

HOUSE No. 2668

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act relative to Clean and Renewable Energy..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 4E of chapter 40J of the General Laws, as appearing in the 2004
2 Official Edition, is hereby amended by inserting after subsection (l) the following 2 subsections:-

3 “(m). The board may draw upon monies in the fund for the public purpose of
4 generating tax credits in the amount of 5 per cent of the total construction or renovation cost for
5 commercial construction and renovation projects that exceed the IECC by at least 30 per cent to
6 the ratepayers of the commonwealth who use renewable energy materials.

7 (n). the executive office of environmental affairs or its designee will certify any
8 commercial project that exceeds the 30 per cent standard of the IEEC. The office will designate
9 the project as reaching this goal and inspect the same yearly to ensure that the level is maintained
10 throughout the life of the tax credit. Any failure to maintain the standard for certification under
11 this section shall result in notification to the board, whereupon the board shall immediately
12 revoke the tax credit at the time of the decertification.”

13 SECTION 2. Clause (1) of subsection (b) of section 6J of chapter 62 of the General
14 Laws, as so appearing, is hereby amended by adding the following subclause:-

15 (iii) A commercial taxpayer that incurs qualified rehabilitation expenditures by
16 exceeding the 30 per cent standard of the IECC may be allowed a credit, to be computed as
17 hereinafter provided, against the tax imposed by this chapter. The credit shall be equal to a
18 percentage, not to exceed 30 per cent, of the qualified rehabilitation expenditures made by the
19 taxpayer with respect to a qualified historic structure which has received final certification and
20 has been placed in service as provided for in this section. The Massachusetts historical
21 commission shall administer and determine eligibility, upon the written certification of the
22 secretary of EOEAA, or any office designated by the secretary, for the Massachusetts
23 rehabilitation tax credit and allocate the credit in accordance with this section; but, the
24 Massachusetts historical commission may impose a fee for the processing of applications for the
25 certification of any rehabilitation under this section.

26 (iv). The executive office of environmental affairs or its designee will certify any
27 commercial building renovation project that exceeds the 30 per cent standard of the IECC. The
28 secretary will designate the project as reaching this goal and inspect the same yearly to ensure
29 that the level is maintained throughout the life of the tax credit. Any failure to maintain the
30 standard for certification under this section shall result in notification to the secretary of the
31 commonwealth, whereupon the secretary shall immediately revoke the tax credit at the time of
32 the decertification.

33 SECTION 3. Section 221 of chapter 112 of the General Laws, as so appearing, is hereby
34 amended, in lines 19 and 20, by inserting after the words “and any other residential housing
35 components” the following text:-

36 “, as well as the home energy score.”

37 SECTION 4. Section 94 of Chapter 143 of the General Laws, as so appearing, is hereby
38 amended, in clause (h), by inserting, in line 61, after the word “ninety-six,” the following text:-

39 “and including the IECC,”

40 SECTION 5. Said section 94 of said chapter 143, as so appearing, is hereby further
41 amended by adding the following clause:-

42 (m) To adopt, no later than 6 months after the latest edition of the model energy
43 conservation code, the IECC, published by the International Code Council. No amendments to
44 the Massachusetts energy conservation code shall be adopted that increase energy consumption
45 in buildings.

46 SECTION 6. The general court finds and declares that:

47 (a) the development of green energy and promotion of energy efficiency can significantly
48 improve Massachusetts’ energy reliability and security, economic development, and
49 environment;

50 (b) as a commonwealth with abundant human capital, Massachusetts has the opportunity
51 to achieve national and global leadership in research, design, construction, manufacturing, and
52 development of green energy;

53 (c) the construction of public buildings meeting certain green energy standards will save
54 municipalities and school districts significant long-term costs; and

55 (d) supporting responsible energy by commercial buildings and increasing their energy
56 efficiency is important to Massachusetts' environment.

57 SECTION 7. For the purposes of this act, the following terms shall be defined as
58 follows:

59 (a) "Public building", a building constructed with state, municipal, school district or
60 county funds, including grants, loans or technical assistance, constructed under chapter 40B of
61 the General Laws, or a building that is on public property.

62 (b) "Private building", a building constructed as a private home, including but not limited
63 to single family homes, multi-family homes, apartments and condominiums.

64 (c) "Commercial building", a building constructed for the purpose of commerce.

65 (d) "IECC", the International Energy Conservation Code, published by the International
66 Code Council on or before January 10, 2007.

67 (e) "Division" the division of capital asset management and maintenance.

68 (f) "Commissioning" an investigation that yields findings concerning ways to improve
69 building operations and maintenance and to improve building systems so they use less energy
70 with greater efficacy.

71 (g) "Public renovation project", a building renovated with state, municipal or county
72 funds, including grants or technical assistance, or a building on public property that has

73 undergone a complete overhaul of a significant portion of the original structure resulting in a
74 cost greater than 50 per cent of the assessed value of the building.

75 (h) “Private renovation project”, a complete overhaul of a significant portion of the
76 original structure resulting in a cost greater than 50 per cent of assessed value of the building.

77 (i) “The Massachusetts green energy construction advisory committee”, the
78 “Massachusetts green energy construction advisory committee” as established under section 13b.

