

ASSEMBLY, No. 4933

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED NOVEMBER 5, 2020

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/5/2020)

1 AN ACT concerning the purchase and use of unit concrete products
2 that utilize carbon footprint-reducing technology and
3 supplementing Titles 27, 52, and 54 of the Revised Statutes, Title
4 54A of the New Jersey Statutes, and P.L.1971, c.198.

5

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

8

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

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

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

44

45 2. a. A developer shall, for any new construction that requires
46 the use of unit concrete products, where technically feasible, offer
47 to use unit concrete products that utilize carbon footprint-reducing
48 technology in the new construction, whenever a prospective

1 purchaser enters into negotiations with the developer to construct or
2 purchase a new residential dwelling or commercial building in the
3 State.

4 b. A developer shall disclose, in any advertising or offer to
5 construct a new residential dwelling or commercial building, in a
6 form and manner as determined by the commissioner:

7 (1) that the prospective purchaser may choose to use unit
8 concrete products that utilize carbon footprint-reducing technology
9 in the new construction;

10 (2) the total cost of using unit concrete products that utilize
11 carbon footprint-reducing technology in the new construction;

12 (3) general information on the environmental and other benefits
13 of using unit concrete products that utilize carbon footprint-
14 reducing technology; and

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

20 c. The commissioner, in consultation with the Department of
21 Environmental Protection, shall:

22 (1) publish educational materials to demonstrate how developers
23 may incorporate unit concrete products that utilize carbon footprint-
24 reducing technology into new construction; and

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

30 d. The commissioner, in consultation with the Department of
31 Environmental Protection, may adopt, pursuant to the
32 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
33 seq.), rules and regulations necessary to implement this section.

34 e. The commissioner shall enforce the provisions of this
35 section and may penalize and assess violators of this section in
36 accordance with the penalties and procedures provided for under
37 section 18 of P.L.1977, c.419 (C.45:22A-38).

38 f. As used in this section:

39 “Advertising” means the same as the term is defined in section 3
40 of P.L.1977, c.419 (C.45:22A-23).

41 “Commissioner” means the Commissioner of Community
42 Affairs.

43 “Developer” means a person who constructs, or offers to
44 construct, a new residential dwelling or commercial building in the
45 State.

46 “Prospective purchaser” means a person who contemplates
47 acquiring a legal or equitable interest in a new residential dwelling
48 or commercial building.

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
7 block.

8 “Unit concrete product that utilizes carbon footprint-reducing
9 technology” means a unit concrete product that is certified by the
10 Department of Environmental Protection, or any independent third
11 party authorized by the department, pursuant to section 10 of
12 P.L. , c. (C.)(pending before the Legislature as this bill), as
13 generating at least 50 percent less carbon dioxide emissions in the
14 production and utilization of the unit concrete product than
15 conventional unit concrete products made with ordinary Portland
16 cement.

17

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

24 b. As used in this section:

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

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

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
41 P.L. , c. (C.)(pending before the Legislature as this bill), as
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
45 cement.

46

47 4. a. A taxpayer shall be allowed a credit against the tax
48 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) in

1 an amount equal to \$2.00 per square foot for the purchase and
2 installation of unit concrete products that utilize carbon footprint-
3 reducing technology, which may include permeable pavement, used
4 in the construction or improvement of any residential dwelling or
5 commercial building, or in the replacement of an impervious
6 surface with permeable pavement, in the State. Such purchases and
7 installations must be completed during the privilege period. The
8 value of tax credits allowed to a taxpayer pursuant to this section
9 shall not exceed \$3,000 for a residential property, and \$30,000 for a
10 commercial property in a single privilege period. In order to
11 qualify for the tax credit pursuant to this section, a person shall
12 install at least 100 square feet of unit concrete products that utilize
13 carbon footprint-reducing technology, which may include
14 permeable pavement.

15 b. The order of priority of the application of the tax credit
16 allowed pursuant to this section, and any other credits allowed
17 against the tax imposed pursuant to section 5 of P.L.1945, c.162
18 (C.54:10A-5) for a privilege period, shall be as prescribed by the
19 director. The amount of the credit applied pursuant to this section
20 against the tax imposed pursuant to section 5 of P.L.1945, c.162
21 (C.54:10A-5) shall not reduce a taxpayer's tax liability to an amount
22 less than the statutory minimum provided in subsection (e) of
23 section 5 of P.L.1945, c.162 (C.54:10A-5). The amount of the tax
24 credit otherwise allowable under this section which cannot be
25 applied for the privilege period due to the limitations of this
26 subsection or under other provisions of P.L.1945, c.162 (C.54:10A-
27 1 et seq.) may be carried forward, if necessary, to the seven
28 privilege periods following the privilege period for which the tax
29 credit was allowed.

