

HOUSE No. 938

The Commonwealth of Massachusetts

PRESENTED BY:

Patricia A. Duffy and Natalie M. Blais

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 adoption of the accompanying bill:

An Act establishing sustainable and equitable funding for climate change adaptation and mitigation.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Patricia A. Duffy</i>	<i>5th Hampden</i>	<i>1/15/2025</i>
<i>Natalie M. Blais</i>	<i>1st Franklin</i>	<i>1/15/2025</i>
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>	<i>1/15/2025</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>2/12/2025</i>
<i>Joanne M. Comerford</i>	<i>Hampshire, Franklin and Worcester</i>	<i>2/18/2025</i>
<i>Mary S. Keefe</i>	<i>15th Worcester</i>	<i>3/4/2025</i>
<i>Danillo A. Sena</i>	<i>37th Middlesex</i>	<i>3/13/2025</i>

HOUSE No. 938

By Representatives Duffy of Holyoke and Blais of Deerfield, a petition (accompanied by bill, House, No. 938) of Patricia A. Duffy, Natalie M. Blais and others relative to funding for climate change adaptation and mitigation. Environment and Natural Resources.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court
(2025-2026)

An Act establishing sustainable and equitable funding for climate change adaptation and mitigation.

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 1 of chapter 21N of the General Laws as appearing in the 2020
2 Official Edition is hereby amended by inserting after the definition of “carbon dioxide
3 equivalent” the following definition:--

4 “Community-Based Organization” means a not-for-profit, grassroots organization,
5 neighborhood land trust, or other entity that is driven by community residents, the majority of
6 whose governing body and staff consists of local residents, the main operating offices are in the
7 community of service, priority issue areas are identified and defined by residents, solutions to
8 address priority issues are developed with residents, and program design, implementation, and
9 evaluation components have residents intimately involved and in leadership positions. Those
10 organizations with staff shall meet workplace standards for fair treatment and compensation of
11 staff.

SECTION 2. Said Chapter 21N is hereby further amended by adding the following section: -

Section 12 (a) There shall be a climate & community resilience fund, hereafter referred to as the fund, to support addressing the causes and impacts of climate change with a focus on communities with significant populations of low-income and moderate income residents as defined by section 38D of chapter 121B of the general laws and environmental justice populations, as defined in sections 62J of chapter 30 of the general laws.

The fund shall be administered by the secretary of energy and environmental affairs in consultation with the Climate Resilience advisory board established in section 14.

(b) The fund shall include:

(i) Monies from the property insurance fee established in subsection 15;

(ii) any revenues or other financing sources directed to the fund by appropriation;

(iii) bond revenues or other monies authorized by the general court and specifically designated to be credited to the fund;

(iv) any income derived from the investment of amounts credited to the fund or repayment of loans from the fund;

(v) funds from public or private sources including, but not limited to, gifts, federal or private grants, donations, rebates, and settlements received by the commonwealth that are specifically designated to be credited to the fund; and

(vi) all other amounts credited or transferred into the fund from any other sources.

32 The fund shall reimburse the commonwealth for costs associated with the administration
33 of the fund.

34 Monies deposited into the fund that are unexpended at the end of the fiscal year shall not
35 revert to the General Fund and shall be available for expenditure in the subsequent fiscal year.

36 c) Annually, not later than December 1, the secretary of energy and environmental affairs
37 shall report on an annual basis the activities of the fund to the clerks of the house of
38 representatives and the senate and to the house and senate committees on ways and means and in
39 a place and form that is publicly accessible. The report shall include:

40 (i) a status report on the implementation of the fund, including but not limited to an
41 accounting of fund disbursement, a clear statement of the percentage of funds allocated to low
42 and moderate income communities as defined in section 38D of chapter 121B of the general
43 laws and residents of environmental justice populations, as defined in sections 62J of chapter 30
44 of the general laws, expenditures made from the fund with a description of the authorized
45 purpose of each expenditure, an accounting of amounts credited to the fund and any unexpended
46 balance remaining in the fund;

47 (ii) an evaluation of implementation and how and whether the fund is meeting the goals
48 of subsections b, c, and d; and,

49 (iii) any recommendations for statutory changes needed to meet the goals of this section.

