

ASSEMBLY, No. 1637

STATE OF NEW JERSEY

213th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2008 SESSION

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex)

Assemblyman UPENDRA J. CHIVUKULA

District 17 (Middlesex and Somerset)

Co-Sponsored by:

Assemblyman Vas and Assemblywoman Lampitt

SYNOPSIS

Provides matching grant program for local governments to facilitate energy efficiency and conservation of resources in public buildings; appropriates \$50 million.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 2/29/2008)

1 AN ACT providing for energy efficiency in public buildings,
2 supplementing chapter 27D of Title 52 of the Revised Statutes,
3 and making an appropriation.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

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8 1. The Legislature finds and declares:

9 a. Whereas the Legislature has committed to providing property
10 tax relief through various measures to be supported in part from the
11 additional sales tax implemented as part of the most recent annual
12 appropriations act;

13 b. Local governments could realize significant, long-term savings
14 through the use of energy saving or efficient measures, including the
15 integration of such measures or energy efficient devices into buildings
16 and supporting infrastructure;

17 c. Implementation by local governments of such energy efficient
18 methods and measures would be best furthered by the creation of a
19 matching grant program, utilizing those funds earmarked for property
20 tax relief; and

21 d. The program established under this act will enable local
22 governments to pass along the cost savings for energy and natural
23 resource conservation in the form of reduced property taxes.
24

25 2. a. There is created in the Department of Treasury a “Public
26 Buildings Energy and Resources Conservation Fund,” which shall
27 be continuing and nonlapsing, for the purpose of funding grants
28 authorized pursuant to section 3 of P.L. , c. (C.)
29 (pending before the Legislature as this bill), into which shall be
30 deposited such moneys as shall be appropriated by the State for the
31 purpose of such fund. Moneys in the fund not immediately required
32 for payment or liquid reserves may be invested and reinvested by
33 the Treasurer in the State of New Jersey Cash Management Fund,
34 created pursuant to section 1 of P.L.1977, c.281 (C.52:18A-90.4).

35 b. Moneys appropriated from the fund may be used to match
36 grants, contributions, donations, or reimbursements from federal aid
37 programs or from other public or private sources established for the
38 same or similar purposes as the fund, as may be available to a local
39 government unit.
40

41 3. a. The Department of Community Affairs shall establish and
42 administer a program to provide matching grants to local
43 government units for the purpose of facilitating energy efficiency
44 and conservation of resources in public buildings.

45 b. Grants made pursuant to this section shall be for the purpose
46 of making sustainable improvements by local governmental units to
47 public buildings that will conserve energy or natural resources and

1 reduce long-term operating costs. For the purposes of this section,
2 local governmental units shall include a State authority, county,
3 municipality, municipal, county or regional sewerage or utility
4 authority, municipal sewerage district, improvement authority, or
5 any other political subdivision of the State authorized to construct,
6 operate and maintain wastewater treatment systems; and local
7 school districts. Projects receiving funding under this section shall
8 comport, to the extent practicable, with the guidelines of the U.S.
9 Department of Energy Building Technologies Program. Grants
10 shall be made from the "Public Buildings Energy and Resources
11 Conservation Fund," created pursuant to section 2 of P.L. ,
12 c. (C.) (pending before the Legislature as this bill) to the
13 extent funds are available.

14 c. Grants shall be awarded on a competitive basis, and shall
15 requires the submission of specific plans and objectives for the
16 energy or natural resources conservation project, including a
17 statement of public benefit and the need for the work proposed.
18 Funds shall be made available by the State Treasurer from the
19 "Public Buildings Energy and Resources Conservation Fund," upon
20 the request of the commissioner, subject to the requirements of
21 subsection d. of this section. No recipient shall receive more than
22 \$750,000 from the fund for a project.

23 d. The Commissioner of Community Affairs, in consultation
24 with the Commissioner of Environmental Protection, shall
25 promulgate the rules and regulations necessary to administer this
26 act in accordance with the "Administrative Procedure Act,"
27 P.L.1968, c.410 (C.52:14B-1 et seq.); provided, however, that the
28 regulations shall provide that the Department of Community Affairs
29 shall transmit to the Legislature, on a quarterly basis, a list of the
30 proposed projects to be funded by the grants. The projects shall be
31 deemed to have been approved by the Legislature if, within 30 days
32 of said transmittal, the Legislature fails to pass a concurrent
33 resolution stating that the Legislature does not approve of a project
34 or of the payment of a particular grant.

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36 4. There is appropriated the sum of \$50,000,000 to the "Public
37 Buildings Energy and Resources Conservation Fund," created
38 pursuant to section 2 of P.L. , c. (C.) (pending before
39 the Legislature as this bill), from the amounts set aside from the
40 State tax imposed under the "Sales and Use Tax Act," pursuant to
41 P.L.1966, c.30 (C.54:32B-1 et seq.), as amended and supplemented,
42 or any other subsequent law of similar effect, and which amounts
43 have been dedicated by law for property tax reform measures.

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45 5. This act shall take effect immediately.

STATEMENT

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This bill creates a one-for-one matching grant program for local government units, including municipalities, counties and school districts, to install energy and natural resource saving devices into the public buildings they operate. Such energy saving measures include utilizing renewable energy resources, such as wind and photovoltaic energy, and installing devices and systems to conserve water and add natural lighting to a building. These methods can greatly reduce the long term building operating costs of these public buildings, which in turn may help stabilize property taxes.

The program would be administered by the Department of Community Affairs (DCA). Local governments are instructed under the bill to utilize the guidelines established by the U.S. Department of Energy under its Building Technologies Program. The Commissioner of Community Affairs is instructed to promulgate regulations for the program in consultation with the Department of Environmental Protection.

The program would provide dollar-for-dollar matching grants to municipalities, authorities, counties and school districts that choose to retrofit their buildings or install or retrofit systems to implement conservation methodologies. The DCA is required under the bill to promulgate regulations for the grant application process.

A fund is created in the Treasury Department known as the "Public Buildings Energy and Resources Conservation Fund," for the purpose of funding the grants authorized by the bill. Recipients are limited to grants not totaling more than \$750,000 per project under the bill.