasing energy waste.

- [State Energy Program](#)
- [Grants for Energy Improvements at Public School Facilities](#)

Bipartisan Infrastructure Law (BIL)

Appropriates \$62 billion, of which \$250 million is to provide loans and grants to state energy offices for commercial energy audits, upgrades, and retrofits. Funding guidance and application documents will be available on November 15.

- Grant periods with DOE are anticipated to run for 5 years starting in FY23. While the grants have a specific period of performance, Revolving loan funds (RLFs) will provide a long-term, sustainable source of financing that will enable energy efficiency upgrades beyond the grant performance period.
- Includes grants for public school energy efficiency
- Advanced clean energy including solar

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Inflation Reduction Act

FUNDING TOTALS AVAILABLE	
State/Local Carbon-Cutting Grants*	\$6.4 billion
Public School Energy Efficiency	\$500 million
Public School Air Pollution	\$50 million

* Dept. of Housing Urban Development (HUD) – Green Resilient Retrofit grants

There are numerous areas where funding is allocated, including air pollution, climate greenhouse gas pollution reduction and conversion of federal properties to high-performance green buildings.

More detail is available on the Environmental Protection Agency's [Funding Opportunities Inflation Reduction Act](#) webpage.

Investment-Tax Incentives

179D - Commercial Building Energy Efficiency for Building Owners Through the Internal Revenue Service (IRS)

Projects must meet the following criteria for deduction:

- Installed as part of the interior lighting systems, heating, cooling, ventilation, and hot water systems, or the building envelope
- Certified as being installed as part of a plan designed to reduce the total annual energy and power costs of the building by 50% or more, in comparison to a reference building which meets the minimum requirements of Reference Standard 90.1
- For detailed requirements, see the instructions for IRS Form 7205

State-Level Opportunities

Visit the [Database of State Incentives for Renewables & Efficiency](#) for detailed information on programs offered by different states.

C-PACE

The PACE model is an innovative mechanism for financing energy efficiency and renewable energy improvements on private property. It provides property owners loans that are long term and have a low-interest payback period. The loan is paid off through an increase in the building's tax assessment. PACE-modeled programs are active in 30 states. Visit [PACENation](#) for state specific information and contact for the state's PACE administrator.