

SENATE No. 2294

The Commonwealth of Massachusetts

PRESENTED BY:

Jason M. Lewis

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 relative to building energy and decarbonization.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | |
|----------------------------|--|------------------|
| <i>Jason M. Lewis</i> | <i>Fifth Middlesex</i> | |
| <i>Manny Cruz</i> | <i>7th Essex</i> | <i>2/12/2025</i> |
| <i>Joanne M. Comerford</i> | <i>Hampshire, Franklin and Worcester</i> | <i>3/12/2025</i> |

SENATE No. 2294

By Mr. Lewis, a petition (accompanied by bill, Senate, No. 2294) of Jason M. Lewis and Manny Cruz for legislation relative to building energy and decarbonization. Telecommunications, Utilities and Energy.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 2144 OF 2023-2024.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act relative to building energy and decarbonization.

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. Said section 10 of said chapter 25A is hereby further amended by inserting
2 after subsection (c) the following new subsection:-

3 (c ½) To qualify as a green plus community, a municipality or other governmental body
4 shall: (1) file an application with the division in a form and manner to be prescribed by the
5 division; (2) establish a greenhouse gas emissions baseline inventory for residential, commercial
6 and industrial buildings sited within the municipality, which may also include transportation,
7 waste, and other sources of emissions within the municipality; (3) put in place a comprehensive
8 plan whose implementation begins within 1 year from the date of initial participation in the
9 program, designed to reduce the greenhouse gas emissions baseline inventory by a percentage
10 approved by the division that is not less than 20 per cent within 5 years of initial participation in

11 the program; (4) adopt the municipal opt-in specialized stretch energy code established in
12 subsection 14 of Section 6 of chapter 25A; and (5) fulfill qualifications subsection 2 through 6
13 inclusive of the green community program as described in section (c) or be served by a
14 municipal lighting plant.

15 Preference shall be given to those municipalities that include additional sources of
16 emissions within their greenhouse gas emissions baseline inventory. Not later than one year after
17 the adoption of this section, the division shall adopt a tracking system for community-wide
18 greenhouse gas emissions, to include but not be limited to the building, transportation, energy,
19 land use, and waste sectors, that can be used by municipalities. The secretary may adapt these
20 requirements based on a written finding that due to unusual circumstances, a municipality cannot
21 reasonably meet all of the requirements and the municipality has committed to alternative
22 measures that advance the purposes of the green plus communities program as effectively as
23 adherence to the requirements.

24 SECTION 2. Said section 10 of said chapter 25A is hereby further amended in subsection
25 (d) by striking the figure “20,000,000” and inserting in place thereof the following:-

26 “40,000,000 with not less than \$10,000,000 going to green plus communities”.

27 SECTION 3. Section 20 of said chapter 25A is hereby amended by adding after “
28 "Building", a building or multiple buildings on a parcel, or any grouping of buildings designated
29 by the department as an appropriate reporting unit for the purposes of this section.” the
30 following:-

31 “building emissions”, greenhouse gas emissions as expressed in metric tons of carbon
32 dioxide equivalent emitted as a result of operating a covered building and calculated in
33 accordance with rules promulgated by the department.

34 “building emissions intensity”, for a covered building, the number obtained by dividing
35 the building emissions by the gross floor area for such building, expressed in metric tons of
36 carbon dioxide equivalent per square foot per year.

37 SECTION 4. Said section 20 of chapter 25A is hereby amended by adding after section
38 (e) the following sections:-

39 (e ¼) The department shall promulgate regulations establishing annual carbon intensity
40 limits on building emissions or a building energy performance standard or a combination thereof
41 for large buildings in alignment with emissions limits and sublimits established in Chapter 21N.
42 The regulations may allow for differences based on building use including commercial and
43 industrial properties, residential buildings and other specialized typologies and may exclude
44 electric vehicle charging. The building performance limits shall be set for periods of not more
45 than five years and emissions limits shall decrease over time at a pace to at least align with
46 emissions limits and sublimits established in Chapter 21N.

47 (e ½) The department shall promulgate regulations for alternative methods of compliance
48 with building emissions intensity limits, energy use performance standards or a combination
49 thereof as established by the department including but not limited to adjustments for the use of
50 on-site renewable energy generation, adjustments for special categories of buildings or for
51 special use, accommodations or support for buildings housing low- or moderate-income
52 occupants, and alternative compliance payments. Alternative compliance payments shall be

53 established such that low- and moderate-income households and small businesses are charged
54 reduced amounts proportionate with their ability to pay. The division shall also establish fines for
55 noncompliance which shall be higher than alternative compliance payments. Both alternative
56 compliance payments and fines shall be deposited into the building energy retrofit program trust
57 fund established in section 21 of this chapter.

