

# SENATE NO. 248

## **AN ACT** RELATIVE TO CLEAN AND RENEWABLE ENERGY

*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 4E of chapter 40J of the General Laws, as appearing in the 2004 Official Edition,  
2 is hereby amended by inserting after subsection (l) the following 2 subsections:-

3           “(m). The board may draw upon monies in the fund for the public purpose of generating tax  
4 credits in the amount of 5 per cent of the total construction or renovation cost for commercial  
5 construction and renovation projects that exceed the IECC by at least 30 per cent to the ratepayers of  
6 the commonwealth who use renewable energy materials.

7           (n). the executive office of environmental affairs or its designee will certify any commercial  
8 project that exceeds the 30 per cent standard of the IECC. The office will designate the project as  
9 reaching this goal and inspect the same yearly to ensure that the level is maintained throughout the life  
10 of the tax credit. Any failure to maintain the standard for certification under this section shall result in  
11 notification to the board, whereupon the board shall immediately revoke the tax credit at the time of  
12 the decertification.”

13 SECTION 2. Clause (1) of subsection (b) of section 6J of chapter 62 of the General Laws, as so  
14 appearing, is hereby amended by adding the following subclause:-

15 (iii) A commercial taxpayer that incurs qualified rehabilitation expenditures by exceeding the  
16 30 per cent standard of the IECC may be allowed a credit, to be computed as hereinafter provided,  
17 against the tax imposed by this chapter. The credit shall be equal to a percentage, not to exceed 30 per  
18 cent, of the qualified rehabilitation expenditures made by the taxpayer with respect to a qualified  
19 historic structure which has received final certification and has been placed in service as provided for  
20 in this section. The Massachusetts historical commission shall administer and determine eligibility,  
21 upon the written certification of the secretary of EOEA, or any office designated by the secretary, for  
22 the Massachusetts rehabilitation tax credit and allocate the credit in accordance with this section; but,  
23 the Massachusetts historical commission may impose a fee for the processing of applications for the  
24 certification of any rehabilitation under this section.

25 (iv). The executive office of environmental affairs or its designee will certify any commercial building  
26 renovation project that exceeds the 30 per cent standard of the IECC. The secretary will designate the  
27 project as reaching this goal and inspect the same yearly to ensure that the level is maintained  
28 throughout the life of the tax credit. Any failure to maintain the standard for certification under this  
29 section shall result in notification to the secretary of the commonwealth, whereupon the secretary shall  
30 immediately revoke the tax credit at the time of the decertification.

31 SECTION 3. Section 221 of chapter 112 of the General Laws, as so appearing, is hereby amended, in  
32 lines 19 and 20, by inserting after the words “and any other residential housing components” the  
33 following text:-

34 “, as well as the home energy score.”

35 SECTION 4. Section 94 of Chapter 143 of the General Laws, as so appearing, is hereby amended, in  
36 clause (h), by inserting, in line 61, after the word “ninety-six,” the following text:-

37 “and including the IECC,”

38 SECTION 5. Said section 94 of said chapter 143, as so appearing, is hereby further amended by  
39 adding the following clause:-

40 (m) To adopt, no later than 6 months after the latest edition of the model energy conservation code, the  
41 IECC, published by the International Code Council. No amendments to the Massachusetts energy  
42 conservation code shall be adopted that increase energy consumption in buildings.

43 SECTION 6. The general court finds and declares that:

44 (a) the development of green energy and promotion of energy efficiency can significantly improve  
45 Massachusetts’ energy reliability and security, economic development, and environment;

46 (b) as a commonwealth with abundant human capital, Massachusetts has the opportunity to achieve  
47 national and global leadership in research, design, construction, manufacturing, and development of  
48 green energy;

49 (c) the construction of public buildings meeting certain green energy standards will save municipalities  
50 and school districts significant long-term costs; and

51 (d) supporting responsible energy by commercial buildings and increasing their energy efficiency is  
52 important to Massachusetts’ environment.

53 SECTION 7. For the purposes of this act, the following terms shall be defined as follows:

54 (a) “Public building”, a building constructed with state, municipal, school district or county funds,  
55 including grants, loans or technical assistance, constructed under chapter 40B of the General Laws, or  
56 a building that is on public property.

- 57 (b) “Private building”, a building constructed as a private home, including but not limited to single  
58 family homes, multi-family homes, apartments and condominiums.
- 59 (c) “Commercial building”, a building constructed for the purpose of commerce.
- 60 (d) “IECC”, the International Energy Conservation Code, published by the International Code Council  
61 on or before January 10, 2007.
- 62 (e) “Division” the division of capital asset management and maintenance.
- 63 (f) “Commissioning” an investigation that yields findings concerning ways to improve building  
64 operations and maintenance and to improve building systems so they use less energy with greater  
65 efficacy.
- 66 (g) “Public renovation project”, a building renovated with state, municipal or county funds, including  
67 grants or technical assistance, or a building on public property that has undergone a complete  
68 overhaul of a significant portion of the original structure resulting in a cost greater than 50 per cent of  
69 the assessed value of the building.
- 70 (h) “Private renovation project”, a complete overhaul of a significant portion of the original structure  
71 resulting in a cost greater than 50 per cent of assessed value of the building.
- 72 (i) “The Massachusetts green energy construction advisory committee”, the “Massachusetts green  
73 energy construction advisory committee” as established under section 13b.