50 (b) There shall be a Climate and Community Resilience advisory board

51 (1) Members of the board shall have expertise in environmental justice, racial justice,
52 food security, affordable and supportive housing, labor and workers' rights, workforce

development, building engineering and energy, resilience and adaptation, insurance and reinsurance, real estate development and management, public health and hospitals, historic preservation, and/or nature-based solutions, or any combination thereof. All members shall be current residents of the commonwealth and the composition of the board must reflect racial,ethnic, geographic, and economic diversity within the commonwealth.

(2) the secretary of energy and environmental affairs and climate chief of the office of climate innovation and resilience shall nominate at least twelve candidates for the board who meet the criteria in in subsection who represent community-based organizations to the environmental justice council which shall review, comment, and approve a final list of seven finalists to the secretary who will appoint seven members to the board. The secretary of energy and environmental affairs shall establish a fair rate of compensation and travel reimbursement for the community based organization representatives to the board.

(3) The secretary of energy and environmental affairs shall appoint two members of the board who meet the criteria in subsection 1. The speaker of the house of representatives and the president of the senate shall appoint two additional members of the board who meet the criteria in subsection 1.

(4) Members shall serve for a term of three (3) years. As the term of any member expires, their successor, or their renewal, shall be nominated openly and chosen by the secretary and chief in accordance with the process described in the subsection above. Every three years, the board shall choose a member to be the chair of the board. The board shall meet not less than 4 times per year and may meet more often as it deems necessary to fulfill its obligations under this section. The board chair has the discretion to allow board members to participate in meetings,

including but not limited to electronic communications, without having to attend the meetings in person.

(5) The board shall receive staff, administrative, and budget support from the executive office of energy and environmental affairs. The secretary, or their designee, shall convene the board within 30 days of enactment, and support the board in developing a plan for implementation of this section to be completed within three months of enactment, including but not limited to:

(i) choosing a chair to facilitate and manage meetings;

(ii) developing and using equitable decision-making frameworks, such as consensus building and methods of voting;

(iii) determining the frequency of meetings, record-keeping, and administrative duties; and

(iv) managing the authority of the board under subsection c.

(b) The board shall determine and execute actions to achieve the goals of this section, including but not limited to:

(i) prioritizing actions to take under subsection c based on priorities established in subsection e for funding, costs, and expenditures from the fund;

(ii) determining funding allocations from the fund to achieve the goals of subsection with advice from state agency staff with expertise in state and federal funding;

(iii) determining administrative management and practices in subsection f that ensure eligibility, access, and capacity of community-based organizations receiving funds and capacity of state agencies managing the fund;

(iv) ensuring transparency, accountability, monitoring, evaluation, and oversight; and,

(v) sharing advice and recommendations to the secretary on how other sources and allocations of the commonwealth's funding and the commonwealth's management of federal funding allocations for climate change adaptation and mitigation can be more equitable and sustainable and meet the goals of this subsection.

The board may convene working groups to study or make recommendations administering, achieving the goals of this subsection. Working groups may include individuals not on the board, including representatives of appropriate federal, state, and local agencies and authorities, sector-specific professionals, nonprofit and community-based organizations, financial institution representatives, energy providers and utility representatives, among others.

(c) Amounts credited to the fund may be used, without further appropriation, to provide grants or loans to community-based organizations, nonprofit entities, quasi-governmental, and governmental entities for costs and expenditures incurred for actions taken to support programs and projects that achieve local, regional, or statewide climate change mitigation and adaptation goals to address the causes and impacts of climate change and achieve the goals in this subsection, and as defined and determined by the board. Such costs and expenditures may include, but shall not be limited to:

(i) supporting equitable and just initiatives that address environmental injustices related to the causes and impacts of climate change using a people-centered approach that centers human

health, social and economic well-being and that prioritize people who have been marginalized and live in divested communities, especially environmental justice populations, as defined in sections 62J and 62 K of chapter 30 of the general laws; low-income and moderate-income residents as defined in section 38D of chapter 121B of the general laws, and low-wealth residents; and English isolated residents.

