



**For Immediate Release**

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**A “Missed Opportunity”: Legislature declines to allow access to new financing for energy upgrades and stimulate Utah’s economy**

**SALT LAKE CITY, UT.** – Currently, Utah has an opportunity to access \$28 million in special low-interest bonds provided under the federal stimulus bill specifically ear-marked for qualified energy conservation purposes, such as energy improvements to residents and businesses. These bonds could be used by Utah’s municipalities to fund low-interest loan programs for homeowners and businesses interested in making energy improvements to their property, such as installing efficient windows, a new high efficiency furnace, or a solar PV system. Unfortunately, when Senate Bill 194 – Assessment Area Act Amendments failed to pass out of the 2010 legislative session, Utah denied property owners and municipal governments the ability to access these bonds and innovative loan programs, while also rejecting an opportunity to stimulate Utah’s economy at no cost to the state.

Sponsored by Senator Wayne Niederhauser, S.B. 194 would have expanded the existing authority of local municipalities to issue bonds for public improvements projects in voluntary assessment areas. This type of bond financing is already allowed and used regularly for street lighting or sewage upgrades. Numerous states across the country have adopted similar legislation to enable these innovative financing programs, which help reduce the barriers to adoption of energy efficiency and renewable energy improvements.

“SB 194 would have given Utahns another financing tool to make energy-saving property improvements and put Utah’s contractors back to work, both of which would help stimulate Utah’s economy – it is a shame that our legislature failed to act on this momentous opportunity in a time when we clearly need it most,” said Sara Baldwin, Senior Policy & Regulatory Associate of Utah Clean Energy.

Despite receiving unanimous support in the Senate Government Operations and Political Subdivisions Committee, the bill was ‘circled’ (or held) in the Senate due to concerns raised from Utah’s Banking Association, who effectively lobbied to kill the bill before it was given a chance to be heard on the Senate floor. Their claim was that this bill would take business away from the banks and could have unintended consequences for the banking community. However, at this point Utah bank’s aren’t necessarily stepping up to the plate to offer competitive loans for energy efficiency and renewable energy, and this bill would have filled a market niche not being fulfilled by Utah’s banking community right now. Traditional financing arrangements might not make sense or be applicable to every homeowner, such as new home buyers, young families, or people who know they aren’t going to be in the house long enough to reap the energy savings.

SB 194 would have significantly lowered the higher up-front cost of doing energy upgrades and give property owners another option to finance their energy improvements through property assessed loans, allowing them to pay down the loans through an assessment on their property tax at a low interest rate enabled by the low-interest bonds. Since the investment stays with the property, as opposed to the property owner, this arrangement creates a much more favorable investment, while helping improve the property value. Despite the broad benefits and broad support for this bill, the Utah Banking Association and Utah Legislature failed to seize this unique opportunity to help put Utahns save energy and money and put our economy back on its feet.

**Bill Supporters**

Utah Technology Council  
Utah Association of Counties

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Utah Associated Municipal Power Systems

(SMACNA Utah) Sheet Metal and Air Conditioning  
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