

**HOUSE . . . . . No. 750****The Commonwealth of Massachusetts**

PRESENTED BY:

***Natalie M. Blais and Patricia A. Duffy****To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act establishing sustainable and equitable funding for climate change adaptation and mitigation.

PETITION OF:

| NAME:                           | DISTRICT/ADDRESS:                        | DATE ADDED:      |
|---------------------------------|------------------------------------------|------------------|
| <i>Natalie M. Blais</i>         | <i>1st Franklin</i>                      | <i>1/20/2023</i> |
| <i>Patricia A. Duffy</i>        | <i>5th Hampden</i>                       | <i>1/20/2023</i> |
| <i>Mindy Domb</i>               | <i>3rd Hampshire</i>                     | <i>1/20/2023</i> |
| <i>Sal N. DiDomenico</i>        | <i>Middlesex and Suffolk</i>             | <i>1/27/2023</i> |
| <i>David M. Rogers</i>          | <i>24th Middlesex</i>                    | <i>2/3/2023</i>  |
| <i>Lindsay N. Sabadosa</i>      | <i>1st Hampshire</i>                     | <i>2/13/2023</i> |
| <i>Joanne M. Comerford</i>      | <i>Hampshire, Franklin and Worcester</i> | <i>2/21/2023</i> |
| <i>Simon Cataldo</i>            | <i>14th Middlesex</i>                    | <i>2/27/2023</i> |
| <i>James B. Eldridge</i>        | <i>Middlesex and Worcester</i>           | <i>3/4/2023</i>  |
| <i>David Paul Linsky</i>        | <i>5th Middlesex</i>                     | <i>3/6/2023</i>  |
| <i>Samantha Montaño</i>         | <i>15th Suffolk</i>                      | <i>3/20/2023</i> |
| <i>Vanna Howard</i>             | <i>17th Middlesex</i>                    | <i>5/12/2023</i> |
| <i>Carmine Lawrence Gentile</i> | <i>13th Middlesex</i>                    | <i>5/17/2023</i> |

# HOUSE . . . . . No. 750

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By Representatives Blais of Deerfield and Duffy of Holyoke, a petition (accompanied by bill, House, No. 750) of Natalie M. Blais, Patricia A. Duffy and others relative to establishing sustainable and equitable funding for climate change adaptation and mitigation. Environment and Natural Resources.

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## The Commonwealth of Massachusetts

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In the One Hundred and Ninety-Third General Court  
(2023-2024)  
\_\_\_\_\_

An Act establishing sustainable and equitable funding for climate change adaptation and mitigation.

*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 1 of chapter 21N of the General Laws as appearing in the 2020  
2   Official Edition is hereby amended by inserting after the definition of “carbon dioxide  
3   equivalent”:--

4           “Community-Based Organization” means a not-for-profit, grassroots organization,  
5   neighborhood land trust, or other entity that is driven by community residents, the majority of  
6   whose governing body and staff consists of local residents, the main operating offices are in the  
7   community of service, priority issue areas are identified and defined by residents, solutions to  
8   address priority issues are developed with residents, and program design, implementation, and  
9   evaluation components have residents intimately involved and in leadership positions. Those  
10   organizations with staff shall meet workplace standards for fair treatment and compensation of  
11   staff.

SECTION 2. Said Chapter 21N is hereby further amended by adding the following section: -

Section 12 (a) There shall be a climate & community resilience fund, hereafter referred to as the fund, to support addressing the causes and impacts of climate change with a focus on communities with significant populations of low-income people, black, indigenous, and people of color, and people who have faced disproportionate burdens from environmental injustices. The administration of the fund shall be governed by the board established in subsections b and c, and support the costs and expenditures for actions outlined in subsection d, according to the priorities and principles outlined in subsection f, and according to the administrative guidelines outlined in subsection g.

