



Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES
STATE HOUSE, BOSTON MA 02133-1054

Frank I. Smizik

CHAIRMAN
COMMITTEE ON ENVIRONMENT,
NATURAL RESOURCES AND AGRICULTURE

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Dear Members,

As many have remarked in the press, this was truly an unprecedented year for environmental legislation. Under the leadership of Speaker DiMasi, we have taken enormous strides to reduce greenhouse gas emissions, to protect our natural environment, to preserve water quality and to diversify our fuel sources. As we conclude the "greenest" session on record, I'd like to offer a summary of the major environmental bills (including bills that have come from outside the environment committee) that have passed during this session for you to share with your constituents.

Global Warming Solutions Act

Pending Gubernatorial Approval

Under this new law, bold economy-wide greenhouse gas emissions limits will be set - up to 25 percent of 1990 levels by 2020 and 80 percent of those levels by 2050. Furthermore, the bill sets interim targets for 2030 and 2040 to facilitate hitting the 2050 level.

Tough new penalties will meet violators under the bill, with civil penalties of up to \$25,000 per day for emission violations.

The heart of the legislation charges the Secretary of Energy and Environmental Affairs with mapping a plan to achieve the 2020 emissions limit by creating new regulations for electricity generation, fuel supplies, heating and cooling of buildings, and vehicle emissions. The Secretary would also be required to establish an emissions registry and reporting system to monitor emissions in the Commonwealth by 2014.

In addition, the bill sets up a climate change adaptation advisory committee to examine how humans and plant and animal species will adapt to the reality of climate change.

The Oceans Act

Chapter 114 of the Acts of 2008

Massachusetts' ocean waters are under increasing pressure from developers of ocean-based projects, including renewable energy facilities, desalinization plants and LNG terminals. This law creates a first-in-the-nation ocean planning process to safeguard our marine resources while also lifting the prohibition on the construction of renewable energy facilities in state

ocean waters. The law establishes an ocean advisory commission and an ocean science advisory council to assist the Secretary of Energy and Environmental Affairs during the ocean planning process. The law also ensures that existing uses of the ocean, like fishing and boating, are protected. Under the legislation, the Secretary must promulgate a final ocean plan by December 31, 2009.

Green Communities Act

Chapter 169 of the Acts of 2008

This comprehensive energy reform package encourages energy efficiency and promotes the development of renewable energy resources. Under the new law, the state will make energy efficiency programs compete in the market with traditional energy supply. Utility companies will offer rebates and other incentives for customers to upgrade lighting, appliances, air conditioning, and industrial equipment to more efficient models, whenever those incentives cost less than generating the electricity it would take to power their older, less-efficient equipment. Energy efficiency programs have been shown to cost only 3 cents per kilowatt-hour compared to the 9 cents it takes to generate power.

The Green Communities Act promotes renewable energy in a number of ways. The law requires utility companies to enter into contracts with renewable energy developers to help developers of clean energy technology obtain financing to build their projects. The law also makes it possible for people who own wind turbines and solar-generated power to sell their excess electricity back into the grid (“net-metering”) at favorable rates, for installations of up to 2 megawatts (up from 60 kilowatts currently). In addition to these provisions, the law doubles the rate of increase in the Renewable Portfolio Standard from 0.5 percent per year to 1 percent per year, with no cap. As a result, utilities and other electricity suppliers will be required to obtain renewable power equal to 4 percent of sales in 2009 – rising to 15 percent in 2020 and 25 percent in 2030, and more thereafter.

The law establishes a Green Communities Program, which will reward municipalities that make a commitment to efficiency and renewable energy. The program will receive \$10 million in funding from a variety of sources, including emissions allowance trading programs, utility efficiency charges, alternative compliance payments generated by the Renewable Portfolio Standard, and the Renewable Energy Trust Fund.

The law also requires the State Board of Building Regulations and Standards to adopt the latest edition of the International Energy Conservation Code as part of the State Building Code. This will keep Massachusetts building standards at the highest international levels of energy efficiency.

The Green Communities Act codifies the Commonwealth’s participation in the Regional Greenhouse Gas Initiative (RGGI), a cooperative regional program designed to limit carbon emissions from the region’s power plant sector. Emissions allowances issued under the program will be auctioned and the proceeds will go toward reimbursing municipalities that lose property tax receipts as a result of RGGI mandates, funding Green Communities, providing no-interest loans for municipal energy efficiency projects, and promoting energy conservation.

Green Jobs Bill

Pending Gubernatorial Approval

The "green jobs" bill establishes the Massachusetts Clean Energy Technology Center to serve as the state's lead agency to promote and develop the clean energy sector. The Center will promote workforce training in the clean energy sector and provide support to existing clean energy companies in the Commonwealth through the establishment and administration of job growth grants.

The bill creates two types of job growth grants to be administered by the Center: Clean Energy Seed Grants and Green Jobs Initiative Grants. The Clean Energy Seed Grants will award funding to clean energy researchers and companies, non-profit and community-based organizations that seek to expand their organization and grow jobs. The Green Jobs Grant Initiative will award funding to higher education institutions and vocational technical schools to facilitate workforce development efforts.

Over the next year, the bill allocates \$3.95 million to fund a clean energy industry study, operations at the Center, and three different green job growth programs that will be administered by the Secretary of Environmental Affairs, including the Pathways out of Poverty workforce development grant to train low and moderate income individuals for jobs in the clean energy sector.

