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STATE OF NEW JERSEY 219th LEGISLATURE

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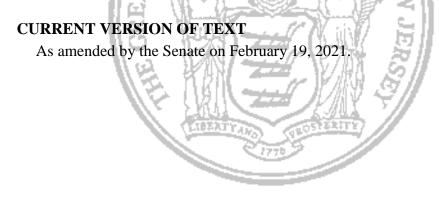
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Senators Turner, Diegnan, Assemblyman McKeon, Assemblywoman Vainieri Huttle, Assemblyman Karabinchak and Assemblywoman Swain

SYNOPSIS

Requires builders to offer unit concrete products that utilize carbon footprint-reducing technology as option in new construction; establishes tax incentives, and State and local purchasing requirements, for unit concrete products that utilize carbon footprint-reducing technology.



(Sponsorship Updated As Of: 6/3/2021)

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AN ACT concerning the purchase and use of unit concrete products
 that utilize carbon footprint-reducing technology and
 supplementing Titles 27, 52, and 54 of the Revised ²[Statues]
 <u>Statutes</u>², Title 54A of the New Jersey Statutes, and P.L.1971,
 c.198.

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

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10 1. The Legislature finds and declares that the burning of fossil 11 fuels and other industrial processes release harmful greenhouse 12 gases into the atmosphere, which in turn contribute to climate 13 change; that, in the coming years, New Jersey is likely to 14 experience increased flooding, drought, and other severe weather 15 effects caused by climate change; and that, in order to help mitigate 16 the serious impacts of climate change, the State must drastically 17 reduce its consumption of fossil fuels and its greenhouse gas 18 emissions.

19 The Legislature further finds that concrete is the most widely 20 used construction material in the world due to its low cost, strength, 21 and durability; that the production of ordinary Portland cement, the 22 critical ingredient in concrete, is responsible for almost eight 23 percent of the world's carbon dioxide emissions; that ordinary 24 Portland cement requires significant amounts of energy to produce, 25 resulting in high carbon dioxide emissions; that modern technology 26 allows concrete to be produced utilizing less energy, and the 27 emission of carbon dioxide from cement manufacturing can be 28 greatly reduced by capturing and utilizing carbon dioxide in the unit 29 concrete product manufacturing process, including the chemical 30 reaction that results in strength and durability of concrete; and that 31 this process can sequester carbon dioxide in the unit concrete 32 product or chemically transform the carbon dioxide into mineral form, embedding it into the concrete and preventing its release 33 34 as a gas.

35 The Legislature therefore determines that it is in the public 36 interest to encourage and support the purchase of unit concrete products that utilize carbon footprint-reducing technology in the 37 38 State; that unit concrete products that utilize carbon footprint-39 reducing technology will greatly reduce greenhouse gas emissions 40 from the concrete and construction industries; and that incentives 41 for permeable pavers that are unit concrete products that utilize 42 carbon footprint-reducing technology will further help enhance

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SSG committee amendments adopted December 14, 2020. ²Senate SBA committee amendments adopted January 21, 2021.

EXPLANATION – Matter enclosed in **bold-faced brackets** [thus] in the above bill is not enacted and is intended to be omitted in the law.

³Senate floor amendments adopted February 19, 2021.

stormwater management, reduce stormwater runoff, and decrease
 the risk of flooding in the State.

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2. a. A ² [developer] <u>builder²</u> shall, for any new construction 4 that requires the use of unit concrete products, where technically 5 feasible, offer ²[to use] as an option² unit concrete products that 6 utilize carbon footprint-reducing technology in the new 7 construction, whenever a prospective ²[purchaser] <u>client</u>² enters 8 into negotiations with the ²[developer] <u>builder</u>² to construct or 9 10 purchase a new residential dwelling or commercial building in the 11 State.

²The requirements of this section shall not apply whenever a 12 13 prospective client enters into negotiations with a builder for new 14 construction of an individual unit of condominiums as defined in the "Condominium Act," P.L.1969, c. 257 (C.46:8B-1 et seq.) or 15 attached single-family townhouses or row houses for which title to 16 17 the individual condominium, townhouse, or row house unit will be 18 held in fee simple but the maintenance, repair, or replacement of 19 improvements constructed with unit concrete products are the responsibility of a non-profit homeowners association.² 20

b. A ²[developer] <u>builder</u>² shall disclose ²[, in any advertising
or offer to construct a new residential dwelling or commercial
building] <u>in writing pursuant to paragraph (3) of subsection c. of</u>
<u>this section</u>², in a form and manner as determined by the
commissioner:

(1) that the prospective ²[purchaser] <u>client</u>² may choose to use
unit concrete products that utilize carbon footprint-reducing
technology in the new construction;

(2) the total cost ²to be charged by the builder to the prospective
 <u>client</u>² of using unit concrete products that utilize carbon footprint reducing technology in the new construction;

32 (3) general information on the environmental and other benefits
33 of using unit concrete products that utilize carbon footprint34 reducing technology; and

(4) information concerning any applicable tax credits, rebates,
or other incentives that may be available for the use of unit concrete
products that utilize carbon footprint-reducing technology pursuant
to P.L., c. (C.) (pending before the Legislature as this bill
or any other law.