The fund shall be in receipt of funds from the following sources:

- (i) Monies from the property insurance fee established in subsection h;
- (ii) any revenues or other financing sources directed to the fund by appropriation;
- (iii) bond revenues or other monies authorized by the general court and specifically designated to be credited to the fund;
- (iv) any income derived from the investment of amounts credited to the fund or repayment of loans from the fund;
- (v) funds from public or private sources including, but not limited to, gifts, federal or private grants, donations, rebates, and settlements received by the commonwealth that are specifically designated to be credited to the fund; and
- (vi) all other amounts credited or transferred into the fund from any other source.

33           The amounts expended from the fund during any fiscal year for the costs of state agency  
34 employees administering the fund shall not exceed a reasonable amount of total funds expended  
35 from the fund in that fiscal year. Monies deposited into the fund that are unexpended at the end  
36 of the fiscal year shall not revert to the General Fund and shall be available for expenditure in the  
37 subsequent fiscal year.

38           (b) There is established an eleven-member independent board.

39           (1) Members of the board shall have expertise in environmental justice, racial justice,  
40 food security, affordable and supportive housing, labor and workers' rights, workforce  
41 development, building engineering and energy, resilience and adaptation, insurance and  
42 reinsurance, real estate development and management, public health and hospitals, historic  
43 preservation, and/or nature-based solutions, or any combination thereof. All members shall be  
44 current residents of the commonwealth and the composition of the board must reflect racial,  
45 ethnic, geographic, and economic diversity within the commonwealth.

46           (2) Two-thirds of the members of the board shall be representatives of community-based  
47 organizations with open nominations. Members of the board may request compensation for their  
48 service on the board and reimbursement for travel costs. The board shall establish a fair rate of  
49 compensation per meeting and a cumulative compensation per year.

50           (3) The secretary of energy and environmental affairs and climate chief shall nominate  
51 two members of the board. The speaker of the house of representatives and the president of the  
52 senate shall nominate two additional members of the board. These members shall include  
53 representatives who provide expertise listed above.

(4) Members shall serve for a term of three (3) years. As the term of any member expires, their successor, or their renewal, shall be nominated openly and chosen by the board. Every three years, the board shall choose a member to be the chair of the board. The board shall meet a minimum of four times per year and may meet more often as it deems necessary to fulfill its obligations under this section.

(5) The board shall receive staff, administrative, and budget support from the executive office of energy and environmental affairs and the office of the climate change chief. The secretary or climate chief, or their designee, shall convene the board within 30 days of enactment, and support the board in developing a plan for implementation of this section to be completed within three months of enactment, including but not limited to:

(i) choosing a chair to facilitate and manage meetings;

(ii) developing and using equitable decision-making frameworks, such as consensus building and methods of voting;

(iii) determining the frequency of meetings, record-keeping, and administrative duties; and

(iv) managing the authority of the board under subsection c.

(c) The board is authorized and directed to determine and execute actions to achieve the goals of this section, including but not limited to:

(i) selecting actions from subsection d based on priorities from subsection f for funding, costs, and expenditures from the fund;

(ii) determining funding allocations from the fund to achieve the goals of subsections d, f, and g;

(iv) determining administrative management and practices in subsection g that ensure eligibility, access, and capacity of community-based organizations receiving funds and capacity of state agencies managing the fund;

(v) ensuring transparency, accountability, monitoring, evaluation, and oversight in subsection i; and,

(vi) sharing advice and recommendations to the secretary and climate chief on how other sources and allocations of the commonwealth's funding and the commonwealth's management of federal funding allocations for climate change adaptation and mitigation can be more equitable and sustainable and meet the goals of subsection d, f, and g.

The board may convene working groups to study or make recommendations administering, achieving the goals of subsections d, f, and g. Working groups may include individuals not on the board, including representatives of appropriate federal, state, and local agencies and authorities, sector-specific professionals, nonprofit and community-based organizations, financial institution representatives, energy providers and utility representatives, among others.

