SENATE, No. 3995

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JUNE 21, 2021

Sponsored by:

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

Senator TROY SINGLETON

District 7 (Burlington)

Assemblywoman PAMELA R. LAMPITT

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Assemblyman THOMAS P. GIBLIN

District 34 (Essex and Passaic)

Co-Sponsored by:

Senators Gopal, Ruiz, Assemblyman Benson, Assemblywoman Murphy, Assemblymen Freiman, Verrelli and Assemblywoman Reynolds-Jackson

SYNOPSIS

Establishes School and Small Business Energy Efficiency Stimulus Program Fund in BPU.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT establishing the School and Small Business Energy 2 Efficiency Stimulus Program Fund in the Board of Public 3 Utilities and supplementing Title 48 of the Revised Statutes.

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

- 8 1. As used in in P.L. (C.) (pending before the , c. 9 Legislature as this bill):
- 10 "ANSI" means American National Standards Institute.
- 11 "ASHRAE" means the American Society of Heating, 12 Refrigerating and Air-Conditioning Engineers.
- "Board" means the Board of Public Utilities or any successor 13 14 agency.
- 15 "Board of education" means and includes the board of education 16 of any local school district, consolidated school district, regional school district, county vocational school and any other board of 17 education or other similar body other than the State Board of 18 Education, the Commission on Higher Education or the Presidents' 19 20 Council, established and operating under the provisions of Title 18A of the New Jersey Statutes and having authority to make 21
- purchases and to enter into contracts for the provision or 22 23 performance of goods or services. "Board of education" shall
- 24 include the board of trustees of a charter school established under
- 25 P.L.1995, c.426 (C.18A:36A-1 et seq.).
- 26 "Certified energy auditor" means a commercial entity determined 27 to be qualified by the board to conduct and develop an energy audit meeting the standards of ASHRAE Level II and III, including those 28 29 qualified by the Division of Property Management and Construction 30 in the Department of the Treasury.
- 31 "Certified TAB technician" means a technician certified to perform
- 32 testing, adjusting, and balancing of HVAC systems by the
- 33 Balance Council (AABC), the Associated Air National
- 34 Environmental Balancing Bureau (NEBB), or the Testing,
- Adjusting and Balancing Bureau (TABB). 35
- "Coronavirus 2019" means the coronavirus disease 2019, as 36
- announced by the World Health Organization on February 11, 2020, 37
- and first identified in Wuhan, China. 38
- 39 "HVAC" means heating, ventilation, and air conditioning.
- 40 "MERV" means minimum efficiency reporting value.
- 41 "Noncompliant appliance" means all of the following:
- 42 a commercial dishwasher that was manufactured prior to
- January 1, 2010, that does not meet the efficiency requirement of 43
- 44 the Energy Star Product Specification for Commercial Dishwashers,
- 45
- 46 b. an automatic commercial ice maker that was manufactured
- prior to January 1, 2010, that does not meet the efficiency 47
- requirement of the Energy Star Product Specification for Automatic 48
- 49 Commercial Ice Makers, Version 1; or