40 c. The commissioner, in consultation with the Department of41 Environmental Protection, shall:

42 (1) publish educational materials to demonstrate how
43 ²[developers] <u>builders</u>² may incorporate unit concrete products that
44 utilize carbon footprint-reducing technology into new construction;
45 ²[and]²

46 (2) provide ²[developers] <u>builders</u>² with information
47 concerning applicable tax credits, rebates, or other incentives that

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may be available for the use of unit concrete products that utilize

technology

pursuant

to

footprint-reducing

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carbon

3 P.L. , c. (C.) (pending before the Legislature as this bill) or 4 any other law ²; and 5 (3) provide builders with a separate form that the builder shall present, along with the materials required pursuant to subsection b. 6 7 and c. of this section, to the prospective client prior to entering into 8 a contract, which form shall allow a prospective client to accept or 9 decline the option to use unit concrete products that utilize carbon <u>footprint-reducing technology in the new construction²</u>. 10 d. ³[The] <u>Notwithstanding the provisions of the "Administrative</u> 11 12 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the³ commissioner, in consultation with the Department of 13 Environmental Protection, may adopt, ³[pursuant to the 14 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-15 1 et seq.) immediately upon filing the proper notice with the Office 16 of Administrative Law³, rules and regulations ³that the commissioner 17 determines to be³ necessary to implement this section. ³<u>These rules</u> 18 and regulations shall be in effect for a period not to exceed 365 19 days after the date of the filing. The rules and regulations shall 20 21 thereafter be amended, adopted, or readopted in accordance with the 22 requirements of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).³ 23 e. The commissioner shall enforce the provisions of this 24 section and may penalize and assess violators of this section in 25 accordance with the penalties and procedures provided for under 26 27 section 18 of P.L.1977, c.419 (C.45:22A-38). f. ²If a prospective client accepts, pursuant to a written contract, 28 the builder's offer to use unit concrete products that utilize carbon 29 footprint-reducing technology in the new construction, then the 30 31 builder shall use unit concrete products that utilize carbon footprint-32 reducing technology subject to material availability or acts of force 33 majeure, in which case the builder shall complete construction as 34 soon as reasonably practical. $\underline{g}^{\mathbf{2}}$ As used in this section: 35 "Advertising" means the same as the term is defined in section 3 36 37 of P.L.1977, c.419 (C.45:22A-23). ²"Builder" means a person who constructs, or offers to construct, 38 a new residential dwelling or commercial building in the State.² 39 "Commissioner" means the Commissioner of Community 40 41 Affairs. ²["Developer" means a person who constructs, or offers to 42 43 construct, a new residential dwelling or commercial building in the 44 State.]² "Prospective ²[purchaser] <u>client</u>² " means a person who 45 contemplates acquiring a legal or equitable interest in ²or 46 $\underline{constructing}^2$ a new residential dwelling or commercial building. 47

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1 "Unit concrete product" means a concrete building product that 2 is fabricated under controlled conditions separate and remote from 3 the intended point of use and is produced in a wet cast or dry cast 4 method in a factory setting and then transported to the location of 5 intended use for installation, including, but not limited to, all 6 concrete pavers, whether permeable or non-permeable, and concrete block. ¹<u>"Unit concrete product" shall not include ready mix</u> 7 8 concrete, sand, stone, gravel, or bituminous concrete or asphalt.¹ 9 "Unit concrete product that utilizes carbon footprint-reducing

10 technology" means a unit concrete product that is certified by the 11 Department of Environmental Protection, or any independent third 12 party authorized by the department, pursuant to section 10 of 13 P.L. , c. (C.) (pending before the Legislature as this bill), as 14 generating at least 50 percent less carbon dioxide emissions in the 15 production and utilization of the unit concrete product than 16 conventional unit concrete products made with ordinary Portland 17 cement. ²Such products shall also conform with the relevant requirements of the "State Uniform Construction Code Act," 18 19 P.L.1975, c.217 (C.52:27D-119 et seq.) that incorporate by 20 reference TMS 402/602 Building Code Requirements and 21 Specification for Masonry Structures.²

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3. a. Receipts from the sale of unit concrete products that
utilize carbon footprint-reducing technology, which may include
permeable pavement, used in the construction or improvement of
any residential dwelling or commercial building located in the State
shall be exempt from the tax imposed under the "Sales and Use Tax
Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

b. As used in this section:

30 "Permeable pavement" means a concrete product that allows 31 rainwater to penetrate the pavement and percolate into the 32 supporting soils and includes, but is not limited to, pervious 33 concrete, permeable interlocking concrete pavers, and concrete grid 34 pavers.

