

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Sal N. DiDomenico

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:

Sal N. DiDomenico

DISTRICT/ADDRESS:

Middlesex and Suffolk

SENATE No.

[Pin Slip]

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 472 OF 2023-2024.]

The Commonwealth of Massachusetts

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

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 2022
2 Official Edition is hereby amended by inserting after the definition of “carbon dioxide
3 equivalent” the following definition:--

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.

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

14 Section 12 (a) There shall be a climate & community resilience fund, hereafter referred to
15 as the fund, to support addressing the causes and impacts of climate change with a focus on
16 communities with significant populations of low-income and moderate income residents as
17 defined by section 38D of chapter 121B of the general laws and environmental justice
18 populations, as defined in sections 62J of chapter 30 of the general laws.

19 The fund shall be administered by the secretary of energy and environmental affairs in
20 consultation with the Climate Resilience advisory board established in section 14.

21 (b) The fund shall include:

22 (i) Monies from the property insurance fee established in subsection 15;

23 (ii) any revenues or other financing sources directed to the fund by appropriation;

24 (iii) bond revenues or other monies authorized by the general court and specifically
25 designated to be credited to the fund;

26 (iv) any income derived from the investment of amounts credited to the fund or
27 repayment of loans from the fund;

28 (v) funds from public or private sources including, but not limited to, gifts, federal or
29 private grants, donations, rebates, and settlements received by the commonwealth that are
30 specifically designated to be credited to the fund; and

31 (vi) all other amounts credited or transferred into the fund from any other sources.

32 The fund shall reimburse the commonwealth for costs associated with the administration
33 of the fund.

34 Monies deposited into the fund that are unexpended at the end of the fiscal year shall not
35 revert to the General Fund and shall be available for expenditure in the subsequent fiscal year.

36 c) Annually, not later than December 1, the secretary of energy and environmental affairs
37 shall report on an annual basis the activities of the fund to the clerks of the house of
38 representatives and the senate and to the house and senate committees on ways and means and in
39 a place and form that is publicly accessible. The report shall include:

40 (i) a status report on the implementation of the fund, including but not limited to an
41 accounting of fund disbursement, a clear statement of the percentage of funds allocated to low
42 and moderate income communities as defined in section 38D of chapter 121B of the general
43 laws and residents of environmental justice populations, as defined in sections 62J of chapter 30
44 of the general laws, expenditures made from the fund with a description of the authorized
45 purpose of each expenditure, an accounting of amounts credited to the fund and any unexpended
46 balance remaining in the fund;

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

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

50 (d) There shall be a Climate and Community Resilience advisory board

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

58 (2) the secretary of energy and environmental affairs and climate chief of the office of
59 climate innovation and resilience shall nominate at least twelve candidates for the board who
60 meet the criteria in subsection 1 who represent community-based organizations to the
61 environmental justice council which shall review, comment, and approve a final list of seven
62 finalists to the secretary who will appoint seven members to the board. The secretary of energy
63 and environmental affairs shall establish a fair rate of compensation and travel reimbursement
64 for the community-based organization representatives to the board.

65 (3) The secretary of energy and environmental affairs shall appoint two members of the
66 board who meet the criteria in subsection 1. The speaker of the house of representatives and the
67 president of the senate shall appoint two additional members of the board who meet the criteria
68 in subsection 1.

69 (4) Members shall serve for a term of three (3) years. As the term of any member expires,
70 their successor, or their renewal, shall be nominated openly and chosen by the secretary and

71 chief in accordance with the process described in the subsection above. Every three years, the
72 board shall choose a member to be the chair of the board. The board shall meet not less than 4
73 times per year and may meet more often as it deems necessary to fulfill its obligations under this
74 section. The board chair has the discretion to allow board members to participate in meetings,
75 including but not limited to electronic communications, without having to attend the meetings in
76 person.