58 (e ³/₄) Except as otherwise provided in this statute or otherwise provided by regulation,
59 after a building is deemed a large building, it shall not exceed the annual building performance
60 limits for such building as determined by the department.

61 SECTION 5. Said section 20 of chapter 25A is hereby amended by adding at the end of
62 section (g) the following:-

63 “Said materials shall be available in English and in other languages commonly spoken in
64 the Commonwealth. Such outreach shall include a list of city, state, federal, private and utility
65 incentive programs related to building energy reduction, renewable energy, or building retrofits
66 for which buildings reasonably could be eligible.”

67 SECTION 6. Said section 20 of chapter 25A is hereby amended by adding at the end of
68 section (i) the following:-

69 “The department shall establish standards for collecting data on large buildings from
70 approved municipal programs and shall not require owners of buildings in those municipalities to
71 separately report their data to the department. The department shall adopt regulations that allow
72 municipalities to adopt their own large building reporting requirements and their own building
73 emissions or a building energy performance standard that exceed those reporting requirements
74 established pursuant to this section.”

75 SECTION 7. Said chapter 25A is hereby amended by adding after Section 20 the
76 following:--

77 Section 21. (a) There shall be a grant and loan program within the department known as
78 the Building Energy and Emissions Retrofit Funding Program, hereafter referred to as the
79 program, for the purpose of encouraging and supporting building owners to invest in deep energy
80 retrofits and whole-building energy performance upgrades to their properties that reduce
81 greenhouse gas emissions, create healthier homes and buildings, and are in alignment with
82 achieving the GWSA limits and sublimits established under Chapter 21N. Eligible projects for
83 funding shall include pre-weatherization barrier mitigation, pre-electrification barrier mitigation,
84 and renewable energy systems, if part of a more comprehensive deep energy retrofit or whole-
85 building energy performance upgrade. Conversions from one fossil fuel system to another or
86 additions of fossil fuel systems or infrastructure shall not be funded by these programs.

87 The department shall develop the program in consultation with the net zero energy
88 building advisory council established in section 23 of this chapter, the executive office of
89 housing and livable communities, the department of public utilities, the department of
90 environmental protection, the energy efficiency advisory council, the department of public
91 health, and the Massachusetts clean energy center. Nothing in this section guarantees an
92 individual or corporation a right to the benefits provided in this section.

93 (b) The department shall design and implement the program, which shall include a
94 certification process to certify qualified expenses for a grant or loan under this section.
95 Applications for the program shall be reviewed and grants or loans shall be awarded on no less
96 than an annual basis.

97 (c) The department shall, (i) promote awareness of the program, including through
98 coordination with relevant trade groups, community-based organizations, nonprofits,
99 municipalities, regional planning agencies, and by integration in economic development
100 marketing campaigns; and (ii) adopt measurable goals, performance measures, and an audit
101 strategy to assess the utilization and performance of the program.

102 (d) The department shall fund (i) property that is located in an environmental justice
103 community as defined in section 62 of chapter 30; (ii) property that is low- or moderate-income
104 or rental housing; (iii) property owned by municipalities; and (iv) projects that address
105 environmental burdens from air and/or water pollution.

106 (e) The incentives shall be funded, at least in part, by the building energy retrofit program
107 trust fund established in section 22 of chapter 25A. To the extent possible, the program shall seek
108 to leverage existing state and federal programs including, but not limited to, Massachusetts
109 School Building Authority and the Massachusetts public library construction program.

110 (f) The department shall promulgate rules, regulations and guidelines for the
111 administration and oversight of this chapter which shall include definitions of deep energy
112 retrofit, pre-weatherization barriers, and pre-electrification barriers and may allow for
113 municipalities to establish or continue their own municipal program so long as it meets or
114 exceeds the greenhouse gas emissions reductions of the Building Energy Retrofit Funding
115 Program. The department shall commence awarding funds no later than January 1, 2027.

116 Section 22. (a) The commissioner shall create and administer the building energy retrofit
117 program trust fund into which shall be deposited: (i) any revenues or other financing sources
118 directed to the fund by appropriation; (ii) bond revenues authorized by the general court and

119 designated to be credited to the fund; (iii) any income derived from the investment credited to the
120 fund; (iv) funds from public or private sources including, but not limited to, gifts, federal or
121 private grants, donations, rebates and settlements received by the commonwealth that are
122 designated to be credited to the fund; and (v) all other amounts credited or transferred into the
123 fund from any other source.

