

HOUSE No. 3941

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, June 27, 2019.

The committee on Telecommunications, Utilities and Energy to whom was referred the petition (accompanied by bill, House, No. 3846) of Thomas A. Golden, Jr., for legislation to provide for a program of climate change resiliency for cities and towns in the Commonwealth, reports recommending that the accompanying bill (House, No. 3941) ought to pass.

For the committee,

THOMAS A. GOLDEN, JR.

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**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act relative to GreenWorks.

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. To provide for a program of climate change resiliency for cities and towns
2 in the commonwealth, the sums set forth in this act, for the several purposes and subject to the
3 conditions specified in this act, are hereby made available, subject to the laws regulating the
4 disbursement of public funds, which sums shall be in addition to any other amounts previously
5 made available for these purposes; provided, however, that the amounts specified for a particular
6 project may be adjusted to facilitate projects authorized in this act.

7 SECTION 2.

8 EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS

9 2000-7076. For the GreenWorks infrastructure program established in section 28 of
10 chapter 21A of the General Laws.....\$1,000,000,000

11 SECTION 2A.

12 EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS

13 Department of Energy Resources

14 9300-8000. For the purpose of developing a matching grant program to support and
15 provide technical assistance for cities and towns to develop and deploy municipal microgrid
16 energy systems; provided that the department of energy resources, in consultation with the
17 Massachusetts clean energy center, shall establish eligibility and selection criteria which shall
18 include, but not be limited to, the following: (i) the microgrid shall be located in a city or town in
19 the commonwealth; (ii) the microgrid shall be located on the property of at least two neighboring
20 municipal buildings, and provide electricity to such buildings; (iii) the microgrid fulfills one of
21 the following objectives: (a) mitigates peak energy demand periods, (b) reduces energy costs for
22 at least one of the host municipal buildings of the microgrid, or (c) provides local residents with
23 access to electricity during a power disruption in the local electric distribution system; (iv) the
24 microgrid shall utilize clean energy, as defined in section 1 of chapter 23J, or electricity that is
25 generated from renewable energy generating sources, as defined in subsection (b) of section 11F
26 of chapter 25A of the General Laws, and is connected to on-site energy storage capacity; and (v)
27 the municipality shall receive the majority of the benefits accrued from the municipal microgrid
28 project;; provided further, that the Department of Energy Resources may consider exemptions to
29 clause (ii) if a municipality demonstrates plans for a functioning microgrid located on a single
30 municipal building in the absence of two suitable neighboring municipal buildings; provided
31 further, that the Department of Energy Resources shall determine the appropriate project cost
32 share that municipalities shall contribute; and provided further, that funds may be expended
33 under this item to cover up to the full cost of a microgrid for a municipality or municipalities that
34 contain an environmental justice community.....\$100,000,000

35 9300-8001. For the purpose of developing and implementing grant programs
36 designed to encourage the electrification of vehicle fleets owned by municipalities or regional
37 transit authorities; provided that the department of energy resources may promulgate regulations
38 necessary for the operation of the programs; provided further, that not less than \$10 million shall
39 be expended for planning, training and technical assistance purposes including, but not limited
40 to, studies examining the feasibility of utilizing electric vehicles on existing public transportation
41 routes, studies examining how public transportation routes could be modified to provide
42 equivalent service while utilizing electric vehicles, studies examining the contracted use of
43 privately-owned vehicle fleets by municipalities and opportunities for expanding the utilization
44 of electric vehicles, studies evaluating the environmental, and economic benefits of replacing
45 existing vehicles with electric vehicles, and training or technical assistance necessary for the
46 operation and maintenance of electric vehicles and related infrastructure; provided further, that
47 not less than \$25 million shall be expended to municipalities for the purchase of light-duty
48 vehicles belonging to one of the following classifications: plug-in hybrid electric vehicles,
49 battery electric vehicles, or other zero-emission vehicles, the purchase and installation of related
50 infrastructure, or both; provided further, that not less than \$90 million shall be expended to
51 municipalities, regional transit authorities, or other political subdivisions for the purchase of
52 buses, medium-duty vehicles, or heavy-duty vehicles belonging to one of the following classes:
53 plug-in hybrid electric vehicles, battery electric vehicles, or other zero-emission vehicles, the
54 purchase and installation of related infrastructure, or both; provided further, that, unless
55 otherwise specified, any funds expended under this item for a vehicle itself shall not exceed the
56 difference between the purchase price of the electric vehicle and the purchase price of an
57 equivalent non-electric vehicle with regards to passenger capacity or intended use; and provided