79 SECTION 8. Notwithstanding any general or specific law to the contrary, the executive
80 office of environmental affairs, or its designee, will inspect and certify all new public, private,
81 and commercial buildings to ensure that they comply with section 221 of chapter 112 of the
82 General Laws and section 94 of chapter 143 of the General Laws.

83 SECTION 9. Notwithstanding any general or special law to the contrary, the division
84 shall require third party building commissioning for public construction and public renovation
85 projects.

86 The division shall require public construction and renovation projects to adopt plans to
87 reduce potable water consumption for irrigation by at 50 per cent or incorporate strategies that
88 will conserve at 20 per cent of building water use.

89 SECTION 10. Notwithstanding any general or special law to the contrary, the division
90 shall establish a certification for public buildings under this act. The certification shall identify
91 each building’s annual energy and water use, operations and maintenance costs, environmental
92 impacts, resource use, indoor air quality and building performance. The inspection shall be in
93 addition to the requirements of section 8 of this act.

94 SECTION 11. Notwithstanding any general or special law to the contrary, the division
95 shall produce a guide for public construction and renovations projects that includes:

96 (a) identified green building strategies, materials or technologies that can reduce the long-
97 term operating costs of buildings, including but not limited to, energy, water, maintenance,
98 product repair and replacement;

99 (b) in the study and design phase, all identified strategies, materials and technologies if
100 there is a payback of 10 years or less after accounting for incentives, grants and other
101 incremental funding; and

102 (c) a process by which initial construction project capital budgets incorporate possible
103 higher first costs for building elements that have paybacks of 10 years or less.

104 SECTION 12. Notwithstanding any general or special law to the contrary, the division
105 shall require all public construction and renovation projects to:

106 (a) Ensure an approach to design and construction that includes the participation of all
107 major stakeholders involved in the design, construction, use and operational elements of the
108 building;

109 (b) Set goals and targets for annual energy and water use, operations and maintenance
110 costs, environmental impacts, resource use, indoor air quality and building performance; and

111 (c) Examine a building and its systems as a whole, rather than component by component,
112 to maximize budgetary and environmental gains.

113 SECTION 13. (a) Notwithstanding any general or special law to the contrary, the
114 Massachusetts green energy construction advisory committee is established within the division to

115 ensure that key state personnel at construction agencies, agencies at which buildings will be
116 constructed or partnered with, municipalities and school districts receive appropriate training on
117 the benefits of green buildings and potential implementation strategies. The committee shall
118 offer recommendations to the division to implement.

119 (b) The Massachusetts green energy construction advisory committee shall include the
120 director of the school building authority, the commissioner of the department of energy
121 resources, the secretary of public safety, the director of housing and community development,
122 the secretary of environmental affairs, the secretary of administration and finance, an appointee
123 of the president of the senate, an appointee of the speaker of the house, an appointee of the
124 minority leader of the senate, an appointee of the minority leader of the house, the lieutenant
125 governor, an appointee of the president of Worcester polytechnic institute, an appointee of the
126 chancellor of the university of Massachusetts at Lowell, an appointee of the president of the
127 Massachusetts institute of technology, and the director of the Massachusetts technology
128 collaborative. The lieutenant governor shall chair the committee.

129 SECTION 14. (a) Notwithstanding any general or special law to the contrary, the
130 Massachusetts green energy construction advisory committee, created in section 13(b) of this act,
131 shall implement the Green Energy Construction Fund. Said Fund will be funded, subject to
132 available appropriations, for the purpose of low interest loans to construct new public buildings,
133 renovate existing public buildings, and maintaining public buildings for the purpose of receiving
134 or maintaining certification as an energy efficient building under this act which exceeds the
135 IECC by 30 per cent.

136 (b) The Green Energy Construction Grant Program will be initially funded with \$10
137 million for the purpose of creating the Program. Said moneys are to be maintained by the green
138 energy construction advisory committee. The Program will only be allocated through low
139 interest loans, according to the purpose of this section.

140 (c) The Massachusetts green energy construction advisory committee shall authorize low
141 interest loans for the building, renovating, and maintenance of all public buildings that exceed
142 the standards of the IECC by at least 30 per cent

143 (d) The executive office of environmental affairs or its designee will certify any public
144 building, renovation or maintenance project that exceeds the 30 per cent standard of the IECC.
145 The office will designate the project as reaching this goal and inspect the same yearly to ensure
146 that the level is maintained throughout the life of the loan. Any failure to maintain the standard
147 for certification under this section will result in notification to the green energy construction
148 advisory committee. Whereas as the committee will immediately increase the interest rate on the
149 loan to the fair market rate at the time of the decertification.

150 SECTION 15. Notwithstanding any general or special law to the contrary, a taxpayer
151 who purchases a new private building or a private renovation project as defined in section 7 of
152 this act, and exceeds the requirements of section 94 of chapter 143 of the General Laws by at
153 least 30 per cent, as certified by the executive office of environmental affairs, may take a credit
154 in an amount equal to 5 per cent of the total cost of the construction or renovation.

155 SECTION 16. Notwithstanding any general or special law to the contrary, the office for
156 commonwealth development shall consider increasing a municipality's commonwealth capital

157 score if the municipality constructs or renovates a public building that exceeds section 94 of
158 chapter 143 of the General Laws by at least 30 per cent.