- 1 c. a commercial clothes washer that was manufactured prior to 1
- 2 January 1, 2010, that does not meet the efficiency requirement of
- the Energy Star Product Specification for Clothes Washers, Version
 5.0.
- 5 "Noncompliant plumbing fixture" means:
- a. a toilet manufactured to use more than 1.6 gallons of water per flush;
- b. a urinal manufactured to use more than one gallon of waterper flush;
- 10 c. a showerhead manufactured to have a flow capacity of more 11 than 2.5 gallons of water per minute; or
- d. an interior faucet that emits more than 2.2 gallons of water per minute.
- "PPM" means parts per million.
- 15 "Program fund" means the School and Small Business Energy
- 16 Efficiency Stimulus Program Fund established pursuant to section 2
- of P.L., c. (C.) (pending before the Legislature as this bill).
- "Qualified adjusting personnel" or "qualified testing personnel" means either of the following:
- a. a certified TAB technician; or
- b. a skilled and trained workforce under the supervision of a certified TAB technician.
- 23 "Registered apprenticeship program" means a plan containing all
- 24 the terms and conditions for the qualification, recruitment,
- 25 selection, employment, and training of apprentices, as required
- 26 under Part 29 and Part 30 of Title 49 of the Code of Federal
- 27 Regulations, including meeting all requirements set forth under
- 28 section 2 of P.L.2019, c.518 (C.34:11-56.71).
- 29 "Skilled and trained workforce" means a workforce where at 30 least 60 percent of the construction workers are graduates of a 31 registered apprenticeship program for the applicable occupation.
- 32 "Small business" means a sole proprietorship, partnership or
- corporation that has its principal place of business in the State, is of
- a size and type determined by the board, and is a women's business
- or minority business, as those terms are defined in section 2 of
- 36 P.L.1987, c.55 (C.52:27H-21.8).
- 37 "SSBNPFA Program" means the School and Small Business
- Noncompliant Plumbing Fixture and Appliance Program established
- 39 pursuant to section 5 of P.L. , c. (C.) (pending before the
- 40 Legislature as this bill).
- 41 "SSBVEEVR Program" means the School and Small Business
- 42 Ventilation and Energy Efficiency Verification and Repair Program
- established pursuant to section 4 of P.L. , c. (C.) (pending
- before the Legislature as this bill).
- 45 "TAB" means testing, adjusting, and balancing.
- 46 "Underserved community" means a school district in which at
- least 75 percent of public school students are eligible to receive free
- 48 or reduced-price meals under the National School Lunch Program

- established pursuant to the "Richard B. Russell National School Lunch Act," Pub.L.79-396 (42 U.S.C. s.1751 et seq.).
 - "Water-conserving appliance" means any of the following:
- a. a commercial dishwasher that meets the criteria of the Energy Star Product Specification for Commercial Dishwashers, Version 2.0, or any revision to those criteria published by the United States Environmental Protection Agency that is adopted by the board for the program;
 - b. an automatic commercial ice maker that meets the criteria of the Energy Star Product Specification for Automatic Commercial Ice Makers, Version 3.0, or any revision to those criteria published by the United States Environmental Protection Agency that is adopted by the board for the program; or
 - c. a commercial clothes washer that meets the criteria of the Energy Star Product Specification for Clothes Washers, Version 8.0, or any revision to those criteria published by the United States Environmental Protection Agency that is adopted by the board for the program.

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- 2. a. The Board of Public Utilities shall establish and administer a fund to be known as the School and Small Business Energy Efficiency Stimulus Program Fund for the purpose of providing grants to boards of education and small businesses for the installation of certain HVAC systems and energy efficient and water-conserving appliances to improve air quality and energy efficiency in school districts under the jurisdiction of a board of education and small businesses, including school districts and small businesses in underserved communities. The monies deposited into the program fund shall only be used to support the following programs:
- (1) The School and Small Business Ventilation and Energy Efficiency Verification and Repair Program; and
- (2) The School and Small Business Noncompliant Plumbing Fixture and Appliance Program.
- b. Seventy-five percent of projects funded by the SSBVEEVR Program or SSBNPFA Program shall be allocated for school districts and small businesses located in underserved communities.
- c. The board shall begin to solicit applications from boards of education and small businesses for grants made pursuant to this section on or before October 1, 2021 and begin to approve applications for a grant no later than December 1, 2021, subject to the availability of funds.
- d. The program fund shall be funded by monies provided to the State from the federal government under the "American Rescue Plan Act of 2021," Pub. L. 117-2, as determined by the board, and shall be allocated as follows:
- 47 (1) 75 percent of funds for the SSBVEEVR Program; and
 - (2) 25 percent of funds for the SSBNPFA Program.

- e. Seventy-five percent of grant funds issued pursuant to this section shall be awarded to school districts and the remaining 25 percent shall be awarded to small businesses.
- f. Program grants made pursuant to this section shall provide no more than 75 percent of the cost of projects approved by the board, with the remaining 25 percent covered by non-SSBVEEVR or non-SSBNPFA funding sources, as applicable.

