

HOUSE No. 3987

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, July 23, 2019.

The committee on Ways and Means, to whom was referred the Bill relative to GreenWorks (House, No. 3941), reports recommending that the same ought to pass with an amendment substituting therefor the accompanying bill (House, No. 3987) [Bond Issue: General Obligation Bonds: \$1,295,000,000.00].

For the committee,

AARON MICHLEWITZ.

HOUSE No. 3987

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act relative to GreenWorks.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to forthwith provide for climate change resiliency and the immediate preservation and improvement of the environmental and energy assets of the commonwealth, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

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. To provide for a program of climate change resiliency for cities and towns
2 in the commonwealth, the sums set forth in this act, for the several purposes and subject to the
3 conditions specified in this act, are hereby made available, subject to the laws regulating the
4 disbursement of public funds, which sums shall be in addition to any other amounts previously
5 made available for these purposes; provided, however, that the amounts specified for a particular
6 project may be adjusted to facilitate projects authorized in this act.

7 SECTION 2.

8 EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS

9 2000-7076. For the GreenWorks infrastructure program established in section 28 of
10 chapter 21A of the General Laws.....\$1,000,000,000

11 SECTION 2A.

12 EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS

13 Department of Energy Resources

14 9300-8000. For the purpose of developing a matching grant program to support and
15 provide technical assistance for cities and towns to develop and deploy municipal microgrid
16 energy systems; provided that the department of energy resources, in consultation with the
17 Massachusetts clean energy center, shall establish eligibility and selection criteria which shall
18 include, but not be limited to, the following: (i) the microgrid shall be located in a city or town in
19 the commonwealth; (ii) the microgrid shall be located on the property of at least two neighboring
20 municipal buildings, and provide electricity to such buildings; (iii) the microgrid fulfills 1 of the
21 following objectives: (a) mitigates peak energy demand periods, (b) reduces energy costs for at
22 least one of the host municipal buildings served by the microgrid, or (c) provides local residents
23 with access to electricity during a power disruption in the local electric distribution system; (iv)
24 the microgrid shall utilize clean energy, as defined in section 1 of chapter 23J of the General
25 Laws, or electricity that is generated from renewable energy generating sources, as defined in
26 subsection (b) of section 11F of chapter 25A of the General Laws, and is connected to on-site
27 energy storage capacity; and (v) the municipality shall receive the majority of the benefits
28 accrued from the municipal microgrid project; provided further, that the department of energy
29 resources may consider exemptions to clause (ii) if a municipality demonstrates plans for a
30 functioning microgrid located on a single municipal building in the absence of 2 suitable
31 neighboring municipal buildings; provided further, that the department of energy resources shall
32 determine the appropriate project cost share that municipalities shall contribute; and provided

33 further, that funds may be expended under this item to cover up to the full cost of a microgrid for
34 a municipality or municipalities that contain an environmental justice
35 community.....\$100,000,000

36 9300-8001. For the purpose of developing and implementing grant programs designed to
37 encourage the electrification of vehicle fleets owned by municipalities or regional transit
38 authorities; provided that the department of energy resources may promulgate regulations
39 necessary for the operation of the programs; provided further, that not less than \$10,000,000
40 shall be expended for planning, training and technical assistance purposes including, but not
41 limited to, studies examining the feasibility of utilizing electric vehicles on existing public
42 transportation routes, studies examining how public transportation routes could be modified to
43 provide equivalent service while utilizing electric vehicles, studies examining the contracted use
44 of privately-owned vehicle fleets by municipalities and opportunities for expanding the
45 utilization of electric vehicles, studies evaluating the environmental and economic benefits of
46 replacing existing vehicles with electric vehicles and training or technical assistance necessary
47 for the operation and maintenance of electric vehicles and related infrastructure; provided
48 further, that not less than \$25,000,000 shall be expended to municipalities for the purchase of
49 light-duty vehicles belonging to 1 of the following classifications: plug-in hybrid electric
50 vehicles, battery electric vehicles, or other zero-emission vehicles, the purchase and installation
51 of related infrastructure, or both; provided further, that not less than \$90,000,000 shall be
52 expended to municipalities, regional transit authorities, or other political subdivisions for the
53 purchase of buses, medium-duty vehicles or heavy-duty vehicles belonging to one of the
54 following classes: plug-in hybrid electric vehicles, battery electric vehicles or other zero-
55 emission vehicles, the purchase and installation of related infrastructure, or both; provided

56 further, that, unless otherwise specified, any funds expended under this item for a vehicle itself
57 shall not exceed the difference between the purchase price of the electric vehicle and the
58 purchase price of an equivalent non-electric vehicle with regards to passenger capacity or
59 intended use; and provided further that funds may be expended under this item to cover up to the
60 full cost of a vehicle intended to serve the population of an environmental justice
61 community.....\$125,000,000