30 c. The director, in consultation with the Department of
31 Environmental Protection, shall adopt, pursuant to the
32 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
33 seq.), rules and regulations as are necessary to implement the
34 provisions of this section. 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 d. As used in this section:

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

43 "Unit concrete product" means a concrete building product that
44 is fabricated under controlled conditions separate and remote from
45 the intended point of use and is produced in a wet cast or dry cast
46 method in a factory setting and then transported to the location of
47 intended use for installation, including, but not limited to, all

1 concrete pavers, whether permeable or non-permeable, and concrete
2 block.

3 “Unit concrete product that utilizes carbon footprint-reducing
4 technology” means a unit concrete product that is certified by the
5 Department of Environmental Protection, or any independent third
6 party authorized by the department, pursuant to section 10 of
7 P.L. , c. (C.)(pending before the Legislature as this bill), as
8 generating at least 50 percent less carbon dioxide emissions in the
9 production and utilization of the unit concrete product than
10 conventional unit concrete products made with ordinary Portland
11 cement.

12

13 5. a. A taxpayer shall be allowed a credit against the tax
14 otherwise due for the taxable year under the “New Jersey Gross
15 Income Tax Act” N.J.S.54A:1-1 et seq., in an amount equal to
16 \$2.00 per square foot for the purchase and installation of unit
17 concrete products that utilize carbon footprint-reducing technology,
18 which may include permeable pavement, used in the construction or
19 improvement of any residential dwelling or commercial building, or
20 in the replacement of an impervious surface with permeable
21 pavement, in the State, which purchase and installation is completed
22 during the taxable year. The total amount of the tax credit granted
23 pursuant to this section shall not exceed \$3,000 for a residential
24 property, and \$30,000 for a commercial property in a single taxable
25 year. In order to qualify for the tax credit pursuant to this section, a
26 person shall install at least 100 square feet of unit concrete products
27 that utilize carbon footprint-reducing technology, which may
28 include permeable pavement.

29 b. The order of priority of the application of the credit allowed
30 pursuant to this section, and any other credits allowed against the
31 tax imposed pursuant to N.J.S.54A:1-1 et seq. for a taxable year,
32 shall be as prescribed by the director. The amount of the credit
33 applied under this section against the New Jersey gross income tax
34 imposed pursuant to N.J.S.54A:1-1 et seq. for a taxable year, when
35 taken together with any other payments, credits, deductions, and
36 adjustments allowed by law, shall not reduce a taxpayer's tax
37 liability to an amount less than zero. The amount of the tax credit
38 otherwise allowable under this section which cannot be applied for
39 the taxable year due to the limitations of this section or other
40 provisions of N.J.S.54A:1-1 et seq. may be carried forward, if
41 necessary, to the seven taxable years following the taxable year for
42 which the tax credit was allowed.

43 c. (1) A business entity that is classified as a partnership for
44 federal income tax purposes shall not be allowed a credit under this
45 section directly, but the amount of credit of a taxpayer in respect of
46 a distributive share of partnership income under the “New Jersey
47 Gross Income Tax Act,” N.J.S.54A:1-1 et seq., shall be determined
48 by allocating to the taxpayer that proportion of the credit acquired

1 by the partnership that is equal to the taxpayer's share, whether or
2 not distributed, of the total distributive income or gain of the
3 partnership for its taxable year ending within or with the taxpayer's
4 taxable year.

5 (2) A New Jersey S Corporation shall not be allowed a credit
6 under this section directly, but the amount of the tax credit of a
7 taxpayer in respect of a pro rata share of S Corporation income,
8 shall be determined by allocating to the taxpayer that proportion of
9 the tax credit acquired by the New Jersey S Corporation that is
10 equal to the taxpayer's share, whether or not distributed, of the total
11 pro rata share of S Corporation income of the New Jersey S
12 Corporation for its privilege period ending within or with the
13 taxpayer's taxable year.

14 d. The director, in consultation with the Department of
15 Environmental Protection, shall adopt, pursuant to the
16 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
17 seq.), rules and regulations as are necessary to implement the
18 provisions of this section. The director may require the submission
19 of any information the director deems necessary to award a tax
20 credit pursuant to this section.

21 e. As used in this section:

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
33 block.