- 3. a. Notwithstanding the provisions of any other law to the contrary, for the purpose of expediting the board's procurement of technical services to administer the SSBVEEVR and the SSBNPFA Programs, the following provisions shall apply as modifications to law or regulation that may interfere with the expedited award of the above services:
- (1) the procurement may be done by the board itself consistent with the requirements of sections 2, 3, 4, and 5 of P.L.1954, c.48 (C.52:34-7, C.52:34-8, C.52:34-9, and C.52:34-10), with the board authorizing a waiver of advertising under subsection (a) of section 4 of P.L.1954, c.48 (C.52:34-9) and approving the final contract by resolutions of the board;
- (2) the timeframes for challenging the award of the contract may be modified as determined by the board;
- (3) the board may amend any existing contract with a vendor administering another board energy efficiency program to assist with the administering of the SSBVEEVR and the SSBNPFA Programs until the contract to be awarded pursuant to this section is executed; and
- (4) the period of time that the State Comptroller has to review the request for proposals for these professional services procurements for compliance with applicable public contracting laws, rules and regulations, pursuant to section 10 of P.L.2007, c.52 (C.52:15C-10), shall be 10 business days or less if practicable, as determined by the State Comptroller.
- b. The board may, to the extent necessary, waive or modify any other regulation, or for any bidder, any applicable requirement in chapters 25, 32, 34 of Title 52 of the Revised Statutes, that may interfere with the expeditious procurement of these services.

- 4. a. The board shall establish and administer the SSBVEEVR Program to award grants to boards of education and small businesses to ensure schools under board of education jurisdiction and small businesses shall have functional HVAC systems that are tested, adjusted, and, if necessary or cost effective, repaired, upgraded, or replaced to increase efficiency and performance.
- b. (1) A board of education or small business may apply for a grant pursuant to section 2 of P.L., c. (C.) (pending before the Legislature as this bill) by submitting an application to the board, in a form and manner determined by the board, for reasonable costs of the HVAC assessment, assessment report,

deferred general maintenance, adjustment of ventilation rates, filter replacement, system replacement, and carbon dioxide monitor installation.

- (2) The board shall adjust energy efficiency savings targets, as necessary, to ensure that energy savings created through the expenditures made pursuant to P.L. , c. (C.) (pending before the Legislature as this bill) are not double counted in any public utility energy efficiency program.
- c. (1) The board shall award a grant if the amount requested in the application is verified by the estimate of a certified energy auditor and the board of education and small business meet other requirements determined by the board to be appropriate to achieve the purposes of P.L., c. (C.) (pending before the Legislature as this bill). A grant that meets the board's criteria shall be awarded in the amount requested. The board may allow for supplementary requests for contingency funding, an additional amount, up to 20 percent of the requested amount for repairs, upgrades, or replacements necessary, as identified by the certified energy auditor, to make the system functional or more energy efficient.
- (2) If a certified energy auditor identifies cost-effective energy efficiency upgrades or repairs that would exceed the additional 20 percent awarded, a board of education or small business may apply for additional funding for the cost-effective energy efficiency upgrades or repairs through the board's existing energy efficiency programs, which shall receive priority treatment.
- (3) The board shall have the authority to establish the timing of grant funding, including the ability to provide some or all funding in advance of the performance of work where requirements to ensure performance are established.
- d. (1) Qualified testing personnel or qualified adjusting personnel shall do all of the following:
- (a) for a board of education or small business receiving a grant to install filtration with a MERV of 13 or better in the HVAC system of a school and small business building, where feasible, qualified testing personnel shall review system capacity and airflow to determine the highest MERV filtration that can be installed without adversely impacting equipment, shall replace or upgrade filters where needed, and shall verify that those filters are installed correctly. If a HVAC system uses ultraviolet germicidal irradiation to disinfect the air, the ultraviolet germicidal irradiation lamp shall be checked for proper operation, replacing bulbs as needed and verifying that the ultraviolet light does not shine on filters. Recommendations for additional maintenance, replacement, or upgrades to allow for more protective filtration shall be recorded in the assessment report;
- (b) for HVAC systems with economizers, qualified testing personnel shall test HVAC system economizer dampers. Economizer dampers and controls that are not properly functioning shall be repaired by a skilled and trained workforce.

