

ICEE HOT Act of 2022

“Installing Clean Efficient Energy Hastens Our Transition”

Senator Edward J. Markey (D-Mass.)

This legislation will reduce residential building greenhouse gas emissions and increase energy security by incentivizing electric HVAC equipment, water heating, and other home appliances across the supply chain.

Currently, 7% of greenhouse gas emissions come from residential buildings using fossil fuels for space heating, water heating, and space cooling, contributing to the 35 percent of overall residential emissions. This legislation will not only transform the heat pump market, encourage home electrification, and improve grid reliability, but lower equipment costs for consumers.

The *ICEE HOT Act* expands the State Energy-Efficient Appliance Rebate Program by offering mid and upstream rebates for heating, ventilation, air conditioning equipment (HVAC), water heating, and other building electrification products.

This legislation will offer benefits to stakeholders across the supply chain:

- Upstream rebates will support original equipment manufacturers.
- Midstream incentives will encourage distributors to provide zero emission home heating systems when residents need to replace them suddenly
- Rebates will be available for building electrification products such as residential air source heat pumps, cold climate heat pumps, heat pump water heaters, heat pump clothes dryers, induction or noninduction electric stoves, and smart panels.
- And finally, the cost benefits will reach residents and homeowners.

The *ICEE HOT Act* will support the Justice40 initiative by requiring 40 percent of funds be used to provide rebates to disadvantaged businesses or to manufacturers and distributors that will employ disadvantaged individuals. The legislation will also support union labor by directing 40 percent of rebate funds to manufacturers and distributors that meet strict labor standards.

The legislation will appropriate \$10 billion for the issuance of midstream and upstream rebates from fiscal year 2023 to 2030. Cosponsors are Senators Warren, Booker, Smith and Sanders.