35 "Unit concrete product" means a concrete building product that 36 is fabricated under controlled conditions separate and remote from 37 the intended point of use and is produced in a wet cast or dry cast 38 method in a factory setting and then transported to the location of 39 intended use for installation, including, but not limited to, all 40 concrete pavers, whether permeable or non-permeable, and concrete block. ¹<u>"Unit concrete product" shall not include ready mix</u> 41 42 concrete, sand, stone, gravel, or bituminous concrete or asphalt.¹

"Unit concrete product that utilizes carbon footprint-reducing
technology" means a unit concrete product that is certified by the
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party authorized by the department, pursuant to section 10 of
P.L., c. (C.) (pending before the Legislature as this bill), as
generating at least 50 percent less carbon dioxide emissions in the

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1 production and utilization of the unit concrete product than 2 conventional unit concrete products made with ordinary Portland ²Such products shall also conform with the relevant 3 cement. 4 requirements of the "State Uniform Construction Code Act," 5 P.L.1975, c.217 (C.52:27D-119 et seq.) that incorporate by reference TMS 402/602 Building Code Requirements and 6 Specification for Masonry Structures.² 7 8 4. a. A taxpayer ³who in a privilege period purchases unit 9 10 concrete products that utilize carbon footprint-reducing technology, which may include permeable pavement, for use in the construction 11 12 or improvement of any residential dwelling or commercial building, or in the replacement of an impervious surface with permeable 13 pavement, in the State³ shall be allowed a credit against the tax 14 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) in 15 an amount equal to \$2.00 per square foot ³ for the purchase and 16 17 installation]³ of unit concrete products that utilize carbon footprintreducing technology, which may include permeable pavement, used 18 19 in the construction or improvement of any residential dwelling or 20 commercial building, or in the replacement of an impervious surface with permeable pavement ³[, in the State. Such purchases 21 and installations must be completed during]. The credit shall be 22 allowed in³ the privilege period ³in which the purchase is made³. 23 24 The value of tax credits allowed to a taxpayer pursuant to this section shall not exceed \$3,000 for a residential property, and 25 26 \$30,000 for a commercial property in a single privilege period. In 27 order to qualify for the tax credit pursuant to this section, a person shall ³[install] <u>purchase</u>³ at least 100 square feet of unit concrete 28 products that utilize carbon footprint-reducing technology, which 29 30 may include permeable pavement. 31 b. The order of priority of the application of the tax credit 32 allowed pursuant to this section, and any other credits allowed 33 against the tax imposed pursuant to section 5 of P.L.1945, c.162 34 (C.54:10A-5) for a privilege period, shall be as prescribed by the 35 director. The amount of the credit applied pursuant to this section 36 against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) shall not reduce a taxpayer's tax liability to an amount 37 38 less than the statutory minimum provided in subsection (e) of 39 section 5 of P.L.1945, c.162 (C.54:10A-5). The amount of the tax

40 credit otherwise allowable under this section which cannot be 41 applied for the privilege period due to the limitations of this 42 subsection or under other provisions of P.L.1945, c.162 (C.54:10A-43 1 et seq.) may be carried forward, if necessary, to the seven 44 privilege periods following the privilege period for which the tax 45 credit was allowed.

46 c. ³[The] In order to be allowed a tax credit pursuant to 47 subsection a. of this section, a taxpayer who has purchased 100 or

1 more square feet of unit concrete products certified pursuant to 2 section 10 of P.L., c. (C.) (pending before the Legislature 3 as this bill) shall attach receipts for the unit concrete products for which the tax credit is claimed and an affidavit that the unit 4 5 concrete products are or will be used exclusively in the State to any 6 return the taxpayer is required to file under P.L.1945, c.162 (C.54:10A-1 et seq.). A credit shall be initially allowed for the 7 8 privilege period in which the unit concrete products are purchased, 9 and any unused portion thereof may be carried forward into 10 subsequent privilege periods as provided in subsection b. of this 11 section. 12 d. No amount of cost included in calculation of the credit 13 allowed under this section shall be included in the costs for 14 calculation of any other credit against the tax imposed pursuant to 15 section 5 of P.L.1945, c.162 (C.54:10A-5). 16 e. The value of tax credits allowed by the director pursuant to this section and pursuant to section 5 of P.L., c. (C.) 17 (pending before the Legislature as this bill) shall not exceed a 18 19 cumulative total of \$20,000,000 in each fiscal year to apply against 20 the tax imposed pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq. and the tax imposed pursuant to section 21 22 5 of P.L.1945, c.162 (C.54:10A-5). f. Notwithstanding the provisions of the "Administrative 23 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the 24 contrary, the³ director, in consultation with the Department of 25 Environmental Protection, shall adopt, ³[pursuant to the 26 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-27 1 et seq.) immediately upon filing the proper notice with the Office 28 of Administrative Law³, rules and regulations as are necessary to 29 implement the provisions of this section. 3<u>These rules and</u> 30 31 regulations shall be in effect for a period not to exceed 365 days 32 after the date of the filing. The rules and regulations shall 33 thereafter be amended, adopted, or readopted in accordance with the 34 requirements of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).³ The director may require the 35 submission of any information the director deems necessary to 36 award a tax credit pursuant to this section. 37 3 [d.] <u>g.</u>³ As used in this section: 38 ³"Director" means the Director of the Division of Taxation in the 39 Department of the Treasury.³ 40 "Permeable pavement" means a concrete product that allows 41 42 rainwater to penetrate the pavement and percolate into the 43 supporting soils and includes, but is not limited to, pervious 44 concrete, permeable interlocking concrete pavers, and concrete grid 45 pavers. 46 "Unit concrete product" means a concrete building product that 47 is fabricated under controlled conditions separate and remote from 48 the intended point of use and is produced in a wet cast or dry cast