62 9300-8002. For the purposes of a sustainability coordinator grant program to be
63 established by the executive office of energy and environmental affairs to provide grants to a
64 municipality or group of municipalities to hire a sustainability coordinator to organize, secure
65 funding for, implement and monitor projects that have been awarded grant funding pursuant to
66 the GreenWorks infrastructure program under section 28 of chapter 21A of the General Laws;
67 provided, however that the executive office of energy and environmental affairs shall develop a
68 certification process for sustainability coordinators participating in the program, which shall take
69 into account expertise and experience with technologies and methodologies outlined in this act;
70 provided further, that a municipality or group of municipalities may apply for such grants and
71 preference shall be given to municipalities without the equivalent of a sustainability coordinator;
72 provided further, that grant recipients shall execute a contract of up to 5 years with a
73 sustainability coordinator; provided further, that grants awarded under this program shall provide
74 funding for not more than the first 2 years of such contract; and provided further, that grants
75 awarded to a municipality or municipalities that contain an environmental justice community
76 shall provide funding for not more than the first 3 years of such
77 contract.....\$20,000,000

78 9300-8003. For the purpose of establishing a fund to be known as the Green Resiliency
79 Fund within the executive office of energy and environmental affairs to provide loans to a
80 qualifying municipality or groups of municipalities; for purposes including, but not limited to,
81 the following: (a) assistance to a municipality or municipalities to provide matching funds for
82 projects awarded grant funding pursuant to the GreenWorks infrastructure program under section
83 28 of chapter 21A of the General Laws; (b) resiliency improvements, including hardening of
84 assets or nature-based solutions, or any combination thereof to prepare for extreme weather
85 events; or (c) resiliency investments which result in economic revitalization; provided that the
86 executive office of energy and environmental affairs shall promulgate rules and regulations for
87 the operation of the fund, which may include, but not be limited to, eligibility and selection
88 criteria, ensuring timely repayment by borrowers and the use of interest rates to ensure that the
89 fund maintains a consistent purchasing power from the time loans are disbursed to the time of
90 their collection..... \$50,000,000

91 SECTION 3. Chapter 21A of the General Laws is hereby amended by adding the
92 following section:-

93 Section 28. (a) The executive office of energy and environmental affairs shall establish a
94 GreenWorks infrastructure program to: (i) issue public infrastructure grants to municipalities,
95 local government bodies and other public instrumentalities for design, construction, building,
96 land acquisition, rehabilitation, repair and other improvements to publicly-owned infrastructure
97 that improve climate adaptation and resiliency, mitigate the impacts of climate change, reduce
98 carbon emissions, implement energy efficient or conservation measures, improve the energy
99 efficiency of publicly-owned buildings or contribute to the commonwealth meeting its
100 greenhouse gas emissions limits established pursuant to section 3 of chapter 21N; (ii) issue

101 grants to municipalities to assist in financing the siting and construction of renewable, energy
102 storage and alternative energy projects on municipally-owned land; (iii) issue grants to
103 municipalities to implement adaptation and resiliency measures and infrastructure or building
104 improvements outlined in the statewide adaptation strategy pursuant to section 10 of said chapter
105 21N; or (iv) issue grants to municipalities to implement nature-based solutions, infrastructure or
106 other improvements to the built or natural environment as identified through the municipal
107 vulnerability preparedness program.

108 (b) Eligible public infrastructure projects authorized pursuant to subsection (a) shall be
109 located on public land or on public leasehold, right-of-way or easement. A project that uses
110 grants to municipalities for public infrastructure provided by this section shall be procured by a
111 municipality in accordance with chapter 7, section 39M of chapter 30, chapter 30B and chapter
112 149.

113 (c) There shall be at least 1 open solicitation period each year to accept and consider new
114 applications. Not less than 12 weeks before the annual open solicitation period, the executive
115 office of energy and environmental affairs shall release the criteria upon which the applications
116 shall be evaluated, including, but not limited to, a minimum project readiness standard, overall
117 spending targets by project type and other preferences applying to that funding round. The
118 criteria may also establish additional levels of funding that may be provided to a municipality or
119 municipalities that: (i) contain an environmental justice community; or (ii) have committed to
120 providing matching funds; provided, however, that the funding levels for projects that meet these
121 criteria shall be higher proportionally than other GreenWorks projects that do not meet the
122 criteria. Grants may be made outside of the open solicitation period at the discretion of the
123 secretary of energy and environmental affairs subject to subsections (d) and (e).

124 (d) An eligible city or town, acting by and through its municipal officers or by and
125 through any agency designated by such municipal officers to act on their behalf, may apply to
126 the program for a grant in a specific amount to fund a specified project. Two or more
127 municipalities may apply jointly, with 1 municipality acting as fiscal agent, or through a regional
128 planning agency or watershed association acting as fiscal agent. The grants may be made in
129 addition to other forms of local, state or federal assistance.

