

# **JOINT COMMITTEE ON TELECOMMUNICATIONS, UTILITIES, AND ENERGY**

## **BILL SUMMARY**

**BILL NO.** H.3540

**TITLE:** An Act advancing clean energy equity

**SPONSOR:** Representative Steve Owens

**COMMITTEE:** Telecommunications, Utilities, and Energy

**HEARING DATE:** October 16, 2025

**PRIOR HISTORY:** *New bill*

### **CURRENT LAW:**

Section 29 of Chapter 21A, as inserted by Section 5 of Chapter 239 of the Acts of 2024, directs the Executive Office of Energy and Environmental Affairs (EEA) to establish the Office of Environmental Justice and Equity (OEJE), administered by the OEJE undersecretary. OEJE is required to develop standards and guidelines for community benefit plans and agreements and for a cumulative impact analysis framework to inform the work of the Energy Facilities Siting Board (EFSB). OEJE must also implement environmental justice principles (as defined in section 62 of Chapter 30 of the General Laws) in the operation of each office and agency under EEA.

Section 4 of Chapter 21N pertains to the 2020, 2025, 2030, 2035, 2040, 2045 and 2050 statewide greenhouse gas emissions limits.

Section 22 of Chapter 25 establishes the Energy Efficiency Advisory Council.

Section 62 of Chapter 30, inserted by Chapter 8 of the Acts of 2021, establishes the Environmental Justice Council, as well as the following definitions:

“Environmental justice principles” means principles that support protection from environmental pollution and the ability to live in a clean, healthy environment regardless of race, color, income, class, handicap, gender identity, sexual orientation, national origin, ethnicity or ancestry, religious belief, or English language proficiency. This further includes the meaningful involvement of all people with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies, and the equitable distribution of energy and environmental benefits and burdens.

“Environmental benefits” mean access to clean natural resources, which includes air and water, open space and playgrounds, clean energy resources, and funding and training from the Executive Office of Energy and Environmental Affairs.

"Environmental burdens" means significant negative impacts on natural resources and public health caused by human activities, including pollution, climate change, and actions that limit access to natural resources and outdoor recreational facilities.

"Environmental population" means a neighborhood, or a specific part of one, that meets one more of the following criteria: (1) is under 65% of the annual statewide median household income; (2) is comprised of at least 40% minority population; (3) has at least 25% of households with limited English proficiency; or (4) is comprised at least 25% minority population and the municipality's annual median income is under 150% of the statewide amount. The Secretary can choose not to designate an area as an environmental justice population if its annual median householder income is greater than 125% of the annual statewide median income, if the majority of those over 25 years old have a college education, if it doesn't bear an unfair burden of environmental pollution, and if it has good access to natural resources and recreation.

Section 92C of Chapter 164 establishes the Grid Modernization Advisory Council.

#### **SUMMARY:**

Section 1 authorizes the Undersecretary of Environmental Justice and Equity with oversight authority to ensure the benefits of clean energy spending are distributed equitably across the state. The undersecretary shall further ensure that a proportional share of the benefits go to environmental justice populations and designated low-income communities.

In collaboration with a working group of environmental justice stakeholders, the Undersecretary shall establish compliance goals and issue compliance reports on the delivery of clean energy benefits to environmental justice communities. These reports will follow the same schedule as those for emission limits required under section 4(g) of Chapter 21N of the General Laws.

The Undersecretary of Environmental Justice and Equity, in consultation with the Environmental Justice Council, defined in Section 62 of Chapter 30, and other stakeholders, shall define "clean energy benefits." This definition must consider the net impact of burdens and include spending on state clean energy programs, pollution reduction, transportation, economic development, and energy cost reduction. The Undersecretary is required to create a framework to track and monitor how these benefits are distributed across the Commonwealth.

Further, the undersecretary will work with agencies that oversee clean energy programs to incorporate the new definition and framework into their program reviews.

All clean energy program reviews starting January 1st after this framework is established must identify the amount and allocation of clean energy benefits, identify barriers to participation, and propose solutions, including but not limited to community partnerships, multilingual options, and no-cost or low-cost financing. This level of clean energy benefits shall be reviewed and updated every five years, starting in 2025. The Undersecretary is authorized to create regulations and shall consult with the Energy Efficiency Advisory Council per Section 22 of Chapter 25 and the Grid Modernization Advisory Council per Section 92C of Chapter 164 to ensure consistent guidelines and to create comprehensive guidelines to address challenges for rental properties, including avoiding negative impacts such as rent increases.

Section 2 requires the stakeholder working group tasked with assisting the Undersecretary in establishing compliance goals and reporting for the delivery of clean energy benefits to environmental justice communities to have its first meeting by January 1, 2026.