58 further that funds may be expended under this item to cover up to the full cost of a vehicle
59 intended to serve the population of an environmental justice
60 community.....\$125,000,000

61 9300-8002. For the purposes of a sustainability coordinator grant program established by
62 the executive office of energy and environmental affairs to provide grants to a municipality or
63 group of municipalities to hire a sustainability coordinator to organize, secure funding,
64 implement and monitor projects that have been awarded through Section 28 of Chapter 21A of
65 the General Laws; provided further, that the executive office of energy and environmental affairs
66 shall develop a certification process for sustainability coordinators participating in the program,
67 which shall take into account expertise and experience with technologies and methodologies
68 outlined in this act; provided, that a municipality or group of municipalities may apply for such
69 grants and preference is given to municipalities without the equivalent of a sustainability
70 coordinator ; provided further, that grant recipients execute a contract of up to five years with a
71 sustainability coordinator; provided further, that grants awarded under this program shall provide
72 funding for not more than the first 2 years of such contract; and provided further, that grants
73 awarded to a municipality or municipalities that contain an environmental justice community
74 shall provide funding for not more than the first 3 years of such
75 contract.....\$20,000,000

76 9300-8003. For the purpose of establishing a fund known as the Green Resiliency
77 Fund within the executive office of energy and environmental affairs to provide loans to a
78 municipality or groups of municipalities; eligibility and selection criteria may include, but shall
79 not be limited to, the following: (a) assistance to a municipality or municipalities to provide
80 matching funds pursuant to projects awarded through Section 28 of Chapter 21A; (b) resiliency

81 improvements, including hardening of assets or nature-based solutions, or any combination
82 thereof to prepare for extreme weather events; or (c) resiliency investments which result in
83 economic revitalization; provided further, that rules and regulations shall be promulgated for the
84 operation of the fund, which may include, but shall not be limited to, ensuring timely repayment
85 by borrowers, and the use of interest rates to ensure that the fund maintains a consistent
86 purchasing power from the time loans are disbursed to the time of their
87 collection..... \$50,000,000

88 SECTION 3. Chapter 21A is hereby amended by adding the following section:-

89 Section 28. (a) There shall be in the executive office of energy and environmental affairs
90 a GreenWorks infrastructure program: (i) to issue public infrastructure grants to municipalities,
91 local government bodies and other public instrumentalities for design, construction, building,
92 land acquisition, rehabilitation, repair and other improvements to publically-owned infrastructure
93 that improves climate adaptation and resiliency, mitigates the impacts of climate change, reduces
94 carbon emissions, implements energy efficient or conservation measures, improves the energy
95 efficiency of publically-owned buildings or contributes to the Commonwealth meeting its carbon
96 emissions limits established in section 3 of chapter 21N; (ii) to issue grants to municipalities to
97 assist in financing the siting and construction of renewable, energy storage and alternative energy
98 projects on municipally-owned land; (iii) to issue grants to municipalities to implement
99 adaptation and resiliency measures and infrastructure or building improvements outlined in the
100 statewide adaptation strategy pursuant to section 10 of chapter 21N; or (iv) to issue grants to
101 municipalities to implement infrastructure or other improvements to the built or natural
102 environment as identified through the municipal vulnerability preparedness program.

103 (b) Eligible public infrastructure projects authorized by subsection (a) shall be located on
104 public land or on public leasehold, right-of-way or easement. A project that uses grants to
105 municipalities for public infrastructure provided by this section shall be procured by a
106 municipality in accordance with chapter 7, section 39M of chapter 30, chapter 30B and chapter
107 149.

108 (c) There shall be at least 1 open solicitation period each year to accept and consider new
109 applications. Not less than 12 weeks before the annual open solicitation period, the executive
110 office of energy and environmental affairs shall release the criteria upon which the applications
111 shall be judged including, but not limited to, a minimum project readiness standard, overall
112 spending targets by project type and other preferences applying to that funding round. The
113 criteria may also determine additional levels of funding to a municipality or municipalities that
114 (i) contain an environmental justice community; or (ii) have committed to providing matching
115 funds; provided further, that the funding levels for projects that meet this criteria shall be higher
116 proportionally than other GreenWorks projects that do not meet the criteria. Grants may be
117 made outside of the open solicitation period at the discretion of the secretary of energy and
118 environmental affairs subject to subsections (d) and (e).