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method in a factory setting and then transported to the location of intended use for installation, including, but not limited to, all concrete pavers, whether permeable or non-permeable, and concrete block. ¹<u>"Unit concrete product" shall not include ready mix</u> concrete, sand, stone, gravel, or bituminous concrete or asphalt.¹

6 "Unit concrete product that utilizes carbon footprint-reducing technology" means a unit concrete product that is certified by the 7 8 Department of Environmental Protection, or any independent third 9 party authorized by the department, pursuant to section 10 of 10 P.L. , c. (C.) (pending before the Legislature as this bill), as 11 generating at least 50 percent less carbon dioxide emissions in the 12 production and utilization of the unit concrete product than 13 conventional unit concrete products made with ordinary Portland 14 ²Such products shall also conform with the relevant cement. requirements of the "State Uniform Construction Code Act," 15 P.L.1975, c.217 (C.52:27D-119 et seq.) that incorporate by 16 17 reference TMS 402/602 Building Code Requirements and Specification for Masonry Structures.² 18

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20 5. a. A taxpayer ³<u>who in a privilege period purchases unit</u> 21 concrete products that utilize carbon footprint-reducing technology, 22 which may include permeable pavement, for use in the construction 23 or improvement of any residential dwelling or commercial building. 24 or in the replacement of an impervious surface with permeable pavement, in the State³ shall be allowed a credit against the tax 25 otherwise due for the taxable year under the "New Jersey Gross 26 Income Tax Act" N.J.S.54A:1-1 et seq., in an amount equal to 27 28 \$2.00 per square foot ³[for the purchase and installation]³ of unit 29 concrete products that utilize carbon footprint-reducing technology, 30 which may include permeable pavement, used in the construction or 31 improvement of any residential dwelling or commercial building, or 32 in the replacement of an impervious surface with permeable pavement ³[, in the State, which purchase and installation is 33 completed during]. The credit shall be allowed in³ the taxable 34 year $\frac{3}{\text{in which the purchase is made}^3}$. The total amount of the tax 35 36 credit granted pursuant to this section shall not exceed \$3,000 for a 37 residential property, and \$30,000 for a commercial property in a 38 single taxable year. In order to qualify for the tax credit pursuant to this section, a person shall ³[install] <u>purchase</u>³ at least 100 square 39 40 feet of unit concrete products that utilize carbon footprint-reducing technology, which may include permeable pavement. 41

b. The order of priority of the application of the credit allowed pursuant to this section, and any other credits allowed against the tax imposed pursuant to N.J.S.54A:1-1 et seq. for a taxable year, shall be as prescribed by the director. The amount of the credit applied under this section against the New Jersey gross income tax imposed pursuant to N.J.S.54A:1-1 et seq. for a taxable year, when

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1 taken together with any other payments, credits, deductions, and 2 adjustments allowed by law, shall not reduce a taxpayer's tax 3 liability to an amount less than zero. The amount of the tax credit otherwise allowable under this section which cannot be applied for 4 5 the taxable year due to the limitations of this section or other 6 provisions of N.J.S.54A:1-1 et seq. may be carried forward, if 7 necessary, to the seven taxable years following the taxable year for 8 which the tax credit was allowed.

9 c. (1) A business entity that is classified as a partnership for 10 federal income tax purposes shall not be allowed a credit under this 11 section directly, but the amount of credit of a taxpayer in respect of 12 a distributive share of partnership income under the "New Jersey 13 Gross Income Tax Act," N.J.S.54A:1-1 et seq., shall be determined 14 by allocating to the taxpayer that proportion of the credit acquired 15 by the partnership that is equal to the taxpayer's share, whether or 16 not distributed, of the total distributive income or gain of the 17 partnership for its taxable year ending within or with the taxpayer's 18 taxable year.