(d) Amounts credited to the fund may be used, without further appropriation, to provide grants or loans to community-based organizations, nonprofit entities, quasi-governmental, and governmental entities for costs and expenditures incurred for actions taken to support programs and projects that achieve local, regional, or the commonwealth's climate change mitigation and adaptation goals to address the causes and impacts of climate change and achieve the goals in

subsections d, f, and g, and as defined and determined by the board established in sections b and c. Such costs and expenditures may include, but shall not be limited to, the following actions:

(i) supporting equitable and just initiatives that address environmental injustices related to the causes and impacts of climate change using a people-centered approach that centers human health, social and economic well-being and that prioritize people who have been marginalized and divested communities, especially black, indigenous, latinx, and people of color; low-income low-wealth residents; and English isolated residents. (ii) providing support to residents and individuals to mitigate risks and impacts from climate change to their health, such as supporting resilient retrofits and household equipment and devices which help provide safe, livable, resilient homes that address climate change impacts such as extreme cold, heat, flooding, or drought;

(iii) supporting residents, individuals, and outdoor workers by providing community-based resilience centers during extreme cold, heat, or flooding and providing personal cooling devices and equipment;

(iv) supporting municipal and regional coordination to advance implementation of community-identified solutions by providing resources, building staff and volunteer capacity, completing grant applications, providing technical support, and building networks in support of residents, community-based organizations, and others towards broader, more equitable access to climate adaptation and mitigation funding and programs;

(v) supporting workforce development for a diversity of well-paying careers implementing climate-related projects in the built environment and for nature-based solutions, as defined in section 1 of chapter 21N of the general laws and green infrastructure as defined in

section 26A of chapter 21 of the general laws, including but not limited to smart building design and operations, urban forestry, and green stormwater infrastructure design and maintenance;

(vi) providing relief and support to low-income residents to avoid displacement and otherwise mitigate any negative impacts from rising property values and taxes due to improvements of properties and communities as a result of local activities and programs supported by the fund;

(vii) supporting, enhancing, or creating state, regional, and local initiatives and innovative efforts that meet the goals of the fund;

A. supporting shall mean providing funds to existing efforts;

B. enhancing shall mean providing additional funds to improve the equitable outcomes and administration of existing efforts; and,

C. creating shall mean providing funds to establish new efforts when absent from among existing efforts.

(vii) planning, monitoring, development, deployment, management, strategies, actions, and measures to achieve carbon emissions reductions and to adapt to and prepare for the impacts of climate change;

(viii) implementing state, regional, and local plans or strategies for climate change mitigation and adaptation, including but not limited to the state hazard mitigation and climate change adaptation plan, the clean energy and climate plan, municipal vulnerability preparedness plans, and other relevant plans;

(ix) evaluating climate plans for how well they identify priority groups that would most benefit from decarbonization and adaptation efforts, directly or indirectly; aligning state, regional, and local plans or strategies for climate change mitigation and adaptation with those for housing, health, water, and economic development; and reviewing them to ensure that these are consistent in their reducing harms in environmental justice communities and populations;

(x) providing funding for match requirements to leverage public and private investment and costs associated with securing and administering those funds;

(xi) monitoring, studying, and reporting on environmental pollutants in the air, water, or soil to prevent or minimize environmental harms to public health; and

(xii) providing administrative support described in subsection g to enhance more equitable deployment and use of state and federal funding.

The board described in subsections b and c is authorized to add to or to adapt the foregoing list of actions and expenditures.

(e) The fund shall not be used for:

(i) man-made carbon capture technologies;

(ii) purchases of offsets through carbon markets; or

(iii) other actions as determined by the board.