130 (e) Within the program, at least 10 per cent of the grant funds shall be dedicated annually
131 to assist towns with populations of 7,000 or fewer in undertaking qualifying projects. Such towns
132 shall be eligible for a grant not to exceed \$1,000,000 and shall be eligible to receive 1 grant
133 every 3 fiscal years. Two or more towns eligible under this subsection may file a joint
134 application for a single project serving those towns; provided, however, the total amount
135 distributed to any 1 town shall not exceed the maximum amount allowed under this section.
136 Receipt of a grant which is part of a joint application shall not preclude a town from receiving
137 additional funds under a separate application.

138 (f) The secretary of energy and environmental affairs and the secretary of housing and
139 economic development, in consultation with appropriate secretariats as determined by the
140 governor, may coordinate efforts of the GreenWorks infrastructure program and the MassWorks
141 infrastructure program under section 63 of chapter 23A to enhance safety, avoid duplicative costs
142 and strengthen the resiliency of communities, including but not limited to: (i) promoting
143 GreenWorks and MassWorks projects that are consistent with the statewide adaptation strategy
144 pursuant to section 10 of chapter 21N; and (ii) coordinating among cross-cutting project
145 categories between GreenWorks and MassWorks to capitalize upon priority projects with
146 potential co-benefits for climate change adaptation, resiliency or mitigation, environmental

147 protection, public health or other factors that achieve program and administration efficiencies
148 and leverage resources from federal, state and private sources.

149 (g) The secretary of energy and environmental affairs may establish rules and regulations
150 to govern the application and distribution of grants under the program. The rules and regulations
151 may include provisions for joint applications by 2 or more eligible municipalities for a single
152 project serving those municipalities.

153 (h) The secretary of energy and environmental affairs shall report annually to the clerks
154 of the house of representatives and the senate, who shall forward the report to the chairs of the
155 joint committee on telecommunications, utilities and energy, the chairs of the house and senate
156 committees on ways and means and the chairs of house and senate committees on bonding,
157 capital expenditures and state assets on the activities and status of the program. The report shall
158 include a list and description of all projects that received grant funds under the program, the
159 amount of the grant awarded to the project, other sources of public funds that supported the
160 project, a detailed analysis of the environmental impact of each project including, where
161 applicable, the number of construction and full time equivalent jobs to be created, the private
162 investment in the project, the expected tax revenue generated from the project, the projected
163 energy efficiency savings and the projected greenhouse gas emission reductions.

164 SECTION 4. To meet the expenditures necessary in carrying out section 2, the state
165 treasurer shall, upon receipt of a request by the governor, issue and sell bonds of the
166 commonwealth in an amount to be specified by the governor from time to time, but not
167 exceeding, in the aggregate, \$1,000,000,000. All bonds issued by the commonwealth, as
168 aforesaid, shall be designated on their face, GreenWorks Capital Improvement Act of 2019, and

169 shall be issued for a maximum term of years, not exceeding 20 years, as the governor may
170 recommend to the general court pursuant to section 3 of Article LXII of the Amendments to the
171 Constitution; provided, however, that all such bonds shall be payable not later than June 30,
172 2050. All interest and payments on account of principal on such obligations shall be payable
173 from the General Fund. Bonds and interest thereon issued under the authority of this section
174 shall, notwithstanding any other provisions of this act, be general obligations of the
175 commonwealth.

176 SECTION 5. To meet the expenditures necessary in carrying out section 2A, the state
177 treasurer shall, upon receipt of a request by the governor, issue and sell bonds of the
178 commonwealth in an amount to be specified by the governor from time to time, but not
179 exceeding, in the aggregate, \$295,000,000. All bonds issued by the commonwealth, as aforesaid,
180 shall be designated on their face, Climate Resiliency Act of 2019, and shall be issued for a
181 maximum term of years, not exceeding 20 years, as the governor may recommend to the general
182 court pursuant to section 3 of Article LXII of the Amendments to the Constitution; provided,
183 however, that all such bonds shall be payable not later than June 30, 2050. All interest and
184 payments on account of principal on such obligations shall be payable from the General Fund.
185 Bonds and interest thereon issued under the authority of this section shall, notwithstanding any
186 other provisions of this act, be general obligations of the commonwealth.

187 SECTION 6. Notwithstanding any general or special law to the contrary, bonds or notes
188 issued under section 4 shall not be included in the computation of bonds issued and outstanding
189 for purposes of the limit imposed by the second paragraph of section 60A of chapter 29 of the
190 General Laws. The bonds or notes issued under section 4 and the debt service authorized under
191 section 4 shall not be considered in the estimate required under subsection (f) of section 60B of

192 said chapter 29 or the determination required under subsection (h) of said section 60B of said
193 chapter 29.

194 SECTION 7. The secretary of energy and environmental affairs shall open the first
195 solicitation period for the GreenWorks infrastructure program required by section 28 of chapter
196 21A of the General Laws on or before September 1, 2020.