34 "Unit concrete product that utilizes carbon footprint-reducing
35 technology" means a unit concrete product that is certified by the
36 Department of Environmental Protection, or any independent third
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
40 production and utilization of the unit concrete product than
41 conventional unit concrete products made with ordinary Portland
42 cement.

43

44 6. a. Notwithstanding the provisions of any other law, rule, or
45 regulation to the contrary, the Director of the Division of Purchase
46 and Property in the Department of the Treasury, the Director of the
47 Division of Property Management and Construction in the
48 Department of the Treasury, and any State agency having authority

1 to contract for the purchase of goods or services, shall, whenever
2 possible, give preference to unit concrete products that utilize
3 carbon footprint-reducing technology, which may include
4 permeable pavement, when entering into a contract for the purchase
5 of unit concrete products, or for any construction or improvement
6 project that requires the use of unit concrete products, including the
7 replacement of impervious surfaces with permeable pavement. In
8 the event that more than one bidder offers to use unit concrete
9 products that utilize carbon footprint-reducing technology, the state
10 department or agency shall award the contract to the lowest
11 responsible bidder among them.

12 b. The Division of Purchase and Property and the Division of
13 Property Management and Construction, in consultation with the
14 Department of Environmental Protection, shall develop and publish
15 guidelines for implementing the preference pursuant to subsection
16 a. of this section. The guidelines shall encourage and promote, to
17 the maximum extent practicable, the purchase and use of unit
18 concrete products that utilize carbon footprint-reducing technology.
19 The guidelines shall conform to any standards or procedures
20 established by the State Treasurer and the Department of
21 Environmental Protection pursuant to section 10 of P.L. ,

22 c. (C.)(pending before the Legislature as this bill). Whenever
23 any agency or department of State government purchases unit
24 concrete products, or undertakes any construction or improvement
25 project that requires the use of unit concrete products, the agency or
26 department shall follow the guidelines therefor established by the
27 director.

28 c. In preparing the specifications for any contract for the
29 purchase of unit concrete products, or for any construction or
30 improvement project that requires the use of unit concrete products,
31 the Director of the Division of Purchase and Property, the Director
32 of the Division of Property Management and Construction, or any
33 State agency having authority to contract for the purchase of goods
34 or services shall include in the invitation to bid, where relevant, a
35 statement that any response to the invitation that proposes or calls
36 for the use of unit concrete products that utilize carbon footprint-
37 reducing technology shall receive preference whenever possible.

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

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

42 (2) bid packages advertised and made available to the public, or
43 to any competitive and sealed bids received by the State, prior to
44 the effective date of P.L. , c. (C.)(pending before the
45 Legislature as this bill); or

46 (3) any amendment, modification, or renewal of a contract,
47 which contract was entered into prior to the effective date of
48 P.L. , c. (C.)(pending before the Legislature as this bill)

1 where the application would delay timely completion of a project or
2 involve an increase in the total moneys to be paid by the State under
3 that contract.

4 e. As used in this section:

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

10 “Unit concrete product” means a concrete building product that
11 is fabricated under controlled conditions separate and remote from
12 the intended point of use and is produced in a wet cast or dry cast
13 method in a factory setting and then transported to the location of
14 intended use for installation, including, but not limited to, all
15 concrete pavers, whether permeable or non-permeable, and concrete
16 block.

17 “Unit concrete product that utilizes carbon footprint-reducing
18 technology” means a unit concrete product that is certified by the
19 Department of Environmental Protection, or any independent third
20 party authorized by the department, pursuant to section 10 of
21 P.L. , c. (C.)(pending before the Legislature as this bill), as
22 generating at least 50 percent less carbon dioxide emissions in the
23 production and utilization of the unit concrete product than
24 conventional unit concrete products made with ordinary Portland
25 cement.

26

27 7. a. Notwithstanding the provisions of any other law, rule, or
28 regulation to the contrary, a local contracting unit shall, whenever
29 possible, give preference to a bid that uses unit concrete products
30 that utilize carbon footprint-reducing technology, which may
31 include permeable pavers, when entering into a contract for the
32 purchase of unit concrete products, or for any construction or
33 improvement project that requires the use of unit concrete products,
34 including the replacement of impervious surfaces with permeable
35 pavement. In the event that more than one bidder offers to use unit
36 concrete products that utilize carbon footprint-reducing technology,
37 the local contracting unit shall award the contract to the lowest
38 responsible bidder among them.