119 (d) An eligible city or town, acting by and through its municipal officers or by and
120 through any agency designated by such municipal officers to act on their behalf, may apply to
121 the program for a grant in a specific amount to fund a specified project. Two or more
122 municipalities may apply jointly, with 1 municipality acting as fiscal agent, or through a regional
123 planning agency acting as fiscal agent. The grants may be made in addition to other forms of
124 local, state, and federal assistance.

125 (e) Within the program, at least 10 per cent of the grant funds shall be dedicated annually
126 to assist towns with populations of 7,000 or less in undertaking qualifying projects. Such towns
127 shall be eligible for a grant not to exceed \$1,000,000 and towns shall be eligible to receive 1
128 grant every 3 fiscal years. Two or more towns eligible under this subsection may file a joint
129 application for a single project serving those towns; provided, however, the total amount
130 distributed to any 1 town shall not exceed the maximum amount allowed under this section.
131 Receipt of a grant which is part of a joint application shall not preclude a town from receiving
132 additional funds under a separate application.

133 (f) The secretary of energy and environmental affairs may establish rules and regulations
134 to govern the application and distribution of grants under the program. The rules and regulations
135 may include provisions for joint applications by 2 or more eligible towns for a single project
136 serving those towns.

137 (g) The secretary of energy and environmental affairs shall report annually to the clerks
138 of the house of representatives and the senate, who shall forward the report to the chairs of the
139 joint committee on telecommunications, utilities and energy, the chairs of the senate and house
140 committees on ways and means, and the chairs of house and senate committees on bonding,
141 capital expenditures and state assets on the activities and status of the program. The report shall
142 include a list and description of all projects that received grant funds under the program, the
143 amount of the grant awarded to the project, other source of public funds that supported the
144 project, a detailed analysis of the environmental impact of each project including, where
145 applicable, the number of construction and full time equivalent jobs to be created, the private
146 investment in the project, the expected tax revenue generated from the project, the projected
147 energy efficiency savings and the projected greenhouse gas emission reductions.

148 SECTION 4. To meet the expenditures necessary in carrying out the provisions of section
149 2, the state treasurer shall, upon receipt of a request by the governor, issue and sell bonds of the
150 commonwealth in an amount to be specified by the governor from time to time, but not
151 exceeding, in the aggregate, \$1,000,000,000. All bonds issued by the commonwealth, as
152 aforesaid, shall be designated on their face, GreenWorks Capital Improvement Act of 2019, and
153 shall be issued for a maximum term of years, not exceeding 20 years, as the governor may
154 recommend to the general court pursuant to Section 3 of Article LXII of the Amendments to the
155 Constitution; provided, however, that all such bonds shall be payable not later than June 30,
156 2050. All interest and payments on account of principal on such obligations shall be payable
157 from the General Fund. Bonds and interest thereon issued under the authority of this section
158 shall, notwithstanding any other provisions of this act, be general obligations of the
159 commonwealth.

160 SECTION 5. To meet the expenditures necessary in carrying out the provisions of section
161 2A, the state treasurer shall, upon receipt of a request by the governor, issue and sell bonds of the
162 commonwealth in an amount to be specified by the governor from time to time, but not
163 exceeding, in the aggregate, \$295,000,000. All bonds issued by the commonwealth, as aforesaid,
164 shall be designated on their face, Climate Resiliency Act of 2019, and shall be issued for a
165 maximum term of years, not exceeding 20 years, as the governor may recommend to the general
166 court pursuant to Section 3 of Article LXII of the Amendments to the Constitution; provided,
167 however, that all such bonds shall be payable not later than June 30, 2050. All interest and
168 payments on account of principal on such obligations shall be payable from the General Fund.
169 Bonds and interest thereon issued under the authority of this section shall, notwithstanding any
170 other provisions of this act, be general obligations of the commonwealth.

171 SECTION 6. Notwithstanding any general or special law to the contrary, bonds or notes
172 issued under section 4 shall not be included in the computation of outstanding bonds for
173 purposes of the limit imposed by the second paragraph of section 60A of chapter 29 of the
174 General Laws, nor shall debt service with respect to these bonds and notes be included in the
175 computation of the limit imposed by section 60B of said chapter 29.