74 SECTION 8. Notwithstanding any general or specific law to the contrary, the executive office of  
75 environmental affairs, or its designee, will inspect and certify all new public, private, and commercial  
76 buildings to ensure that they comply with section 221 of chapter 112 of the General Laws and section  
77 94 of chapter 143 of the General Laws.

78 SECTION 9. Notwithstanding any general or special law to the contrary, the division shall require  
79 third party building commissioning for public construction and public renovation projects.

80 The division shall require public construction and renovation projects to adopt plans to reduce potable  
81 water consumption for irrigation by at 50 per cent or incorporate strategies that will conserve at 20 per  
82 cent of building water use.

83 SECTION 10. Notwithstanding any general or special law to the contrary, the division shall establish a  
84 certification for public buildings under this act. The certification shall identify each building's annual  
85 energy and water use, operations and maintenance costs, environmental impacts, resource use, indoor  
86 air quality and building performance. The inspection shall be in addition to the requirements of  
87 section 8 of this act.

88 SECTION 11. Notwithstanding any general or special law to the contrary, the division shall produce a  
89 guide for public construction and renovations projects that includes:

90 (a) identified green building strategies, materials or technologies that can reduce the long-term  
91 operating costs of buildings, including but not limited to, energy, water, maintenance, product repair  
92 and replacement;

93 (b) in the study and design phase, all identified strategies, materials and technologies if there is a  
94 payback of 10 years or less after accounting for incentives, grants and other incremental funding; and

95 (c) a process by which initial construction project capital budgets incorporate possible higher first  
96 costs for building elements that have paybacks of 10 years or less.

97 SECTION 12. Notwithstanding any general or special law to the contrary, the division shall require all  
98 public construction and renovation projects to:

99 (a) Ensure an approach to design and construction that includes the participation of all major  
100 stakeholders involved in the design, construction, use and operational elements of the building;

101 (b) Set goals and targets for annual energy and water use, operations and maintenance costs,  
102 environmental impacts, resource use, indoor air quality and building performance; and

103 (c) Examine a building and its systems as a whole, rather than component by component, to maximize  
104 budgetary and environmental gains.

105 SECTION 13. (a) Notwithstanding any general or special law to the contrary, the Massachusetts green  
106 energy construction advisory committee is established within the division to ensure that key state  
107 personnel at construction agencies, agencies at which buildings will be constructed or partnered with,  
108 municipalities and school districts receive appropriate training on the benefits of green buildings and  
109 potential implementation strategies. The committee shall offer recommendations to the division to  
110 implement.

111 (b) The Massachusetts green energy construction advisory committee shall include the director of the  
112 school building authority, the commissioner of the department of energy resources, the secretary of  
113 public safety, the director of housing and community development, the secretary of environmental  
114 affairs, the secretary of administration and finance, an appointee of the president of the senate, an  
115 appointee of the speaker of the house, an appointee of the minority leader of the senate, an appointee  
116 of the minority leader of the house, the lieutenant governor, an appointee of the president of Worcester  
117 polytechnic institute, an appointee of the chancellor of the university of Massachusetts at Lowell, an  
118 appointee of the president of the Massachusetts institute of technology, and the director of the  
119 Massachusetts technology collaborative. The lieutenant governor shall chair the committee.

120 SECTION 14. (a) Notwithstanding any general or special law to the contrary, the Massachusetts green  
121 energy construction advisory committee, created in section 13(b) of this act, shall implement the Green  
122 Energy Construction Fund. Said Fund will be funded, subject to available appropriations, for the  
123 purpose of low interest loans to construct new public buildings, renovate existing public buildings, and  
124 maintaining public buildings for the purpose of receiving or maintaining certification as an energy  
125 efficient building under this act which exceeds the IECC by 30 per cent.

126 (b) The Green Energy Construction Grant Program will be initially funded with \$10 million for the  
127 purpose of creating the Program. Said moneys are to be maintained by the green energy construction  
128 advisory committee. The Program will only be allocated through low interest loans, according to the  
129 purpose of this section.

130 (c) The Massachusetts green energy construction advisory committee shall authorize low interest loans  
131 for the building, renovating, and maintenance of all public buildings that exceed the standards of the  
132 IECC by at least 30 per cent

133 (d) The executive office of environmental affairs or its designee will certify any public building,  
134 renovation or maintenance project that exceeds the 30 per cent standard of the IECC. The office will  
135 designate the project as reaching this goal and inspect the same yearly to ensure that the level is  
136 maintained throughout the life of the loan. Any failure to maintain the standard for certification under  
137 this section will result in notification to the green energy construction advisory committee. Whereas  
138 as the committee will immediately increase the interest rate on the loan to the fair market rate at the  
139 time of the decertification.

140 SECTION 15. Notwithstanding any general or special law to the contrary, a taxpayer who purchases a  
141 new private building or a private renovation project as defined in section 7 of this act, and exceeds the  
142 requirements of section 94 of chapter 143 of the General Laws by at least 30 per cent, as certified by  
143 the executive office of environmental affairs, may take a credit in an amount equal to 5 per cent of the  
144 total cost of the construction or renovation.

145 SECTION 16. Notwithstanding any general or special law to the contrary, the office for  
146 commonwealth development shall consider increasing a municipality's commonwealth capital score if  
147 the municipality constructs or renovates a public building that exceeds section 94 of chapter 143 of the  
148 General Laws by at least 30 per cent.