39 b. The director, in consultation with the Department of
40 Environmental Protection, shall develop and publish guidelines for
41 implementing the preference pursuant to subsection a. of this
42 section. These guidelines shall encourage and promote, to the
43 maximum extent practicable, the purchase and use of unit concrete
44 products that utilize carbon footprint-reducing technology. The
45 guidelines shall conform to any standards or procedures established
46 by the State Treasurer and the Department of Environmental
47 Protection pursuant to section 10 of P.L. , c. (C.)(pending
48 before the Legislature as this bill). Whenever a local contracting

1 unit purchases unit concrete products, or undertakes any
2 construction or improvement project that requires the use of unit
3 concrete products, the local contracting unit shall follow the
4 guidelines therefor established by the director.

5 c. In preparing the specifications for a contract for the purchase
6 of unit concrete products, or for any construction or improvement
7 project that requires the use of unit concrete products, a local
8 contracting unit shall include in the invitation to bid, including in
9 the specifications for all contracts for county or municipal work or
10 for work for which it will pay any part of the cost, or work which
11 by contract or ordinance it will ultimately own and maintain, where
12 relevant, a statement that any response to the invitation that
13 proposes or calls for the use of unit concrete products that utilize
14 carbon footprint-reducing technology shall receive preference
15 whenever possible.

16 d. No priority shall be granted pursuant to subsection a. of this
17 section with respect to:

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

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

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

31 e. As used in this section:

32 "Director" means the Director of the Division of Local
33 Government Services in the Department of Community Affairs.

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

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

45 "Unit concrete product" means a concrete building product that
46 is fabricated under controlled conditions separate and remote from
47 the intended point of use and is produced in a wet cast or dry cast
48 method in a factory setting and then transported to the location of

1 intended use for installation, including, but not limited to, all
2 concrete pavers, whether permeable or non-permeable, and concrete
3 block.

4 “Unit concrete product that utilizes carbon footprint-reducing
5 technology” means a unit concrete product that is certified by the
6 Department of Environmental Protection, or any independent third
7 party authorized by the department, pursuant to section 10 of
8 P.L. , c. (C.)(pending before the Legislature as this bill), as
9 generating at least 50 percent less carbon dioxide emissions in the
10 production and utilization of the unit concrete product than
11 conventional unit concrete products made with ordinary Portland
12 cement.

13

14 8. a. The Department of Transportation shall establish and
15 implement a program to prioritize, to the greatest extent practicable
16 as determined by the Commissioner of Transportation, the use of
17 unit concrete products that utilize carbon footprint-reducing
18 technology, which may include permeable pavement, in the design,
19 construction, reconstruction, or repair of any public highway,
20 parking lot, sidewalk, walkway, patio, or other public infrastructure
21 project that requires the use of unit concrete products, or in the
22 replacement of an impervious surface with permeable pavement,
23 and that is funded in whole or in part from the “Special
24 Transportation fund” established pursuant to section 21 of
25 P.L.1984, c.73 (C.27:1B-21).

26 b. As used in this section:

27 “Permeable pavement” means a concrete product that allows
28 rainwater to penetrate the pavement and percolate into the
29 supporting soils and includes, but is not limited to, pervious
30 concrete, permeable interlocking concrete pavers, and concrete grid
31 pavers.

32 “Unit concrete product” means a concrete building product that
33 is fabricated under controlled conditions separate and remote from
34 the intended point of use and is produced in a wet cast or dry cast
35 method in a factory setting and then transported to the location of
36 intended use for installation, including, but not limited to, all
37 concrete pavers, whether permeable or non-permeable, and concrete
38 block.

39 “Unit concrete product that utilizes carbon footprint-reducing
40 technology” means a unit concrete product that is certified by the
41 Department of Environmental Protection, or any independent third
42 party authorized by the department, pursuant to section 10 of
43 P.L. , c. (C.)(pending before the Legislature as this bill), as
44 generating at least 50 percent less carbon dioxide emissions in the
45 production and utilization of the unit concrete product than
46 conventional unit concrete products made with ordinary Portland
47 cement.

1 9. a. Any person or entity that purchases unit concrete
2 products, or that undertakes any construction or improvement that
3 requires the use of unit concrete products, including the
4 replacement of impervious surface with permeable pavement, the
5 cost or contract price of which is financed, in whole or in part, by
6 State funds, shall, as a condition of receiving State funds, use unit
7 concrete products that utilize carbon footprint-reducing technology,
8 provided that such utilization does not conflict with federal funding
9 conditions.