19 (2) A New Jersey S Corporation shall not be allowed a credit 20 under this section directly, but the amount of the tax credit of a 21 taxpayer in respect of a pro rata share of S Corporation income, 22 shall be determined by allocating to the taxpayer that proportion of 23 the tax credit acquired by the New Jersey S Corporation that is 24 equal to the taxpayer's share, whether or not distributed, of the total 25 pro rata share of S Corporation income of the New Jersey S 26 Corporation for its privilege period ending within or with the 27 taxpayer's taxable year.

d. ³[The] In order to be allowed a tax credit pursuant to 28 29 subsection a. of this section, a taxpayer who has purchased 100 or 30 more square feet of unit concrete products certified pursuant to section 31 10 of P.L., c. (C.) (pending before the Legislature as this bill) 32 shall attach receipts for the unit concrete products for which a tax 33 credit is claimed and an affidavit that the unit concrete products are or 34 will be used exclusively in New Jersey to any return the taxpayer is required to file under the "New Jersey Gross Income Tax Act," 35 36 N.J.S.54A:1-1 et seq. A credit shall be initially allowed for the taxable 37 year in which the unit concrete products are purchased, and any 38 unused portion thereof may be carried forward into subsequent taxable 39 years as provided in subsection b. of this section. 40 e. No amount of cost included in calculation of the credit allowed

40 <u>e. No amount of cost included in calculation of the credit allowed</u>
41 <u>under this section shall be included in the costs for calculation of any</u>
42 <u>other credit against the gross income tax imposed pursuant to</u>
43 <u>N.J.S.54A:1-1 et seq.</u>

<u>f. The value of tax credits allowed by the director pursuant to this</u>
<u>section and pursuant to section 4 of P.L.</u>, <u>c. (C.) (pending</u>
<u>before the Legislature as this bill) shall not exceed a cumulative total</u>
<u>of \$20,000,000 in each fiscal year to apply against the tax imposed</u>
<u>pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et</u>

1 seq. and the tax imposed pursuant to section 5 of P.L.1945, c.162 2 (C.54:10A-5). g. Notwithstanding the provisions of the "Administrative 3 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the 4 5 contrary, the³ director, in consultation with the Department of Environmental Protection, shall adopt, ³[pursuant to the 6 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-7 1 et seq.) <u>immediately upon filing the proper notice with the Office</u> 8 9 of Administrative Law³, rules and regulations as are necessary to implement the provisions of this section. ³These rules and 10 regulations shall be in effect for a period not to exceed 365 days 11 12 after the date of the filing. The rules and regulations shall thereafter be amended, adopted, or readopted in accordance with the 13 requirements of the "Administrative Procedure Act," P.L.1968, 14 <u>c.410 (C.52:14B-1 et seq.).</u>³ The director may require the 15 16 submission of any information the director deems necessary to award a tax credit pursuant to this section. 17 ³[e.] \underline{h} . As used in this section: 18 ³"Director" means the Director of the Division of Taxation in the 19 20 Department of the Treasury.³ 21 "Permeable pavement" means a concrete product that allows 22 rainwater to penetrate the pavement and percolate into the 23 supporting soils and includes, but is not limited to, pervious 24 concrete, permeable interlocking concrete pavers, and concrete grid 25 pavers. 26 "Unit concrete product" means a concrete building product that 27 is fabricated under controlled conditions separate and remote from 28 the intended point of use and is produced in a wet cast or dry cast 29 method in a factory setting and then transported to the location of 30 intended use for installation, including, but not limited to, all 31 concrete pavers, whether permeable or non-permeable, and concrete block. ¹"Unit concrete product" shall not include ready mix 32 concrete, sand, stone, gravel, or bituminous concrete or asphalt.¹ 33 "Unit concrete product that utilizes carbon footprint-reducing 34 35 technology" means a unit concrete product that is certified by the Department of Environmental Protection, or any independent third 36 37 party authorized by the department, pursuant to section 10 of 38 P.L., c. (C.) (pending before the Legislature as this bill), as 39 generating at least 50 percent less carbon dioxide emissions in the production and utilization of the unit concrete product than 40 conventional unit concrete products made with ordinary Portland 41 42 cement. ²Such products shall also conform with the relevant 43 requirements of the "State Uniform Construction Code Act," 44 P.L.1975, c.217 (C.52:27D-119 et seq.) that incorporate by 45 reference TMS 402/602 Building Code Requirements and Specification for Masonry Structures.² 46

1 6. a. Notwithstanding the provisions of any other law, rule, or 2 regulation to the contrary, the Director of the Division of Purchase 3 and Property in the Department of the Treasury, the Director of the 4 Division of Property Management and Construction in the 5 Department of the Treasury, and any State agency having authority to contract for the purchase of goods or services, shall, whenever 6 ²[possible, give preference to] ³<u>technically</u>³ <u>feasible, use or require</u> 7 the use of² unit concrete products that utilize carbon footprint-8 9 reducing technology, which may include permeable pavement, 10 when entering into a contract for the purchase of unit concrete 11 products, or for any construction or improvement project that 12 requires the use of unit concrete products, including the 13 replacement of impervious surfaces with permeable pavement. ²[In 14 the event that more than one bidder offers to use unit concrete 15 products that utilize carbon footprint-reducing technology, the state department or agency shall award the contract to the lowest 16 responsible bidder among them.]² 17

18 b. The Division of Purchase and Property and the Division of Property Management and Construction, in consultation with the 19 20 Department of Environmental Protection, shall develop and publish guidelines for implementing the ²[preference] requirement 21 established² pursuant to subsection a. of this section. 22 ²[The 23 guidelines shall encourage and promote, to the maximum extent practicable, the purchase and use of unit concrete products that 24 utilize carbon footprint-reducing technology.]² The guidelines 25 shall conform to any standards or procedures established ³[by the 26 State Treasurer and the Department of Environmental Protection]³ 27 pursuant to section 10 of P.L. , c. (C. 28) (pending before the 29 Legislature as this bill). Whenever any agency or department of 30 State government purchases unit concrete products, or undertakes any construction or improvement project that requires the use of 31 32 unit concrete products, the agency or department shall follow the 33 guidelines therefor established by the director.

