

# Building STAR: Creating Jobs and Helping Small Business

*Building STAR* is a package of rebates and tax incentives for energy efficient retrofits of commercial and multi-family residential buildings that would quickly mobilize building owners, construction firms, the building trades, and manufacturers of building supplies to upgrade the energy performance of our nation's larger private-sector buildings. Reducing energy waste in our offices, shops, and apartment buildings will create good jobs around the country and provide a needed boost to the small businesses that perform the vast majority of the work.



Since the latest recession began, 3.7 million construction and manufacturing jobs have been lost, and the numbers are still not improving.<sup>1</sup> Spurring retrofits of commercial and multi-family buildings through *Building STAR* can start to reverse this trend by leveraging private-sector investment to create jobs. For example, \$6 billion of public funding for *Building STAR* would spur \$18 to \$24 billion in total program spending, creating at least 150,000 jobs.

## Building STAR Incentives Create Jobs and Helps Small Businesses Nationwide.

"As the founder of a family-owned mechanical contracting firm with just 35 employees, I'm very excited about Building Star. A program like this could help me hire back our workers, guys who are like family to me."

Mark Rogers, Owner  
West Chester Mechanical Contractors,  
Chester PA

**Creating Jobs for Small Businesses:** Good domestic jobs are the foundation of a strong and sustainable economic recovery. *Building STAR* proposes 17 incentives for efficient building equipment, materials, and services that would be an immediate catalyst for job creation by small businesses in the construction and manufacturing industries. Retrofits would be undertaken by a construction industry in which 91% of the firms are small businesses, employing fewer than 20 employees, and in which it is common practice for larger construction firms

to hire many smaller subcontractors for their projects. Approximately 63% of the manufacturers that provide materials and equipment for retrofits are firms that employ less than 20 people.

- Rebates for building, mechanical and low-slope roof insulation, windows, and window films would stimulate new jobs in the 55,000 construction and manufacturing firms that serve this market – 86% of which employ less than 20 people.
- Rebates and tax incentives for a full range of HVAC equipment, variable speed drives, and services such as duct sealing and balancing would drive employment in sectors employing 2 million people in the U.S. – and nearly 90% of them work for firms of less than 20 people.
- Lighting rebates and tax incentives would support the nearly 850,000 people who manufacture or install lighting equipment in the U.S. – 90% of whom work for firms of less than 20 people.

**Energy Savings Help Small Business:** Many small businesses would benefit from the reduced energy bills and operating costs that result from an energy efficiency retrofit. EPA experts estimate that if a restaurant cuts its energy costs by 20 percent, profits could increase by 30

<sup>1</sup> Bureau of Labor Statistics 1.8.10 release. <http://www.bls.gov/news.release/empsit.nr0.htm>

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percent or more. Industry-wide, that would save \$1.6 billion a year. That is why the National Restaurant Association endorses *Building STAR*.

## About Building STAR

*Building STAR* was developed by *Rebuilding America*, a coalition of more than 60 unions, contractor groups, manufacturers, financial services companies, and efficiency advocates, in conjunction with a number of outside technical experts.

<p><b>The Rebuilding America Coalition</b></p> <ul style="list-style-type: none"> <li>• A. O. Smith Corporation</li> <li>• AFL-CIO</li> <li>• Allianz of America</li> <li>• American Council for an Energy-Efficient Economy</li> <li>• American Institute of Architects</li> <li>• American Society of Heating, Refrigerating and Air-Conditioning Engineers</li> <li>• Apollo Alliance</li> <li>• Association for Facilities Engineering</li> <li>• Blue Green Alliance</li> <li>• Building &amp; Construction Trades Department, AFL-CIO</li> <li>• Capital Markets Partnership</li> <li>• Capital Markets Partnership on Green Building Underwriting Standards</li> <li>• Center for American Progress</li> <li>• Ceres</li> <li>• Change to Win</li> <li>• Conservation Services Group</li> <li>• Consumer Federation of America</li> <li>• Council of North American Insulation Manufacturers Association</li> <li>• Danfoss</li> <li>• Design-Build Institute of America</li> <li>• Digital Energy Solutions Campaign</li> <li>• DuPont</li> <li>• Energy Future Coalition</li> <li>• Environmental and Energy Study Institute</li> <li>• Finishing Contractors</li> <li>• Green for All</li> <li>• Greenlink Alliance</li> <li>• Hannon Armstrong</li> <li>• HaydenTanner, LLC</li> <li>• HD Supply</li> <li>• HID Labs</li> <li>• Ingersoll Rand/Trane</li> <li>• Institute for Building Technology and Safety</li> </ul>	<ul style="list-style-type: none"> <li>• Institute for Market Transformation</li> <li>• Intel</li> <li>• International Association of Heat and Frost Insulators and Allied Workers</li> <li>• International Association of Plumbing and Mechanical Officials</li> <li>• International Code Council</li> <li>• International Council of the Employers of Bricklayers and Allied Craft Workers</li> <li>• Johns Manville</li> <li>• Johnson Controls</li> <li>• Jones Lang LaSalle</li> <li>• Knauf Insulation</li> <li>• Lime Energy</li> <li>• Mechanical Contractors Association of America</li> <li>• National Association of Energy Service Companies</li> <li>• National Association of State Energy Officials</li> <li>• National Electrical Contractors Association</li> <li>• National Electrical Manufacturers Association</li> <li>• National Energy Management Institute</li> <li>• National Housing Trust</li> <li>• National Insulation Association</li> <li>• National Union Insulation Contractors Alliance Natural Resources Defense Council</li> <li>• Plumbing-Heating-Cooling Contractors Association</li> <li>• Polyisocyanurate Insulation Manufacturers Association</li> <li>• The Potomac Energy Fund</li> <li>• Service Employees International Union</li> <li>• Service Employees International Union, Local 32BJ</li> <li>• Serious Materials, Inc.</li> </ul>	<ul style="list-style-type: none"> <li>• Sheet Metal and Air Conditioning Contractors' National Association</li> <li>• Sheet Metal Workers' International Association</li> <li>• ShoreBank</li> <li>• Siemens Corporation</li> <li>• The Stella Group, LTD</li> <li>• Sun Day Campaign</li> <li>• Sustainable Alternatives Consulting, Inc.</li> <li>• Turner Foundation</li> <li>• United States Green Building Council</li> <li>• United Technologies Corporation</li> <li>• Virginia Tech Advanced Research Institute</li> <li>• Virginia Tech Energy Efficiency Partnership</li> <li>• Wider Opportunities for Women</li> <li>• Window and Door Manufacturers Association</li> </ul> <p><b>Other Building STAR Participants</b></p> <ul style="list-style-type: none"> <li>• Air Conditioning, Heating and Refrigeration Institute</li> <li>• Alliance to Save Energy</li> <li>• American Architectural Manufacturers Association</li> <li>• Associated General Contractors of America</li> <li>• Association of State Energy and Technology Transfer Institutions</li> <li>• Building Owners and Managers Association</li> <li>• GridPoint</li> <li>• The Linc Group</li> <li>• Lockheed Martin</li> <li>• National Restaurant Association</li> <li>• National Roofing Contractors Association</li> <li>• National Union Insulation Contractors Alliance</li> <li>• The Real Estate Roundtable</li> <li>• Thermafiber, Inc.</li> <li>• United Union of Roofers, Waterproofers and Allied Workers</li> </ul>
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