10 b. As used in this section:

11 “Permeable pavement” means a concrete product that allows
12 rainwater to penetrate the pavement and percolate into the
13 supporting soils and includes, but is not limited to, pervious
14 concrete, permeable interlocking concrete pavers, and concrete grid
15 pavers.

16 “Unit concrete product” means a concrete building product that
17 is fabricated under controlled conditions separate and remote from
18 the intended point of use and is produced in a wet cast or dry cast
19 method in a factory setting and then transported to the location of
20 intended use for installation, including, but not limited to, all
21 concrete pavers, whether permeable or non-permeable, and concrete
22 block.

23 “Unit concrete product that utilizes carbon footprint-reducing
24 technology” means a unit concrete product that is certified by the
25 Department of Environmental Protection, or any independent third
26 party authorized by the department, pursuant to section 10 of
27 P.L. , c. (C.)(pending before the Legislature as this bill), as
28 generating at least 50 percent less carbon dioxide emissions in the
29 production and utilization of the unit concrete product than
30 conventional unit concrete products made with ordinary Portland
31 cement.

32
33 10. a. The Commissioner of Environmental Protection shall
34 establish any standards and procedures necessary to implement the
35 provisions of P.L. , c. (C.)(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
40 made with ordinary Portland cement. The Department of
41 Environmental Protection shall consider a consensus evaluation and
42 reporting standard developed by an independent private
43 organization such as the International Organization for
44 Standardization or the American National Standards Institute that
45 creates a uniform system for self-evaluation and self-reporting by
46 unit concrete product manufacturers, and shall give preference to a
47 standard supported by the unit concrete product industry or industry
48 associations.

1 b. The State Treasurer, the Commissioner of Environmental
2 Protection, and the Commissioner of Transportation may adopt,
3 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
4 (C.52:14B-1 et seq.), any rules and regulations necessary to
5 implement the provisions of P.L. , c. (C.)(pending before
6 the Legislature as this bill).

7
8 11. This act shall take effect immediately.

9
10
11 STATEMENT

12
13 This bill would require developers to offer unit concrete products
14 that utilize carbon footprint-reducing technology as an option in
15 new construction, and establish various tax incentives, and State
16 and local government purchasing preferences, for unit concrete
17 products that utilize carbon footprint-reducing technology.

18 Under the bill a "unit concrete product that utilizes carbon
19 footprint-reducing technology" means a unit concrete product that
20 is certified by the Department of Environmental Protection (DEP),
21 or an independent third party authorized by the DEP, as generating
22 at least 50 percent less carbon dioxide emissions in the production
23 and utilization of the unit concrete product than conventional unit
24 concrete products made with ordinary Portland cement. A "unit
25 concrete product" is a concrete building product that is fabricated
26 under controlled conditions separate and remote from the intended
27 point of use and is produced in a wet cast or dry cast method in a
28 factory setting and then transported to the location of intended use
29 for installation, including all concrete pavers, whether permeable or
30 non-permeable, and concrete block.

31 The bill would require a developer, for any new construction that
32 requires the use of unit concrete products, where technically
33 feasible, to offer unit concrete products that utilize carbon footprint-
34 reducing technology in the new construction. This requirement
35 would apply whenever a prospective purchaser enters into
36 negotiations with a developer to construct or purchase a new
37 residential dwelling or commercial building in the State. Under the
38 bill, the developer would be required to disclose, in any advertising
39 or offer to construct a new residential dwelling or commercial
40 building, certain information about the cost and environmental
41 benefits of unit concrete products that utilize carbon footprint-
42 reducing technology, and tax incentives available under the bill.
43 The bill would require the Commissioner of Community Affairs to
44 publish educational materials concerning unit concrete products that
45 utilize carbon footprint-reducing technology, and provide
46 developers with information concerning the tax incentives
47 established in the bill.

1 Under the bill, receipts from the sale of unit concrete products
2 that utilize carbon footprint-reducing technology, including
3 permeable pavement, used in the construction or improvement of
4 any residential dwelling or commercial building in the State would
5 be exempt from the State Sales and Use Tax. The bill would also
6 provide both corporation business tax credits and gross income tax
7 credits for persons who purchase and install unit concrete products
8 that utilize carbon footprint-reducing technology, including
9 permeable pavement, in the construction or improvement of any
10 residential dwelling or commercial building, or in the replacement
11 of an impervious surface with permeable pavement. The tax credit
12 would be equal to \$2.00 per square foot of qualified unit concrete
13 products purchased and installed. The value of the tax credits
14 allowed under the bill would be capped at \$3,000 for a residential
15 property and \$30,000 for a commercial property in a single
16 privilege period. In order to qualify for a tax credit, a person would
17 be required to install at least 100 square feet of qualified unit
18 concrete products.