(ii) providing support to individuals to mitigate risks and impacts from climate change to their health, such as supporting resilient retrofits and household equipment and devices which help provide safe, livable, resilient homes that address climate change impacts such as extreme cold, heat, flooding, or drought;

(iii) supporting individuals, and outdoor workers by providing community-based resilience centers during extreme cold, heat, or flooding and providing personal cooling devices and equipment;

(iv) supporting municipal and regional coordination to advance implementation of community-identified solutions by providing resources, building staff and volunteer capacity, completing grant applications, providing technical support, and building networks in support of residents, community-based organizations, and others towards broader, more equitable access to climate adaptation and mitigation funding and programs;

(v) supporting workforce development for a diversity of well-paying careers implementing climate-related projects in the built environment and for nature-based solutions, as defined in section 1 of chapter 21N and green infrastructure as defined in section 26A of chapter 21, including but not limited to smart building design and operations, urban forestry, and green stormwater infrastructure design and maintenance;

138 (vi) providing relief and support to low-income and moderate-income residents to avoid
139 displacement and

140 otherwise mitigate any negative impacts from rising property values and taxes due to
141 improvements of properties and communities as a result of local activities and programs
142 supported by the fund;

143 (vii) supporting, enhancing, or creating state agency, regional, and local programs and
144 initiatives and innovative efforts that meet the goals of the fund; provided however, that
145 supporting shall mean providing funds to existing efforts; enhancing shall mean providing
146 additional funds to improve the equitable outcomes and administration of existing efforts; and,
147 creating shall mean providing funds to establish new efforts when absent from among existing
148 efforts.

149 (vii) planning, monitoring, development, deployment, management, strategies, actions,
150 and measures to achieve carbon emissions reductions and to adapt to and prepare for the impacts
151 of climate change;

152 (viii) implementing actions from state, regional, and local plans or strategies for climate
153 change mitigation and adaptation, including but not limited to the resilient massachusetts plan,
154 the clean energy and climate plans, municipal vulnerability preparedness program plans, and
155 other relevant plans and any successor plans to those listed herein;

156 (ix) evaluating climate plans for how well they identify priority groups that would most
157 benefit from decarbonization and adaptation efforts, directly or indirectly; aligning state,
158 regional, and local plans or strategies for climate change mitigation and adaptation with those for
159 housing, health, water, and economic development; and reviewing them to ensure that these are

consistent in their reducing harms in environmental justice populations, as defined in sections 62J of chapter 30 of the general laws and low and moderate income populations as defined in section 38D of chapter 121B of the general laws;

(x) providing funding for match requirements to leverage federal and state public and private investment and costs associated with securing and administering those funds;

(xi) monitoring, studying, and reporting on environmental pollutants in the air, water, or soil to prevent or minimize environmental harms to public health; and

(xii) providing administrative support described in subsection g to enhance more equitable deployment and use of state and federal funding.

The board may add to or to adapt the foregoing list of actions and expenditures.

(e) The fund shall not be used for:

(i) man-made carbon capture technologies as a means removing greenhouse gas, measured in carbon dioxide equivalent emissions, from the atmosphere, and durably storing it in geological, terrestrial, or ocean reservoirs, or in long-lived products for a minimum period of 100 years.

(ii) purchases of offsets through carbon markets; or

(iii) other actions as determined by the board.