34 c. In preparing the specifications for any contract for the 35 purchase of unit concrete products, or for any construction or improvement project that requires the use of unit concrete products, 36 37 the Director of the Division of Purchase and Property, the Director 38 of the Division of Property Management and Construction, or any 39 State agency having authority to contract for the purchase of goods or services shall include in the invitation to bid, where relevant, a 40 41 statement that any response to the invitation ²[that proposes or calls for the use of <u>shall use</u>² unit concrete products that utilize carbon 42 footprint-reducing technology ²[shall receive preference whenever 43 possible]^{2 3}<u>whenever technically feasible</u>³. ²<u>The State agency shall</u> 44 45 include in its project specifications a specific line item for each unit concrete product to be used in the project.² 46

d. The provisions of this section shall not apply to:

1 (1) any binding contractual obligations for the purchase of 2 goods or services entered into prior to the effective date of 3 P.L. , c. (C.) (pending before the Legislature as this bill); 4 (2) bid packages advertised and made available to the public, or 5 to any competitive and sealed bids received by the State, prior to 6 the effective date of P.L., c. (C.) (pending before the Legislature as this bill); ³[or]³ 7 8 (3) any amendment, modification, or renewal of a contract, 9 which contract was entered into prior to the effective date of 10 P.L., c. (C.) (pending before the Legislature as this bill) 11 where the application would delay timely completion of a project or involve an increase in the total moneys to be paid by the State under 12 that contract ³; or 13 14 (4) a contract when the Director of the Division of Purchase and 15 Property, the Director of the Division of Property Management and 16 Construction, or the head of any State agency having authority to 17 contract for the purchase of goods or services determines, in their 18 sole discretion, that the purchase and use of unit concrete products 19 that utilize carbon footprint-reducing technology would increase the cost of the contract by an unreasonable amount³. 20 e. As used in this section: 21 22 "Permeable pavement" means a concrete product that allows 23 rainwater to penetrate the pavement and percolate into the 24 supporting soils and includes, but is not limited to, pervious 25 concrete, permeable interlocking concrete pavers, and concrete grid 26 pavers. 27 "Unit concrete product" means a concrete building product that 28 is fabricated under controlled conditions separate and remote from 29 the intended point of use and is produced in a wet cast or dry cast 30 method in a factory setting and then transported to the location of 31 intended use for installation, including, but not limited to, all 32 concrete pavers, whether permeable or non-permeable, and concrete block. ¹<u>"Unit concrete product" shall not include ready mix</u> 33 34 concrete, sand, stone, gravel, or bituminous concrete or asphalt.¹ 35 "Unit concrete product that utilizes carbon footprint-reducing 36 technology" means a unit concrete product that is certified by the 37 Department of Environmental Protection, or any independent third 38 party authorized by the department, pursuant to section 10 of 39 P.L. , c. (C.) (pending before the Legislature as this bill), as 40 generating at least 50 percent less carbon dioxide emissions in the production and utilization of the unit concrete product than 41 42 conventional unit concrete products made with ordinary Portland ²Such products shall also conform with the relevant 43 cement. 44 requirements of the "State Uniform Construction Code Act," 45 P.L.1975, c.217 (C.52:27D-119 et seq.) that incorporate by reference TMS 402/602 Building Code Requirements and 46 Specification for Masonry Structures.² 47

1 7. a. Notwithstanding the provisions of any other law, rule, or 2 regulation to the contrary, a local contracting unit shall, whenever ²[possible, give preference to a bid that uses] ³technically³ feasible, 3 <u>use or require the use of</u>² unit concrete products that utilize carbon 4 5 footprint-reducing technology, which may include permeable 6 pavers, when entering into a contract for the purchase of unit 7 concrete products, or for any construction or improvement project 8 that requires the use of unit concrete products, including the replacement of impervious surfaces with permeable pavement. ²[In 9 the event that more than one bidder offers to use unit concrete 10 11 products that utilize carbon footprint-reducing technology, the local 12 contracting unit shall award the contract to the lowest responsible bidder among them.]² 13

14 b. The director, in consultation with the Department of 15 Environmental Protection, shall develop and publish guidelines for implementing the ²[preference] <u>requirement established</u>² pursuant 16 17 to subsection a. of this section. ²[These guidelines shall encourage 18 and promote, to the maximum extent practicable, the purchase and 19 use of unit concrete products that utilize carbon footprint-reducing technology.]² The guidelines shall conform to any standards or 20 procedures established ³[by the State Treasurer and the Department 21 of Environmental Protection]³ pursuant to section 10 of 22 23 P.L., c. (C.) (pending before the Legislature as this bill). 24 Whenever a local contracting unit purchases unit concrete products, 25 or undertakes any construction or improvement project that requires 26 the use of unit concrete products, the local contracting unit shall 27 follow the guidelines therefor established by the director.

