

December 7, 2018

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
S-230 The Capitol  
Washington, D.C. 20510

The Honorable Chuck Schumer  
Minority Leader  
U.S. Senate  
S-221 The Capitol  
Washington, D.C. 20510

The Honorable Orrin Hatch  
Chairman  
U.S. Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Ron Wyden  
Ranking Member  
U.S. Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Majority Leader McConnell, Minority Leader Schumer, Chairman Hatch, and Ranking Member Wyden:

As members of the Coalition for Energy Efficient Jobs & Investment, we are writing to urge you to extend the Section 179D deduction for energy efficient commercial buildings as part of the year-end legislative push. Failing to take action, and therefore leaving this important tax policy provision expired as of December 31, 2017, risks eliminating an incentive that has become a crucial tool to promote economic and employment growth in communities across the country.

Our organizations and companies represent a broad spectrum of the U.S. economy. They include real estate, manufacturing, architecture, contracting, engineering, building services, financing, labor, education, environmental and energy efficiency advocates. We represent many small businesses that drive and sustain American job growth.

We have witnessed the tremendous impact of Section 179D firsthand. Since its inception, this provision has leveraged billions of dollars in private capital, resulted in energy efficient enhancements to thousands of buildings, and created and preserved hundreds of thousands of jobs.

These benefits are confirmed by a recent economic impact study conducted by Regional Economic Models, Inc. (“REMI”). REMI’s conclusion is unequivocal, finding that “Section 179D is an engine of economic and employment growth.” *In particular, an enhanced tax incentive for energy efficient commercial buildings, including reforms geared toward retrofits of privately-owned buildings, could support up to 76,529 jobs and contribute almost \$7.4 billion toward our national GDP each year.* These results represent a significant return on the taxpayer investment in Section 179D, well in excess of the provision’s revenue cost. The study also confirms that extending Section 179D would have a substantial positive impact on economic and employment growth.

While the expanded expensing provisions of last year's Tax Cuts and Jobs Act are helpful, they are not a substitute for the incentive provided by Section 179D. Consequently, given its role in supporting jobs and economic growth in communities across the country, we strongly urge you to make the extension of Section 179D a priority as part of the year-end legislative effort.

We look forward to working with you to ensure that tax incentives for energy efficient investment continue to be an engine of growth for our economy. Thank you for your consideration.

Sincerely,

Air Conditioning Contractors of America  
Alliantgroup, LLC  
Ameresco  
American Council of Engineering  
Companies  
American Institute of Architects  
American Society of Interior Designers  
(ASID)  
Associated General Contractors of America  
BLUE Energy Group  
Building Owners and Managers Association  
(BOMA) International  
Business Council for Sustainable Energy  
CCIM Institute  
Concord Energy Strategies  
Consolidated Edison Solutions  
Daikin US Corporation  
E2 (Environmental Entrepreneurs)  
Energy Systems Group  
Energy Tax Savers, Inc.  
ENGIE Services U.S.  
Entegriety  
Independent Electrical Contractors  
Institute of Real Estate Management  
Insulation Contractors Association of  
America

Johnson Controls, Inc.  
Lexicon Lighting Technologies  
LightPro Software, LLC  
LuNex Lighting  
Micromega Systems, Inc.  
National Apartment Association  
National Association of College and  
University Business Officers (NACUBO)  
National Association of Electrical  
Distributors  
National Association of Energy Service  
Companies (NAESCO)  
National Association of REALTORS®  
National Electrical Manufacturers  
Association (NEMA)  
National Multifamily Housing Council  
Rampart Partners LLC  
Sheet Metal and Air Conditioning  
Contractors' National Association  
(SMACNA)  
Silicon Valley Leadership Group  
Smardt Chillers, Inc.  
Sustainable Performance Solutions LLC  
U.S. Green Building Council