The Center will also develop a state-wide plan for installation and operation of renewable energy generating facilities on state-owned property to advance the use of alternative energy and provide new opportunities for workforce development and training initiatives in communities across the state.

Biofuels Law

Chapter 206 of the Acts of 2008

This law is designed to encourage the manufacture and use of cellulosic biofuels in Massachusetts. It offers a tax break on the sale of gasoline that is blended with cellulosic biofuel. Cellulosic biofuels are defined as fuels made from agricultural materials that yield at least a 50% reduction in greenhouse gas emissions. In addition to the tax incentive, the bill sets a mandate, which escalates by a full percentage point every year, on the amount of biofuel content that must be present in all home heating oil and diesel used in Massachusetts – achieving 5 percent utilization by 2013.

Environmental Bond Bill

Pending Gubernatorial Approval

The \$1.78 billion environmental bond bill will preserve and improve the Commonwealth's "green infrastructure" through targeted investments in open spaces, parks, beaches, and recreation facilities across Massachusetts. The bill provides over \$600 million in borrowing authority for infrastructure and park assets, \$250 million for design and construction of DCR-maintained bridges, and over \$350 million for land conservation.

In addition to general authorizations, the bond bill includes funding for cities and towns to

repair water infrastructure, acquire more open space, and maintain existing park properties. The bond will enable the Commonwealth to invest appropriately in our state's environmental resources over the next half-decade.

Chapter 91

Chapter 168 of the Acts of 2007

A lawsuit brought against the developers of the North Point project in Boston led to this legislation, which corrected a discrepancy between state law and regulation. Along the way, this new law provided additional protections to the Public Trust.

Chapter 91 is a regulatory program in the Massachusetts Department of Environmental Protection that protects the public's right to access the waterfront of Great Ponds and the Ocean. When the Department took the cost-effective step of reducing this responsibility for waterfront land that had been filled in (such as the Back Bay) and therefore no longer strictly on-the-water, this left a hole in the regulation that the Legislature needed to authorize.

The Legislature took this important step, thereby clearing title for large swaths of real estate in Boston and other coastal areas, and also created an Office of the Public Trust to ensure that this lifting of a protection did not undervalue the public's rights.

Phosphorous

Chapter 47 of the Acts of 2008

This legislation phases out the sale of dishwasher detergent containing phosphorous. As a prime contributor to nutrient-loads in freshwater ponds, lakes and rivers, excessive phosphorous can lead to fish kills, algae, and poor clarity in freshwater sources. Alternatives to phosphorous exist and are available, and this legislation allows for a sufficient period for retailers to clear out their inventory before selling only the cleaner detergents.

Land Conservation Tax Incentives (EBB)

Outside Section to the Environmental Bond Bill, Pending Gubernatorial Approval

This legislation provides a state income tax credit to encourage landowners to donate property or to sell it for conservation at below the assessed value. This is a necessary tool for the state as we lose 40 acres of land every day to development. Undeveloped open-space land is important because it provides land for watershed protection, wildlife habitat, agriculture and forestry production, scenic and cultural value, and archaeological and historical resources.

Water Infrastructure Commission (EBB)

Outside Section to the Environmental Bond Bill, Pending Gubernatorial Approval

This legislation, attached as an outside section to the Environmental Bond Bill, creates a study commission to explore the issue of financing water infrastructure improvements. Communities in the Commonwealth are burdened by the high costs of paying for updated or expanded sewer systems, pipes, mains, and pumps. The commission will try to identify the problem, and offer up legislative solutions.

Dairy Farm Tax Credits

Pending Gubernatorial Approval

In 2007, the cost of producing milk in the Commonwealth exceeded the federally-mandated price at which farmers could sell their milk, leading the Commissioner of Agricultural Resources to declare a dairy emergency. A one-time \$3.7M emergency fund was dedicated to preserving the state's existing dairy farms, and a task force was assembled to address long-term solutions to the dairy crisis. The legislation includes a tax-credit that kicks in only on years when the cost of production exceeds the price of sale, and the establishment of a dairy promotion board.

Oil Spills in Buzzard's Bay

Pending Gubernatorial Approval

This law would require all oil tankers that traverse Buzzard's Bay to be accompanied by a rescue tug to help navigate the Bay. The legislation also adds 2 cents/gallon to the oil delivery fee charged to shippers to help pay for the rescue tug escorts.

Rose Kennedy Greenway Bill

Pending Gubernatorial Approval

This legislation transfers responsibility for the care and maintenance of the Rose Kennedy Greenway from the Turnpike Authority to the RK Greenway Conservancy. As a new, 15-acre park that cuts through the heart of Boston's downtown neighborhoods, the Greenway will require significant upfront investment and care in the next decade. The Greenway bill ensures that this park is in good hands and has adequate funding to make all citizens of the Commonwealth proud.

Natural Heritage Funding

Line Item 2300-0300, Chapter 158 of the Acts of 2008

The Natural Heritage program provides data, research, and planning for land conservation and rare species preservation. The program was removed from the operating budget in 2004, and its costs were shifted to the capital budget. In this year's annual operating budget the line item for the Natural Heritage program was restored, and funded at \$250,000.

As members of the legislature, we should be proud of all that we accomplished this session for the environment. Enjoy a safe and relaxing end of summer.

Frank I. Smizik