28 In preparing the specifications for a contract for the purchase c. 29 of unit concrete products, or for any construction or improvement 30 project that requires the use of unit concrete products, a local 31 contracting unit shall include in the invitation to bid, including in 32 the specifications for all contracts for county or municipal work or 33 for work for which it will pay any part of the cost, or work which 34 by contract or ordinance it will ultimately own and maintain, where relevant, a statement that any response to the invitation ²[that 35 proposes or calls for the use of] shall use² unit concrete products 36 that utilize carbon footprint-reducing technology ²[shall receive 37 preference whenever possible $]^{2}$ ³<u>whenever technically feasible</u>³. 38 39 ²The local contracting unit shall include in its project specifications 40 a specific line item for each unit concrete product to be used in the project.² 41

42 d. ²[No priority shall be granted pursuant to subsection a. of this section with respect to] The provisions of this section shall not 43 apply to²: 44

45 (1) any binding contractual obligations for the purchase of 46 goods or services entered into prior to the effective date of 47 P.L., c. (C.) (pending before the Legislature as this bill);

1 (2) bid packages advertised and made available to the public, or 2 to any competitive and sealed bids received by the local contracting 3 unit, prior to the effective date of P.L. , c. (C.)(pending before the Legislature as this bill); ³[or]³ 4

(3) any amendment, modification, or renewal of a contract, 5 which contract was entered into prior to the effective date of 6 7) (pending before the Legislature as this bill) P.L. , c. (C. 8 where the application would delay timely completion of a project or 9 involve an increase in the total moneys to be paid by the local contracting unit under that contract 3 ; or 10

11 (4) a contract when the head of a local contracting unit determines, 12 in their sole discretion, that the purchase and use of unit concrete 13 products that utilize carbon footprint-reducing technology would 14 increase the cost of the contract³.

e. As used in this section: 15

"Director" means the Director of the Division of Local 16 17 Government Services in the Department of Community Affairs.

18 "Local contracting unit" means any public agency subject to the 19 provisions of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), the "Public School Contracts Law," 20 N.J.S.18A:18A-1 et seq., the "State College Contracts Law," 21 22 P.L.1986, c.43 (C.18A:64-52 et seq.), or the "County College 23 Contracts Law," P.L.1982, c.189 (C.18A:64A-25.1 et seq.).

24 "Permeable pavement" means a concrete product that allows 25 rainwater to penetrate the pavement and percolate into the 26 supporting soils and includes, but is not limited to, pervious 27 concrete, permeable interlocking concrete pavers, and concrete grid 28 pavers.

29 "Unit concrete product" means a concrete building product that 30 is fabricated under controlled conditions separate and remote from 31 the intended point of use and is produced in a wet cast or dry cast 32 method in a factory setting and then transported to the location of 33 intended use for installation, including, but not limited to, all 34 concrete pavers, whether permeable or non-permeable, and concrete block. 1"Unit concrete product" shall not include ready mix 35 concrete, sand, stone, gravel, or bituminous concrete or asphalt.¹ 36

37 "Unit concrete product that utilizes carbon footprint-reducing 38 technology" means a unit concrete product that is certified by the 39 Department of Environmental Protection, or any independent third 40 party authorized by the department, pursuant to section 10 of) (pending before the Legislature as this bill), as 41 P.L. , c. (C. 42 generating at least 50 percent less carbon dioxide emissions in the 43 production and utilization of the unit concrete product than 44 conventional unit concrete products made with ordinary Portland ²Such products shall also conform with the relevant 45 cement. requirements of the "State Uniform Construction Code Act," 46 P.L.1975, c.217 (C.52:27D-119 et seq.) that incorporate by 47

reference TMS 402/602 Building Code Requirements and
 Specification for Masonry Structures.²

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4 The Department of Transportation shall establish and 8. a. 5 implement a program to ²[prioritize] \underline{use}^2 , to the greatest extent 6 practicable as determined by the Commissioner of Transportation, ²[the use of]² unit concrete products that utilize carbon footprint-7 reducing technology, which may include permeable pavement, in 8 9 the design, construction, reconstruction, or repair of any public 10 highway, parking lot, sidewalk, walkway, patio, or other public 11 infrastructure project that requires the use of unit concrete products, 12 or in the replacement of an impervious surface with permeable 13 pavement, and that is funded in whole or in part from the "Special 14 Transportation fund" established pursuant to section 21 of 15 P.L.1984, c.73 (C.27:1B-21).

16 b. As used in this section:

"Permeable pavement" means a concrete product that allows
rainwater to penetrate the pavement and percolate into the
supporting soils and includes, but is not limited to, pervious
concrete, permeable interlocking concrete pavers, and concrete grid
pavers.