Recommendations for additional maintenance, replacement, or upgrades shall be recorded in the assessment report;

- (c) concerning a school building, after completing the requirements of subparagraph (b) of this paragraph, qualified testing personnel shall verify the ventilation rates in the school and small business building, and other occupied areas to assess whether they meet the minimum ventilation rate requirements set forth in ANSI/ASHRAE Standard 62.1-2019, Ventilation for Acceptable Indoor Air. Assessment, which shall include all of the following:
- (i) a calculation of the required minimum outside air ventilation rates for each occupied area based on the anticipated occupancy and the minimum required ventilation rate per occupant. Calculations shall be based on maximum anticipated building or other occupied area occupancy rates and determined by the performing technician. Natural ventilation shall be designed in accordance with Section 402 of the 2018 International Mechanical Code and shall include mechanical ventilation systems designed in accordance with Section 403 of the 2018 International Mechanical Code; and
- (ii) the measurement of outside air and verification of whether the HVAC system provides the minimum outside air ventilation rates calculated under this subparagraph;

If the HVAC system does not meet the minimum ventilation rate requirements, the certified energy auditor or qualified adjusting personnel shall review the HVAC system airflow and capacity to determine if additional ventilation can be provided without adversely impacting equipment performance and building indoor environmental quality. If additional ventilation can be provided, qualified adjusting personnel shall adjust ventilation rates to meet the minimum ventilation rate requirements set forth, pursuant to this paragraph, to the extent feasible. After the adjustment, the measurement of outside air and verification of whether the HVAC system provides the minimum outside air ventilation rates calculated under this subparagraph shall be repeated. If minimum ventilation rate requirements cannot be met, this deficiency shall be reported in the assessment report and the verification report and shall be addressed by a certified energy auditor, as required;

(d) survey readings of inlets and outlets to verify that all ventilation is reaching the served zone and that there is adequate distribution. Qualified testing personnel or qualified adjusting personnel shall verify if inlets and outlets are balanced within tolerance of the system design. Qualified testing personnel or qualified adjusting personnel shall document read values and deficiencies. If the original HVAC system design values are not available, qualified testing personnel or qualified adjusting personnel shall document the available information and note the unavailability of HVAC system design values in the assessment report;

(e) verify building pressure relative to the outdoors to ensure positive pressure differential and to ensure the building is not over pressurized;

- (f) verify coil velocities and coil and unit discharge air temperatures as required to maintain desired indoor conditions and to avoid moisture carry over from cooling coils;
- (g) verify that separation between outdoor air intakes and exhaust discharge outlets meet requirements of the 2018 International Mechanical Code;
- (h) confirm that the air handling unit is bringing in outdoor air and removing exhaust air as intended by the system design;
- (i) measure all exhaust air volume for exhaust fans, including restrooms and document any discrepancies from system design;
- (j) if a demand control ventilation system is installed, qualified testing personnel or qualified adjusting personnel shall test it and adjust the ventilation to a carbon dioxide set point of 800 PPM or less. If the demand control ventilation system does not maintain average daily maximum carbon dioxide levels below 1,100 PPM, it shall be disabled until such time as the board of education or small business determines that the COVID-19 pandemic has ended, unless disabling the control would adversely affect operation of the overall system. When disabling a demand control ventilation system, the system shall be configured to meet the minimum ventilation rate requirements and tested and adjusted in accordance with subparagraph (b) of this paragraph. Recommendations for additional maintenance, replacement or upgrades shall be recorded in the assessment report;
- (k) a qualified testing personnel or a skilled and trained workforce shall verify coil condition, condensate drainage, cooling coil air temperature differentials, heat exchanger operation, and drive assembly. If repairs, replacement, or upgrades are necessary, these deficiencies shall be reported in the assessment report and the verification report, and addressed by a certified energy auditor;
- (l) review control sequences to verify the HVAC systems will maintain intended ventilation, temperature and humidity conditions during school and small business operation. Previously unoccupied buildings shall perform the recommended practices of reopening a building as covered in the ASHRAE Building Readiness document Restarting a Building;
- (m) verify a daily flush is scheduled for two hours before and after scheduled occupancy or demonstrate calculation of flush times per ASHRAE Guidance for Reopening and Operating Schools and Buildings or otherwise applicable local or State guidance; and
- (n) verify that HVAC system operational times, exhaust fans operation times, setpoints, and enabled features meet ASHRAE Guidance for Reopening and Operating Schools and Buildings or otherwise applicable local or State guidance.