124 (b) There shall be established upon the books of the commonwealth a separate fund to be
125 known as the Building Energy Retrofit Trust Fund. There shall be credited to said fund all
126 amounts received through (i) any revenues or other financing sources directed to the fund by
127 appropriation; (ii) bond revenues authorized by the general court and designated to be credited to
128 the fund; (iii) any income derived from the investment credited to the fund; (iv) funds from
129 public or private sources including, but not limited to, gifts, federal or private grants, donations,
130 rebates and settlements received by the commonwealth that are designated to be credited to the
131 fund; and (v) all other amounts credited or transferred into the fund from any other source. All
132 amounts credited to the fund shall be held in trust and shall be available for expenditure, without
133 further appropriation, by the department for activities of the department related to section 18 and
134 section 19 of this chapter. Any unexpended balance in the fund at the close of a fiscal year shall
135 remain in the fund and shall be available for expenditure in the following fiscal year; provided
136 however, that the fund shall not be in deficit at the end of any state fiscal year.

137 (c) The operating and administrative expenses shall not exceed 5 per cent of the annual
138 total revenue expended from the fund.

139 (d) Annually, not later than December 1 of each year, the commissioner shall report on
140 the activities of the fund to the clerks of the house of representatives, the senate and to the house

141 and senate committees on ways and means, and the net zero energy building advisory council
142 established in section 23 of this chapter. The report shall include an accounting of expenditures
143 made from the fund with a description of the purpose of each expenditure, an accounting of
144 amounts credited to the fund and any unexpended balance remaining in the fund.

145 Section 23. (a) The commissioner shall establish a net zero energy building advisory
146 council which shall review and provide feedback on the implementation of sections 20, 21 and
147 22 of this chapter with a focus on supporting development of net zero buildings in the
148 commonwealth in alignment with the targets established in chapter 21N. The council shall be
149 chaired by the commissioner or a designee and members shall include, but are not limited to: (i)
150 The attorney general, or a designee; (ii) at least two residents of environmental justice
151 communities as defined in section 62 of chapter 30; (iii) at least two certified minority-owned or
152 women-owned small business enterprises that perform clean energy services; (iv) one
153 representative of the public institutions of higher education included in section 5 of chapter 15A;
154 (v) one representative of the MassHire state workforce board; (vi) one representative of the
155 energy efficiency advisory council established in section 22 of chapter 25 who does not represent
156 a state agency or utility that is otherwise seated on the council; (vii) one representative of a
157 building trade association; (viii) one representative of the labor community; (ix) one residential
158 architect; (x) one commercial architect; (xi) one building engineer; (xii) one non-profit that
159 specializes in clean energy efficiency research; (xiii) one representative of the low-income
160 energy affordability network; (xiv) two representatives of commonwealth cities and towns, one
161 rural and one suburban; (xv) one representative of a regional planning agency; and (xvi) one
162 expert in land use.

163 Non-voting members shall include the secretary of housing and community development
164 or their designee; the commissioner of the department of public health or their designee the
165 commissioner of the department of environmental protection or their designee; the CEO of
166 Massachusetts Clean Energy Center or their designee; a representative of an investor-owned
167 utility, and a representative of a municipal lighting plant or municipal light plant industry
168 association.

169 Interested parties shall apply to the commissioner for designation as members. There
170 shall be members from each county of the commonwealth represented on the council. In their
171 initial appointments, the commissioner shall designate one third of members to serve for one
172 year, one third to serve for a term of two years and the remaining third to serve for a term of
173 three years and their successors shall serve for terms of three years.

174 The advisory board may convene working groups. Such working groups may include
175 individuals external to the advisory board. The commissioner shall invite the appropriate federal,
176 state and local agencies and authorities to participate.

177 (b) The advisory council shall meet at least 4 times a year and shall hold at least 2 public
178 hearings each year. The council shall review and monitor the recommendations for expenditure
179 of grants and programs in the secretariat. In the event the council or members of the council
180 disapproves of any such recommendation it may file a report noting its objection with the
181 governor, the house and senate committees on ways and means and the joint committee on
182 environment, natural resources and agriculture.

183 (c) Not later than December 1 of each year, the Department shall report on the activities
184 of the council to the clerks of the house of representatives and the senate, to the house and senate

185 committees on ways and means and to the chairs of the joint committee on telecommunications,
186 utilities and energy.

187 SECTION 8. Section 23 of Chapter 25A is repealed.

188 SECTION 9. Section 8 of this act shall take effect on January 1, 2030.