19 The bill would require the Director of the Division of Purchase
20 and Property, the Director of the Division of Property Management
21 and Construction, and any State agency having authority to contract
22 for the purchase of goods or services, wherever possible, to give
23 preference to unit concrete products that utilize carbon footprint-
24 reducing technology. This requirement would apply whenever a
25 State agency enters into a contract for the purchase of unit concrete
26 products, or for any construction or improvement project that
27 requires the use of unit concrete products, including the
28 replacement of impervious surfaces with permeable pavement. The
29 Division of Purchase and Property and the Division of Property
30 Management and Construction, in consultation with the DEP, would
31 be required to publish guidelines for implementing this preference.
32 A State agency would be required to include in an invitation to bid,
33 where relevant, a statement that any response to the invitation that
34 proposes or calls for the use of unit concrete products that utilize
35 carbon footprint-reducing technology will receive preference
36 whenever possible.

37 The bill would also require a local contracting unit, whenever
38 possible, to give preference to a bid that uses unit concrete products
39 that utilize carbon footprint-reducing technology, including
40 permeable pavers. This requirement would apply whenever a local
41 contracting units enters into a contract for the purchase of unit
42 concrete products, or for any construction or improvement project
43 that requires the use of unit concrete products, including the
44 replacement of impervious surfaces with permeable pavement.
45 Under the bill, the Director of the Division of Local Government
46 Services, in consultation with the DEP, would be required to
47 publish guidelines for implementing the preference. In preparing
48 specification for a contract, a local unit would be required to

1 include in an invitation to bid, where relevant, a statement that any
2 response to the invitation that proposes or calls for the use of unit
3 concrete products that utilize carbon footprint-reducing technology
4 will receive preference whenever possible.

5 The bill would require the Department of Transportation to
6 establish a implement a program to prioritize, to the greatest extent
7 practicable, the use of unit concrete products that utilize carbon
8 footprint-reducing technology, including permeable pavement, in
9 the design, construction, reconstruction, or repair of any public
10 transportation infrastructure project that is funded in whole or in
11 part from the “Special Transportation fund” established pursuant to
12 section 21 of P.L.1984, c.73 (C.27:1B-21). The bill would also
13 require any person or entity that purchases unit concrete products,
14 or that undertakes any construction or improvement that requires
15 the use of unit concrete products, including the replacement of
16 impervious surface with permeable pavement, to use unit concrete
17 products that utilize carbon footprint-reducing technology, if the
18 project is financed, in whole or in part, with State funds.

19 Finally, the bill would require the Commissioner of
20 Environmental Protection to establish any standards and procedures
21 necessary to implement the bill, including a process for certifying
22 whether a unit concrete product generates at least 50 percent less
23 carbon dioxide emissions in the production and utilization of the
24 unit concrete product than conventional unit concrete products
25 made with ordinary Portland cement. The DEP would be required
26 to consider a consensus evaluation and reporting standard,
27 developed by an independent private organization, that creates a
28 uniform system for self-evaluation and self-reporting by unit
29 concrete product manufacturers, and would give preference to a
30 standard supported by the unit concrete product industry or industry
31 associations.

32 Concrete is the most widely used constructional material in the
33 world due to its low cost, strength, and durability. The production
34 of ordinary Portland cement, the critical ingredient in concrete, is
35 responsible for almost eight percent of the world’s carbon dioxide
36 emissions, and is a significant contributor to climate change.
37 Ordinary Portland cement requires significant amounts of energy to
38 produce, resulting in high carbon dioxide emissions. However,
39 modern technology allows concrete to be produced utilizing less
40 energy, and the emission of carbon dioxide from cement
41 manufacturing can be greatly reduced by capturing and utilizing
42 carbon dioxide in the unit concrete product manufacturing process,
43 including the chemical reaction that results in strength and
44 durability of concrete. This process can sequester carbon dioxide in
45 the unit concrete product or chemically transform the carbon
46 dioxide into mineral form, embedding it into the concrete and
47 preventing its release as a gas. Unit concrete products that utilize
48 carbon footprint-reducing technology can greatly reduce greenhouse

1 gas emissions from the concrete and construction industries, and it
2 is therefore in the public interest to incentivize their purchase and
3 use.