



The Case for HOME STAR

(February 2010)

National unemployment levels improved in January to 9.7%, however, unemployment in the construction industry jumped to 24.7% up from 18.7% in October. Since 2006, residential construction has lost 1.3 million jobs, a drop of 38%.

HOME STAR is a fast-acting, short-term, job creation program that will drive new private investment into the hard hit construction and manufacturing sectors, while saving consumers money on their energy bills.

HOME STAR, currently proposed as a part of the Senates Jobs Agenda for America, invests \$6 billion in the form of incentives, matched by private investment to generate three million home retrofits, 168,000 jobs, and stands-up an American industry. The President's Economic Recovery Advisory Board has unanimously recommended HOME STAR as a strategy for near term job creation.

HOME STAR Offers Significant and Broad Based Economic Benefits:

- HOME STAR will create 168,000 jobs¹, in skilled manufacturing and construction jobs that can't be outsourced.
- Job creation from HOME STAR will be concentrated on the struggling construction and manufacturing sectors of the US economy.
- HOME STAR will help over three million American families to retrofit their homes for energy efficiency and will save them as much as \$9.5 Billion in energy costs over 10 years.
- HOME STAR will remove the equivalent of 615,000 cars from the road, or four 300MW power plants from operation.
- The HOME STAR program dedicates \$200 million to provide access to low interest financing, making projects cash flow positive from day one.
- The majority of manufactured goods used in HOME STAR retrofits are made in the USA, averaging well over 90% domestic production, supporting a building materials manufacturing sector that is operating at less than 60% of available capacity with 24.5% unemployment.

¹ Independent analysis by Climate Works using McKinsey and REMI economic models.