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

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

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

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

86 and

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

88 (e) The board shall determine and execute actions to achieve the goals of this section,
89 including but not limited to:

90 (i) prioritizing actions to take under subsection c based on priorities established in
91 subsection e for funding, costs, and expenditures from the fund;

92 (ii) determining funding allocations from the fund to achieve the goals of subsection with
93 advice from state agency staff with expertise in state and federal funding;

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

97 (iv) ensuring transparency, accountability, monitoring, evaluation, and oversight; and,

98 (v) sharing advice and recommendations to the secretary on how other sources and
99 allocations of the commonwealth's funding and the commonwealth's management of federal
100 funding allocations for climate change adaptation and mitigation can be more equitable and
101 sustainable and meet the goals of this subsection.

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

107 (f) Amounts credited to the fund may be used, without further appropriation, to provide
108 grants or loans to community-based organizations, nonprofit entities, quasi-governmental, and
109 governmental entities for costs and expenditures incurred for actions taken to support programs
110 and projects that achieve local, regional, or statewide climate change mitigation and adaptation
111 goals to address the causes and impacts of climate change and achieve the goals in this
112 subsection, and as defined and determined by the board. Such costs and expenditures may
113 include, but shall not be limited to:

114 (i) supporting equitable and just initiatives that address environmental injustices related
115 to the causes and impacts of climate change using a people-centered approach that centers human
116 health, social and economic well-being and that prioritize people who have been marginalized
117 and live in divested communities, especially environmental justice populations, as defined in
118 sections 62J and 62 K of chapter 30 of the general laws; low-income and moderate-income
119 residents as defined in section 38D of chapter 121B of the general laws, and low-wealth
120 residents; and English isolated residents.

121 (ii) providing support to individuals to mitigate risks and impacts from climate change to
122 their health, such as supporting resilient retrofits and household equipment and devices which
123 help provide safe, livable, resilient homes that address climate change impacts such as extreme
124 cold, heat, flooding, or drought;

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

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

133 (v) supporting workforce development for a diversity of well-paying careers
134 implementing climate-related projects in the built environment and for nature-based solutions, as
135 defined in section 1 of chapter 21N and green infrastructure as defined in section 26A of chapter

136 21, including but not limited to smart building design and operations, urban forestry, and green
137 stormwater infrastructure design and maintenance;

138 (vi) providing relief and support to low-income and moderate-income residents to avoid
139 displacement and

140 otherwise mitigate any negative impacts from rising property values and taxes due to
141 improvements of properties and communities as a result of local activities and programs
142 supported by the fund;

143 (vii) supporting, enhancing, or creating state agency, regional, and local programs and
144 initiatives and innovative efforts that meet the goals of the fund; provided however, that
145 supporting shall mean providing funds to existing efforts; enhancing shall mean providing
146 additional funds to improve the equitable outcomes and administration of existing efforts; and,
147 creating shall mean providing funds to establish new efforts when absent from among existing
148 efforts;

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

152 (viii) implementing actions from state, regional, and local plans or strategies for climate
153 change mitigation and adaptation, including but not limited to the resilient Massachusetts plan,
154 the clean energy and climate plans, municipal vulnerability preparedness program plans, and
155 other relevant plans and any successor plans to those listed herein;

156 (ix) evaluating climate plans for how well they identify priority groups that would most
157 benefit from decarbonization and adaptation efforts, directly or indirectly; aligning state,
158 regional, and local plans or strategies for climate change mitigation and adaptation with those for
159 housing, health, water, and economic development; and reviewing them to ensure that these are
160 consistent in their reducing harms in environmental justice populations, as defined in sections
161 62J of chapter 30 of the general laws and low and moderate income populations as defined in
162 section 38D of chapter 121B of the general laws;

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

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

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

169 The board may add to or to adapt the foregoing list of actions and expenditures.

170 (g) The fund shall not be used for:

171 (i) man-made carbon capture technologies as a means removing greenhouse gas,
172 measured in carbon dioxide equivalent emissions, from the atmosphere, and durably storing it in
173 geological, terrestrial, or ocean reservoirs, or in long-lived products for a minimum period of 100
174 years.

