

# United States Senate

WASHINGTON, DC 20510

August 3, 2009

Mr. James B. Lockhart, III  
Director  
Federal Housing Finance Agency  
1700 G Street, NW  
Washington, D.C. 20552-0003

Dear Mr. Lockhart:

We understand that the Federal Housing Finance Agency (FHFA) has voiced some concerns about energy loan tax assessment programs (ELTAPs). As you know, ELTAPs allow homeowners to finance energy efficiency and renewable energy improvements to their homes, paying back the upfront capital over time as part of their property tax bill. We write to urge FHFA to support state and local governments in these efforts, and to work with them in ensuring that ELTAPs can be implemented to save energy costs for working families.

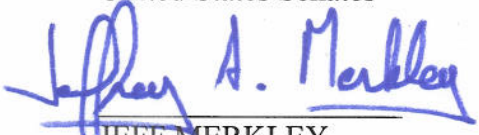
We applaud the innovative ELTAP program developed by states and local governments to provide homeowners with the means to finance cost-effective energy improvements. Many families lack the upfront capital to finance long-term energy improvements, even if the cost of the improvement is exceeded by utility bill savings over time. The building sector represents roughly half of the total annual energy consumption and greenhouse gas emissions in the United States. In order to meet our nation's energy and environmental goals, it is vital that we give homeowners the financial tools to undertake deep energy retrofits of existing homes, and ELTAPs are an excellent way to accomplish this. ELTAPs also relieve homeowners from escalating energy costs. Additionally, as the property improvement benefits will be realized by future owners, ELTAPs transfer the financial obligation to future owners as a property changes hands.

Since the first ELTAP was established in 2008 by Berkeley, California, ten states have passed legislation or otherwise established ELTAPs and similar bills are being considered by legislatures in a number of other states. In addition, local governments across the country are setting up ELTAPs. We are encouraged by the efforts of these pioneering states and localities. We understand that FHFA has raised concerns about the implementation of ELTAP programs. To the extent FHFA has such concerns, we urge you to work expeditiously with states and localities to resolve these concerns and allow them to move forward in implementing these critical programs. We appreciate your timely attention to this matter and look forward to a positive outcome for homeowners.

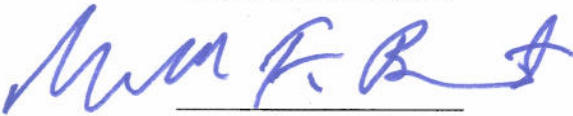
Sincerely,



BERNARD SANDERS  
United States Senator



JEFF MERKLEY  
United States Senator



MICHAEL BENNET  
United States Senator



JEFF BINGAMAN  
United States Senator



MARK BEGICH  
United States Senator