(2) Requirements for filtration levels, ventilation rates, and ventilation schedules may be amended by the board based on the latest COVID-19 or other applicable guidance.

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- (3) If installed HVAC systems or system components are broken, fail to meet minimum ventilation requirements, or are unable to operate to the original design and intent, this information shall be set forth in the assessment report prepared and be provided to a certified energy auditor for determination of appropriate corrective measures. Repairs, upgrades, or replacements shall be performed by a skilled and trained workforce.
- ensure (4) (a) For school building, to proper ventilation is maintained throughout the school year, all classrooms shall be equipped with a carbon dioxide monitor that meets all of the following requirements:
- (i) the monitor shall be hard-wired or plugged-in and mounted to the wall between three and six feet above the floor and at least five feet away from the door and operable windows;
- (ii) the monitor shall display the carbon dioxide readings to the teacher or other building staff through a display on the device or other means such as a web-based application or cellular phone application;
- (iii) the monitor shall provide a notification through a visual indicator on the monitor, such as an indicator light, or other alert system, such as an electronic mail, text, or cellular telephone application, when the carbon dioxide levels in the classroom have exceeded 1,100 PPM;
- (iv) the monitor shall maintain a record of previous data that includes at least the maximum carbon dioxide concentration measured;
- (v) the monitor shall have a carbon dioxide concentration range of 400 PPM to 2000 PPM or greater; and
- (vi) the monitor shall be certified by the manufacturer to be accurate within 75 PPM at 1,000 PPM carbon dioxide concentration and certified by the manufacturer to require calibration no more frequently than once every five years.
- (b) If a classroom carbon dioxide concentration exceeds 1,100 PPM more than once a week as observed by the teacher or other building staff, the classroom ventilation rates shall be adjusted by qualified personnel to ensure peak carbon dioxide concentrations in the classroom remain below the maximum allowable carbon dioxide PPM setpoint. Verification of the installation of carbon dioxide monitors in all classrooms shall be included in the assessment report.
- (c) The requirements of subsubparagraphs (i) to (vi) of subparagraph (a) of this paragraph, may be amended by the board as necessary to reflect available technology and to achieve the intent of this paragraph.
- 48 A qualified testing personnel or qualified adjusting personnel shall prepare an assessment report for review by a

1 certified energy auditor. The certified energy auditor shall review 2 the assessment report and determine what, if any, additional 3 adjustments or repairs would be necessary to meet the minimum 4 ventilation and filtration requirements, determine whether any cost-5 effective energy efficiency upgrades or replacements are warranted 6 or recommended, and provide an estimated cost for this work. If the 7 cost of recommended repairs, upgrades, or replacements are greater 8 than the contingency amount provided in the grant, then the 9 certified energy auditor and the board of education and small 10 business shall submit an application for additional funding pursuant 11 to this section. The provision of any additional funding for repairs, 12 upgrades, or replacements shall be conditioned on the applicant 13 ensuring that all construction work funded, in whole or in part, by 14 the additional funding is performed by a skilled and trained 15 workforce. The assessment report shall include all of the following 16 information:

(a) name and address of the school and small business building and person or contractor preparing and certifying assessment report;

