

ICEE HOT Act of 2024

“Installing Clean Efficient Energy Hastens Our Transition”

Senator Edward J. Markey (D-MA)

This legislation will reduce greenhouse gas emissions from residential and commercial buildings, as well as industrial facilities, and increase energy security by incentivizing the adoption of efficient electric heating and cooling systems and appliances across the supply chain.

Fossil fuel combustion in residential and commercial buildings contributes roughly [29%](#) of U.S. greenhouse gas emissions, largely from heating and cooling systems. Transitioning to electric heat pumps could reduce residential sector emissions by [36-64%](#), while cutting household costs by [\\$300-\\$650](#) annually. In industrial sectors, high-efficiency heat pumps can lower emissions by [16%](#) and recover waste heat to further slash energy use. Electrification could also prevent up to [3,400](#) premature deaths annually by improving air quality. The *ICEE HOT Act* accelerates this transition with targeted midstream and upstream rebates, unlocking the environmental, economic, and health benefits of clean heating and cooling technologies.

The *ICEE HOT Act* expands the State Energy-Efficient Appliance Rebate Program by offering midstream and upstream rebates, directly incentivizing manufacturers, distributors, and contractors of HVAC equipment and other building electrification products. The bill also targets industrial heat pumps to decarbonize energy-intensive processes and significantly cut emissions in the industrial sector.

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

- Rebates covering 30% of costs will support manufacturers, distributors, and contractors in producing, distributing, and installing efficient, zero-emission heating and cooling systems, expanding the supply and affordability of electrification products.
- Rebates will apply to US-made electric residential heat pumps, water heaters, clothes dryers, induction or non-induction stoves, smart panels, and industrial heat pumps, or components of those electrification products.
- The bill enables incentive stacking across federal and state programs to further reduce upfront costs.
- And finally, the cost benefits will reach consumers.

The *ICEE HOT Act* advances equity by requiring 40% of rebate funds to benefit disadvantaged businesses or manufacturers and distributors employing disadvantaged individuals. It also provides additional incentives for projects employing union labor.

The legislation will appropriate \$10 billion for the issuance of midstream and upstream rebates from fiscal year 2025 to 2032.