Energy and Clean Technology Alert: "Green Jobs" and "Global Warming" Bills Get Patrick's Signature

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After signing into law the Global Warming Solutions Act last Friday, Governor Deval L. Patrick today did the same for the Green Jobs Act, legislation that Patrick says adds to the progress in "making Massachusetts a world-class center for clean energy." The Green Jobs Act draws \$43 million from the state's competitive investment fund to support the emerging green economy in Massachusetts, and the Global Warming Solution Act sets ambitious targets aimed at reducing greenhouse gas emissions.

The bills follow a series of clean energy initiatives in the 2007-2008 legislative session, dubbed the "greenest ever" by Ian Bowles, the Secretary of Energy and Environmental Affairs. During this legislative cycle, Massachusetts joined the Regional Greenhouse Gas Initiative and passed legislation to hold the first auction of emission credits. Lawmakers also advanced a number of other measures, including a first-in-the-nation comprehensive oceans management planning bill, the Green Communities Act, a \$1.7 billion Environmental Bond bill, and the Clean Energy Biofuels Act.

Green Jobs Act

The Green Jobs Act creates the Massachusetts Clean Energy Technology Center (the "Center") to direct the development of the clean energy sector in the Commonwealth. Operating under the Executive Office of Energy and Environmental Affairs (EOEEA), the Center will work to create clean energy jobs; promote research and workforce training in clean energy technology in the state's public colleges and universities; support the expansion of existing clean energy companies; and foster collaboration between industry, state government, research universities and the financial sector to advance clean energy technology in Massachusetts.

The Center will also oversee the newly created Massachusetts Alternative and Clean Energy Investment Trust Fund (the "Fund"). The Fund's goal is to reduce overall energy costs while protecting the environment, by making the following investments:

stimulating public and private financing for the construction of state-of-the-art clean energy research and development facilities;

providing grants to state educational institutions to develop clean energy curriculum;

developing clean energy technologies by investments in research and manufacturing; and

matching grants to colleges and universities to attract federal funding for R&D in clean energy.

To make such investments in clean energy projects with state dollars, the Fund must follow certain guidelines. Applications for state funding will be evaluated on several factors, including: the proposed project's potential to expand clean energy employment in Massachusetts; the ability to leverage additional funding to the state through private sources or the federal government; the potential for environmental advancements and cost containment; the potential to attract more renewable energy; and the prospect of improving economic self-sufficiency for low and moderate income individuals and communities in the clean energy industry.

The Green Jobs Act also directs state funding to several areas of the clean energy sector, including the allocation of \$5,000,000 annually from the Renewable Energy Trust Fund to the Massachusetts Alternative and Clean Energy Investment Trust Fund. The new law also authorizes the Secretary of EOEEA to make the following expenditures in FY09:

\$1,000,000 on the newly established Clean Energy Seed Grant Program, which will award grants to clean energy researchers, companies, nonprofits and community-based organizations, and institutions. This program will also build public-private partnerships with clean energy investors, entrepreneurs, and institutions based in Massachusetts;

\$1,000,000 for a workforce training and development program, targeting public colleges and universities, vocational-technical schools and community based organizations; and

\$1,000,000 for a "pathways out of poverty" initiative that will award five grants to clean energy companies that serve low and moderate income citizens.

Legislators took note of the Green Jobs Act's passage in the context of the Green Communities Act and the Clean Energy Biofuels Act. In speaking about the Green Jobs Acts on the House floor last week, Representative Daniel Bosley (D-North Adams), the Chairman of the Joint Committee on Economic Development and Emerging Technologies, noted that it was the final bill in the "clean, green trilogy this year."

Global Warming Solutions Act

Governor Patrick also signed the Global Warming Solutions Act, the second of its kind in the nation, which advocates say would sharply reduce the state's greenhouse gas emissions and curb global warming. The law implements greenhouse gas emissions caps at 20 percent below 1990 levels by 2020 and 80 percent below 1990 levels by 2050. For those failing to comply, the law imposes fines of as much as \$25,000 per day for violations.

In other highlights, the bill also:

establishes the Green Building Revolving Loan Fund, which will provide low-interest financing for new construction or major renovation projects that exceed the energy efficiency requirements of the state building code by 30 percent; and

prohibits permits for new construction or expansion of existing construction where emission rates exceed 1,100 pounds of carbon dioxide per megawatt-hour. These new laws make clear that Massachusetts is striving to be the national leader in the clean energy arena. We will continue to alert you as new policy goals are set, bills are passed, and rules and regulations are implemented.

Click Here to view our July 2, 2008 Alert on the Green Communities Act.

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