(f) The board shall prioritize costs and expenditures that achieve more equitable outcomes, including but not limited to:

(i) prioritizing equity by ensuring the majority of investments benefit residents of an environmental

justice populations, as defined in section 62 of chapter 30 of the general laws, and low-to-moderate-income residents as defined in section 38D of chapter 121B of the general laws,, and within this amount, a portion specified by the board will focus on environmental justice populations in communities that historically have been rendered marginalized, underserved, and overburdened by pollution, displacement, energy burden and cost while prioritizing climate, environmental, energy, and health benefits;

(ii) supporting environmental justice principles as defined and determined under section 62 of chapter 30 of the general laws, and low-to-moderate-income residents as defined in section 38D of chapter 121B of the general laws;

(iii) coordinating and collaborating with the environmental justice council established under section 62L of said chapter 30, the environmental justice director of the executive office of energy and environmental affairs, and non-profit organization coalitions supporting equitable policy and funding for environmental and climate justice;

(iv) creating jobs, requiring local hiring, increasing hiring of residents of an environmental justice population, as defined in section 62K of chapter 30 of the general laws, and low and moderate income residents as defined in section 38D of chapter 121B of the general laws, and investing in vocational training and certificate programs;

(v) supporting nature-based solutions as defined in section 1 of chapter 21N and green infrastructure as defined in section 26A of chapter 21;

(vi) fostering regional collaboration across municipal and county boundaries to realize efficiencies and effectiveness and reflect ecological scales, such as watersheds;

(vii) demonstrating community support for local efforts and projects;

(viii) educating community members and conducting outreach; and,

(ix) fostering and enabling community participation via local and municipal advisory councils

The board may add to or to adapt the foregoing list of criteria to enable equitable ways in which the fund is deployed.

(g) The fund shall be administered to enable community-based organizations to access, use, and manage funding in ways that are consistent with the goals of the fund.. The administration of the fund shall be guided by the following practices, including, but not limited to:

(i) transparency on the impact and benefits of funding,

(ii) clear, accessible, and transparent guidelines for funding application and distribution;

(iii) flexibility for awardees to determine how funding should be spent;

(iv) concise funding applications with guidance and support for preparing said applications to minimize administrative burden for applicants;

(v) collaboration and reduce competition by enabling regional awards, joint applications and awards between multiple entities, and by allowing larger organizations to subaward funds to smaller, community-based entities;

220 (vi) balancing the need to fund small, grassroots organizations to meet community-driven
221 goals with the need to ensure that funding is translated into action;

222 (vii) community expertise; and,

223 (vii) flexible funding options, including but not limited to: upfront funding rather than
224 reimbursement; (B) providing seed and or planning funding;

225 (C) support for the continuation of existing programs;

226 (D) funding for community-based organization administration and operations;

227 (E) reduction or eliminating matching funds requirements; and

228 (F) multi-year funding.

229 The board may add to or to adapt the foregoing list of practices.

230 Section 15. There shall be a fee on the premiums paid for real estate property insurance,
231 including:

232 home, commercial, and allied lines,

233 The amount of the fee shall at two percent for the first five years and an adjusted as a
234 decrease or an increase, with a ceiling of an increase of an increment of 0.25 percent per year
235 with an overall cap of 5 percent, as determined by the board using the following criteria:

236 (i) a fair distribution of the fee among the types of property owners;

237 (ii) affordability and tolerance for fees based on income and wealth that do not cause an
238 economic burden for payees;

239 (iv) there shall be an opt out provision for people, not-for-profit organizations, and small
240 businesses and farms who cannot afford to pay as determined by the department of revenue in
241 consultation with the division of insurance.

242 The commissioner of the department of revenue shall have the authority to promulgate
243 rules and regulations to carry out the purposes of this section including but not limited to:

244 (i) administering the fee with efficiency and effectiveness;

245 (ii) collecting the fee;

246 (iii) reducing costs to the insurance sector in the administration of fee collection;

247 (iv) clarifying that the fee is a passthrough to the insured and not an expense incurred by
248 the insurance sector

249 (v) providing transparency for consumers on insurance company billing on the legal
250 requirements, the amount of the fee, and use of the funds in coordination with the insurance
251 sector

252 (vi) depositing the fees into the fund;

253 (vii) developing compliance and enforcement mechanisms, responsibility, and remedies
254 for non-compliance.