HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Kevin G. Honan

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 passage of the accompanying bill:

An Act relative to energy efficiency in affordable housing.

PETITION OF:

NAME:DISTRICT/ADDRESS:Kevin G. Honan17th Suffolk

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO ENERGY EFFICIENCY IN AFFORDABLE HOUSING.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. The department of energy resources, in consultation with the department of 1 2 housing and community development, shall establish a program to assist owners of multifamily low and moderate income rental housing with the purchase of energy efficient items for 3 residential building modifications. For the purposes of this program, energy efficient items shall 4 include home insulation; new window installation; advanced programmable thermostats; micro-5 6 combined heat and power systems; fuel efficient furnaces, boilers or controls; solar or fuel efficient domestic hot water systems; materials for insulation or sealing of a duct, attic, 7 8 basement, rim joint or wall; pipe insulation for heating systems; or other items for use in a 9 residential dwelling that reduce energy consumption. 10 In establishing the program, the department shall develop a list of qualified state or federally 11 chartered banking institutions or credit unions that do business in the commonwealth and that are 12 governed by chapter 167 or 171 of the General Laws as participatory lending institutions. For the 13 purposes of this section, a qualified lending institution shall include a lending institution that is 14 15 certified by the executive office of energy and environmental affairs and which shall offer zero and low interest loans for the purpose of enhancing the energy efficiency of a residential building 16 or multiple dwellings and shall include the Massachusetts Housing Finance Agency and the 17 Massachusetts Housing Partnership. The program shall be funded pursuant to section 19 of 18 chapter 25 of the General Laws. Not less than \$4 million shall be made available annually to 19 assist participating financial institutions in offering these loan products by or through interest 20 21 rate write downs or other credit enhancement features. 22 23 The department of energy resources, in consultation with the department of housing and 24 community development, shall establish the rules and guidelines to carry out the purposes of this

- 25 section, including, but not limited to, establishing applicant criteria, application forms and
- 26 procedures, energy efficiency product requirements and lending institution tracking and
- 27 reporting requirements. The department shall submit a report detailing the rules and guidelines

and the program results to the joint committee on telecommunications, utilities and energy and

- 29 the joint committee on housing no less than every two years.
- 30

31 SECTION 2. For a program to be administered by the Massachusetts Housing Finance Agency to be known as the Housing Efficiency and Affordability Program to provide grants, low interest 32 loans, credit enhancements, no interest loans, or other financial assistance for the purchase of 33 energy efficient items in new low and moderate income housing sponsored by for-profit and non-34 profit organizations; provided that said applicants demonstrate that the building design 35 incorporates energy conservation measures that exceed those required by the state building code 36 by at least fifteen per cent or are otherwise designed to comply with energy star standards; 37 provided further that said applicants demonstrate that installation of the energy efficiency 38 measures reduced the energy consumption in said housing; provided further that not more than 39 two per cent of total funding may be expended to cover the actual costs of administering the 40 program; provided further that the Massachusetts Technology Collaborative shall provide 41 \$5,000,000 to match the amount appropriated herein with funds from the Massachusetts 42 Renewable Energy Trust established pursuant to section E of chapter 40J of the general 43 44 laws......\$5,000,000