175 (ii) purchases of offsets through carbon markets; or

176 (iii) other actions as determined by the board.

177 (h) The board shall prioritize costs and expenditures that achieve more equitable
178 outcomes, including but not limited to:

179 (i) prioritizing equity by ensuring the majority of investments benefit residents of an
180 environmental justice populations, as defined in section 62 of chapter 30 of the general laws, and
181 low-to-moderate-income residents as defined in section 38D of chapter 121B of the general
182 laws,, and within this amount, a portion specified by the board will focus on environmental
183 justice populations in communities that historically have been rendered marginalized,
184 underserved, and overburdened by pollution, displacement, energy burden and cost while
185 prioritizing climate, environmental, energy, and health benefits;

186 (ii) supporting environmental justice principles as defined and determined under section
187 62 of chapter 30 of the general laws, and low-to-moderate-income residents as defined in section
188 38D of chapter 121B of the general laws;

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

193 (iv) creating jobs, requiring local hiring, increasing hiring of residents of an
194 environmental justice population, as defined in section 62K of chapter 30 of the general laws,
195 and low- and moderate-income residents as defined in section 38D of chapter 121B of the
196 general laws, and investing in vocational training and certificate programs;

197 (v) supporting nature-based solutions as defined in section 1 of chapter 21N and green
198 infrastructure as defined in section 26A of chapter 21;

- 199 (vi) fostering regional collaboration across municipal and county boundaries to realize
200 efficiencies and effectiveness and reflect ecological scales, such as watersheds;
- 201 (vii) demonstrating community support for local efforts and projects;
- 202 (viii) educating community members and conducting outreach; and,
- 203 (ix) fostering and enabling community participation via local and municipal advisory
204 councils

205 The board may add to or to adapt the foregoing list of criteria to enable equitable ways in
206 which the fund is deployed.

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

- 211 (i) transparency on the impact and benefits of funding,
- 212 (ii) clear, accessible, and transparent guidelines for funding application and distribution;
- 213 (iii) flexibility for awardees to determine how funding should be spent;
- 214 (iv) concise funding applications with guidance and support for preparing said
215 applications to minimize administrative burden for applicants;
- 216 (v) collaboration and reduce competition by enabling regional awards, joint applications
217 and awards between multiple entities, and by allowing larger organizations to subaward funds to
218 smaller, community-based entities;

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

221 (vii) community expertise; and,

222 (vii) flexible funding options, including but not limited to: upfront funding rather than
223 reimbursement;(B) providing seed and or planning funding;

224 (C) support for the continuation of existing programs;

225 (D) funding for community-based organization administration and operations;

226 (E) reduction or eliminating matching funds requirements; and

227 (F) multi-year funding.

228 The board may add to or to adapt the foregoing list of practices.

229 Section 15. There shall be a fee on the premiums paid for real estate property insurance,
230 including: home, commercial, and allied lines,

231 The amount of the fee shall at two percent for the first five years and an adjusted as a
232 decrease or an increase, with a ceiling of an increase of an increment of 0.25 percent per year
233 with an overall cap of 5 percent, as determined by the board using the following criteria:

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

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

237 (iii) there shall be an opt out provision for people, not-for-profit organizations, and small
238 businesses and farms who cannot afford to pay as determined by the department of revenue in
239 consultation with the division of insurance.

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

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

243 (ii) collecting the fee;

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

245 (iv) clarifying that the fee is a passthrough to the insured and not an expense incurred by
246 the insurance sector

247 (v) providing transparency for consumers on insurance company billing on the legal
248 requirements, the amount of the fee, and use of the funds in coordination with the insurance
249 sector

250 (vi) depositing the fees into the fund;

251 (vii) developing compliance and enforcement mechanisms, responsibility, and remedies
252 for non-compliance.