(f) The board described in subsections b and c shall prioritize costs and expenditures authorized by section d that achieve more equitable outcomes, including but not limited to:

(i) prioritizing equity by ensuring the majority of investments benefit environmental justice populations, as defined in sections 62J and 62 K of chapter 30 of the general laws, and low-to-moderate-income residents, and within this amount, a portion specified by the board will target environmental justice populations in communities that historically have been rendered marginalized, underserved, and overburdened by pollution, displacement, energy burden and cost while prioritizing climate, environmental, energy, and health benefits;

(ii) supporting environmental justice principles as defined and determined under section 62K of chapter 30 of the general laws;

(iii) coordinating and collaborating with the environmental justice council established under section 62L of chapter 30 of the general laws, the environmental justice director of the executive office of energy and environmental affairs, and non-profit organization coalitions supporting equitable policy and funding for environmental and climate justice;

(ii) creating jobs, requiring local hiring, increasing hiring of low-income, Black, Indigenous, and people of color, and investing in vocational training and certificate programs;

(iv) supporting nature-based solutions as defined in section 1 of chapter 21N of the general laws and green infrastructure as defined in section 26A of chapter 21 of the general laws;

(v) fostering regional collaboration across municipal and county boundaries to realize efficiencies and effectiveness and reflect ecological scales, such as watersheds;

(vi) demonstrating community support for local efforts and projects;

(vii) educating community members and conducting outreach; and,

(viii) fostering and enabling community participation via advisory councils

The board is authorized to add to or to adapt the foregoing list of criteria.

(g) The fund shall be administered to enable community-based organizations to access, use, and manage funding in ways that are consistent with the goals of the fund in subsections d, f, and g. The administration of the fund shall be guided by the following practices, including, but not limited to:

(i) transparency on the impact and benefits of funding;

(ii) clear, accessible, and transparent guidelines for funding application and distribution;

(iii) flexibility for awardees to determine how funding should be spent;

(iv) concise funding applications with guidance and support for preparing said applications to minimize administrative burden for applicants;

(v) improve collaboration and reduce competition by enabling regional awards, joint applications and awards between multiple entities, and by allowing larger organizations to subaward funds to smaller, community-based entities;

(vi) balance the need to fund small, grassroots organizations to meet community-driven goals with the need to ensure that funding is translated into action;

(vii) leverage community expertise; and,

(vii) provide flexible funding options, including but not limited to: upfront funding rather than reimbursement; providing seed and or planning funding; allowing grant funds to be used to support the continuation of existing programs; allowing grant funds to be used for community-

196 based organization administration and operations; reducing or eliminating matching funds  
197 requirements; and allowing for multi-year funding.

198 The board is authorized to add to or to adapt the foregoing list of practices.

199 (h) There is hereby established a fee on property insurance, including but not limited to  
200 home, commercial, fire, allied lines, flood, private flood, and farmers.

201 The amount of the fee shall be determined by the board using the following criteria,  
202 including but not limited to:

203 (i) a fair distribution of the fee among the types of property owners;

204 (ii) affordability and tolerance for fees based on income and wealth that do not cause an  
205 economic burden for payees;

206 (iii) minimizes administrative costs for insurance companies; and

207 (iv) there shall be an opt out provision for people who cannot afford to pay.

208 The commissioner of the department of revenue shall have the authority to promulgate  
209 rules and regulations to carry out the purposes of this section including but not limited to:

210 (i) administering the fee with efficiency and effectiveness;

211 (ii) collecting the fee;

212 (iii) reducing costs to the insurance sector in the administration of fee collection;

213 (iv) depositing the fees into the fund;

214 (v) developing compliance and enforcement mechanisms, responsibility, and remedies  
215 for non-compliance.

216 (i) Annually, not later than December 1, the secretary of energy and environmental affairs  
217 shall report on an annual basis the activities of the fund to the clerks of the house of  
218 representatives and the senate and to the house and senate committees on ways and means and in  
219 a place and form that is publicly accessible. The report shall include:

220 (i) a status report on the implementation of the fund, including but not limited to an  
221 accounting of fund disbursement, a clear statement of the percentage of funds allocated to  
222 environmental justice and other low-income communities, expenditures made from the fund with  
223 a description of the authorized purpose of each expenditure, an accounting of amounts credited  
224 to the fund and any unexpended balance remaining in the fund;

225 (ii) an evaluation of implementation and how and whether the fund is meeting the goals  
226 of subsections b, c, and d; and,

227 (iii) any recommendations for statutory changes needed to meet the goals of this section.