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H.95

Introduced by Representatives Williams of Barre City, Andriano of Orwell,  
Anthony of Barre City, Chesnut-Tangerman of Middletown  
Springs, Cordes of Lincoln, Headrick of Burlington, Hyman of  
South Burlington, Krasnow of South Burlington, Lalley of  
Shelburne, Masland of Thetford, McGill of Bridport, Morris of  
Springfield, Nugent of South Burlington, Patt of Worcester,  
Rachelson of Burlington, Stebbins of Burlington, and Torre of  
Moretown

Referred to Committee on

Date:

Subject: Municipalities; energy efficiency; municipal energy resilience grant  
program; equipment

Statement of purpose of bill as introduced: This bill proposes to amend the  
Municipal Energy Resilience Grant Program to add the purchase or  
replacement of equipment that reduces energy consumption to the list of  
eligible uses of a grant award.

An act relating to an expansion of the Municipal Energy Resilience Grant  
Program

1 It is hereby enacted by the General Assembly of the State of Vermont:

2 Sec. 1. 2022 Acts and Resolves No. 172, Secs. 3 and 4 are amended to read:

3 Sec. 3. MUNICIPAL ENERGY RESILIENCE GRANT PROGRAM

4 (a) Program established.

5 (1) In fiscal year 2023, there is established the Municipal Energy  
6 Resilience Grant Program to award grants to:

7 (A) make recommendations to municipalities on the use of more  
8 efficient renewable or electric heating systems; ~~and~~

9 (B) make necessary improvements to reduce emissions by reducing  
10 fossil fuel usage and increasing efficiency in municipally owned buildings; and

11 (C) support the replacement or purchase of equipment that reduces  
12 energy consumption or uses a renewable energy source.

13 (2) For the awards granted pursuant to this subsection, the primary  
14 design of replacement systems described in subdivision (1)(A) of this  
15 subsection shall prioritize renewable or electric heating systems as the  
16 preferred heating source. If, after review, a non-fossil fuel heating system is  
17 not technically feasible as a primary heating source, the recommendation may  
18 include upgrades for other heating systems, provided they reduce fossil fuel  
19 consumption and meet the goals of this act.

1 (b) Definition. As used in this section, “covered municipality” means a  
2 city, town, fire district or incorporated village, and all other governmental  
3 incorporated units except for school districts.

4 (c) Administration; implementation.

5 (1) Grant awards. The Department of Buildings and General Services,  
6 in coordination with Efficiency Vermont, through the State Energy  
7 Management Program, shall administer the Program, which shall award grants  
8 for the following:

9 (A) not more than \$500,000.00 to each covered municipality for  
10 approved projects for weatherization, thermal efficiency, to supplement or  
11 replace fossil fuel heating systems with more efficient renewable or electric  
12 heating systems, replace or purchase equipment that reduces energy  
13 consumption or uses a renewable energy source, and any other expenditures  
14 necessary for the project to be eligible for funding under federal law and  
15 guidelines; and

16 (B) not more than \$4,000.00 to each covered municipality to  
17 facilitate community meetings and communication about municipal energy  
18 resilience.

19 (2) Grant Program design. The Department of Buildings and General  
20 Services, in consultation with Efficiency Vermont; the Vermont League of  
21 Cities and Towns; regional planning commissions; and experts in the field of

1 thermal enclosure, energy efficiency, and renewable building space systems,  
2 shall design the Program. The Program shall include a streamlined and  
3 minimal application process for a municipality to apply directly to the  
4 Department of Buildings and General Services or with the assistance of a  
5 regional planning commission. The Program design shall establish:

6 (A) an outreach and education plan by regional planning  
7 commissions, including specific tactics to reach and support each covered  
8 municipality;

9 (B) an equitable system for distributing grants statewide on the basis  
10 of need according to a system of priorities, including the following ranked in  
11 priority order:

12 (i) a municipality with the highest energy burden community  
13 needs and lowest resources, as defined in Efficiency Vermont's 2019 Energy  
14 Burden Report;

15 (ii) a municipality that may not have administrative support to  
16 apply for grants;

17 (iii) geographic location;

18 (iv) community size; and

19 (v) whether another division of the municipality has already  
20 received a grant;

1 (C) guidelines for renewable and energy efficiency buildings systems  
2 resilience, durability, health, and efficiency measures and costs that will be  
3 eligible for grant funding; and

4 (D) eligibility criteria for covered municipalities, including written  
5 commitment by the municipality to conduct community workshops and a self-  
6 assessment.

7 (d) Coordination. The Department of Buildings and General Services shall  
8 coordinate with any other State entities and agencies working with covered  
9 municipalities to provide grants for the Program.

10 (e) Funding. The Program shall be funded by the American Rescue Plan  
11 Act State and Local Fiscal Recovery Fund.

12 (f) Assessment. A covered municipality is only eligible for a grant under  
13 this section if an assessment of its buildings and facilities has been conducted  
14 pursuant to Sec. 2 of this act.

15 Sec. 4. MUNICIPAL ENERGY RESILIENCE GRANT

16 PROGRAM; APPROPRIATION

17 In fiscal year 2023, the amount of \$45,000,000.00 shall be appropriated  
18 from the American Rescue Plan Act (ARPA) from the State and Local Fiscal  
19 Recovery Fund to the Municipal Energy Resilience Grant Program for use as  
20 follows:

1           (1) The amount of \$2,400,000.00 shall be appropriated to the  
2 Department of Buildings and General Services for regional planning  
3 commissions to assist with grant and assessment applications and provide  
4 programming and technical assistance to covered municipalities. The funding  
5 to regional planning commissions shall be distributed as follows:

6           (A) Fifty-five percent of the funds shall be divided equally among the  
7 regional planning commissions.

8           (B) Forty-five percent of the funds shall be allocated according to the  
9 number of Vermont member municipalities in each regional planning  
10 commission as of July 1, 2022.

11          (2) The amount of \$42,600,000.00 shall be appropriated to the  
12 Department of Buildings and General Services to be used as follows:

13           (A) \$5,000,000.00 for hiring a contractor to conduct assessments  
14 pursuant to Sec. 2 of this act;

15           (B) \$1,000,000.00 for costs associated with administering the grant  
16 program; and

17           (C) \$36,600,000.00 for grants to covered municipalities for  
18 weatherization, for thermal efficiency, to replace or purchase equipment that  
19 reduces energy consumption or uses a renewable energy source, and to  
20 supplement or replace heating systems with more efficient renewable or  
21 electric heating systems.

1       Sec. 2. EFFECTIVE DATE

2       This act shall take effect on July 1, 2023.