22 "Unit concrete product" means a concrete building product that 23 is fabricated under controlled conditions separate and remote from 24 the intended point of use and is produced in a wet cast or dry cast 25 method in a factory setting and then transported to the location of 26 intended use for installation, including, but not limited to, all 27 concrete pavers, whether permeable or non-permeable, and concrete 28 block. ¹"Unit concrete product" shall not include ready mix 29 concrete, sand, stone, gravel, or bituminous concrete or asphalt.¹

30 "Unit concrete product that utilizes carbon footprint-reducing 31 technology" means a unit concrete product that is certified by the 32 Department of Environmental Protection, or any independent third 33 party authorized by the department, pursuant to section 10 of 34 P.L. , c. (C.) (pending before the Legislature as this bill), as 35 generating at least 50 percent less carbon dioxide emissions in the 36 production and utilization of the unit concrete product than 37 conventional unit concrete products made with ordinary Portland 38 ²Such products shall also conform with the relevant cement. 39 requirements of the "State Uniform Construction Code Act," 40 P.L.1975, c.217 (C.52:27D-119 et seq.) that incorporate by reference TMS 402/602 Building Code Requirements and 41 Specification for Masonry Structures.² 42

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9. a. Any person or entity that purchases unit concrete
products, or that undertakes any construction or improvement that
requires the use of unit concrete products, including the
replacement of impervious surface with permeable pavement, the
cost or contract price of which is financed, in whole or in part, by

State funds, shall, as a condition of receiving State funds, use unit
 concrete products that utilize carbon footprint-reducing technology,

3 provided that such utilization does not conflict with federal funding

4 conditions.

5 b. As used in this section:

6 "Permeable pavement" means a concrete product that allows 7 rainwater to penetrate the pavement and percolate into the 8 supporting soils and includes, but is not limited to, pervious 9 concrete, permeable interlocking concrete pavers, and concrete grid 10 pavers.

11 "Unit concrete product" means a concrete building product that 12 is fabricated under controlled conditions separate and remote from 13 the intended point of use and is produced in a wet cast or dry cast 14 method in a factory setting and then transported to the location of 15 intended use for installation, including, but not limited to, all 16 concrete pavers, whether permeable or non-permeable, and concrete 17 block. ¹<u>"Unit concrete product" shall not include ready mix</u> 18 concrete, sand, stone, gravel, or bituminous concrete or asphalt.¹

19 "Unit concrete product that utilizes carbon footprint-reducing 20 technology" means a unit concrete product that is certified by the 21 Department of Environmental Protection, or any independent third 22 party authorized by the department, pursuant to section 10 of 23 P.L. , c. (C.) (pending before the Legislature as this bill), as 24 generating at least 50 percent less carbon dioxide emissions in the 25 production and utilization of the unit concrete product than 26 conventional unit concrete products made with ordinary Portland ²Such products shall also conform with the relevant 27 cement. requirements of the "State Uniform Construction Code Act," 28 29 P.L.1975, c.217 (C.52:27D-119 et seq.) that incorporate by reference TMS 402/602 Building Code Requirements and 30 Specification for Masonry Structures.² 31

32

33 10. a. The Commissioner of Environmental Protection shall 34 establish any standards and procedures necessary to implement the 35 , c. (C. provisions of P.L.)(pending before the Legislature 36 as this bill), including, but not limited to, production and use 37 standards, and a process for certifying whether the production and 38 use of a unit concrete product generates at least 50 percent less 39 carbon dioxide emissions than conventional unit concrete products made with ordinary Portland cement. ³The commissioner shall 40 41 publish on the department's Internet website a list of unit concrete 42 products certified by the department pursuant to this subsection.³ 43 The Department of Environmental Protection shall consider a 44 consensus evaluation and reporting standard developed by an 45 independent private organization such as the International 46 Organization for Standardization or the American National 47 Standards Institute that creates a uniform system for self-evaluation 48 and self-reporting by unit concrete product manufacturers, and shall

1 give preference to a standard supported by the unit concrete product 2 industry or industry associations. b. ³ The Notwithstanding the provisions of the 3 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 4 seq.), to the contrary, the³ State Treasurer, the Commissioner of 5 Environmental Protection, ³[and]³ the Commissioner 6 of 7 Transportation ³, the Commissioner of Community Affairs, and the 8 <u>Secretary of Higher Education</u>³ may adopt, ³[pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 9 seq.) immediately upon filing the proper notice with the Office of 10 <u>Administrative Law</u>³, any rules and regulations necessary to 11 implement the provisions of P.L., c. (C. 12) (pending before the Legislature as this bill). ³These rules and regulations shall be in 13 14 effect for a period not to exceed 365 days after the date of the filing. 15 The rules and regulations shall thereafter be amended, adopted, or readopted in accordance with the requirements of the 16 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 17 <u>seq.).</u>³ 18 19 20 11. This act shall take effect immediately 3 and sections 4 and 5 21 shall apply to purchases of unit concrete products that utilize carbon 22 footprint-reducing technology made on or after the first day of the

23 <u>second month next following the date of enactment</u>³.