

SENATE No. 1546

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act Relative to Energy Efficiency in Affordable Housing..

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. The department of energy resources, in consultation with the department of
2 housing and community development, shall establish a program to assist owners of multifamily
3 low and moderate income rental housing with the purchase of energy efficient items for
4 residential building modifications. For the purposes of this program, energy efficient items shall
5 include home insulation; new window installation; advanced programmable thermostats; micro-
6 combined heat and power systems; fuel efficient furnaces, boilers or controls; solar or fuel
7 efficient domestic hot water systems; materials for insulation or sealing of a duct, attic,
8 basement, rim joint or wall; pipe insulation for heating systems; or other items for use in a
9 residential dwelling that reduce energy consumption.

10 In establishing the program, the department shall develop a list of qualified state or
11 federally chartered banking institutions or credit unions that do business in the commonwealth
12 and that are governed by chapter 167 or 171 of the General Laws as participatory lending
13 institutions. For the purposes of this section, a qualified lending institution shall include a
14 lending institution that is certified by the executive office of energy and environmental affairs

15 and which shall offer zero and low interest loans for the purpose of enhancing the energy
16 efficiency of a residential building or multiple dwellings and shall include the Massachusetts
17 Housing Finance Agency and the Massachusetts Housing Partnership. The program shall be
18 funded pursuant to section 19 of chapter 25 of the General Laws. Not less than \$4 million shall
19 be made available annually to assist participating financial institutions in offering these loan
20 products by or through interest rate write downs or other credit enhancement features.

21 The department of energy resources, in consultation with the department of housing and
22 community development, shall establish the rules and guidelines to carry out the purposes of this
23 section, including, but not limited to, establishing applicant criteria, application forms and
24 procedures, energy efficiency product requirements and lending institution tracking and
25 reporting requirements. The department shall submit a report detailing the rules and guidelines
26 and the program results to the joint committee on telecommunications, utilities and energy and
27 the joint committee on housing no less than every two years.

28 SECTION 2. For a program to be administered by the Massachusetts Housing Finance
29 Agency to be known as the Housing Efficiency and Affordability Program to provide grants, low
30 interest loans, credit enhancements, no interest loans, or other financial assistance for the
31 purchase of energy efficient items in new low and moderate income housing sponsored by for-
32 profit and non-profit organizations; provided that said applicants demonstrate that the building
33 design incorporates energy conservation measures that exceed those required by the state
34 building code by at least fifteen per cent or are otherwise designed to comply with energy star
35 standards; provided further that said applicants demonstrate that installation of the energy
36 efficiency measures reduced the energy consumption in said housing; provided further that not
37 more than two per cent of total funding may be expended to cover the actual costs of

38 administering the program; provided further that the Massachusetts Technology Collaborative
39 shall provide \$5,000,000 to match the amount appropriated herein with funds from the
40 Massachusetts Renewable Energy Trust established pursuant to section E of chapter 40J of the
41 general laws.....\$5,000,000