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- (b) documentation of HVAC equipment model number, serial number, general condition of unit, and any additional information that could be used to assess replacement and repair options given potential for increased energy efficiency benefits;
- (c) either verification that MERV 13 filters have been installed or verification that the maximum MERV-rated filter that the HVAC system is able to effectively handle has been installed and what that MERV-rating is;
- (d) for a school building, the verified ventilation rates for facility classrooms, auditoriums, gymnasiums, nurses' offices, restrooms, offices, and other occupied areas, and whether those rates meet the requirements set forth in ANSI/ASHRAE Standard 62.1-2019. If ventilation rates do not meet applicable requirements, then an explanation for why the current system is unable to meet those rates shall be provided;
- (e) for a school building, the verified exhaust rates for building classrooms, auditoriums, gymnasiums, nurses' offices, restrooms, and other occupied areas and whether those rates meet the requirements set forth in the design intent; and
- (f) documentation of system deficiencies and recommendations for additional maintenance, replacement, or upgrades to improve energy efficiency, safety, or performance.
- (6) Upon completion of all work funded by a grant pursuant to this section, the board of education shall have prepared an HVAC verification report. The HVAC verification report shall include all of the following information:
- (a) the name and address of the school and small business building and person or who prepared and certified the report;
- (b) a description of the assessment, maintenance, adjustment, repair, upgrade, and replacement activities and outcomes;

(c) a verification that the board of education has complied with all requirements of this section;

- (d) a verification that either MERV 13 filters have been installed or a verification that the maximum MERV-rated filter that the HVAC system is able to effectively handle has been installed and the MERV-rating level;
 - (e) the verified ventilation rates for building classrooms, auditoriums, gymnasiums, nurses' offices, restrooms, offices, and other occupied areas and whether those rates meet the requirements set forth in ANSI/ASHRAE Standard 62.1-2019. If ventilation rates do not meet applicable guidance, then the report shall provide an explanation for why the current system is unable to meet those rate;
 - (f) the verified exhaust for building classrooms, auditoriums, gymnasiums, nurses' offices, restrooms, and other occupied areas and whether those rates meet the requirements set forth in the design intent;
- (g) documentation of HVAC system deficiencies and recommendations for additional maintenance, replacement, or upgrades to improve energy efficiency, safety, or performance;
- (h) documentation of the initial operating verifications, adjustments, and final operating verifications of the HVAC system, and documentation of any adjustments or repairs performed on the HVAC system;
- (i) verification of the installation of carbon dioxide monitors, including the make and model of the monitors; and
- (j) verification that all work has been performed by qualified personnel, including the provision of the contractor's name, TAB technician name and certification number, and verification that all construction work has been performed by a skilled and trained workforce.
- (7) Other than the workforce qualification requirements, the technical and reporting requirements of the SSBVEEVR Program may be amended by the board as necessary, to reflect the latest COVID-19 or other applicable guidance, or otherwise to achieve the intent of the SSBVEEVR Program and to ensure consistency with the related requirements and codes.
- (8) The board of education shall maintain a copy of the HVAC verification report and make it available to any member of the public or the board upon request.
- e. As a condition for receiving a grant pursuant to section 2 of P.L., c. (C.) (pending before the Legislature as this bill), a board of education and small business shall comply with the requirements of this section for all air-handling units, rooftop units, and unitary and single zone equipment in its schools' or small business' HVAC system or systems. Any costs associated with complying with this subsection shall be automatically included in any grant amount awarded under the program.
- 48 (1) An HVAC system installed pursuant to this section shall 49 meet the ANSI/ASHRAE Standard 62.1-2019, Ventilation for

- 1 Acceptable Indoor Air Quality and shall have qualified testing 2 personnel or qualified adjusting personnel perform the following:
- (a) review control sequences to verify HVAC systems will maintain intended ventilation, temperature, and humidity conditions during school and small business operation. Previously unoccupied buildings shall perform the recommended practices of reopening a building as covered in the ASHRAE Building Readiness document –Restarting a Building;

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- (b) verify a daily flush is scheduled for two hours before and after scheduled occupancy or demonstrate calculation of flush times per ASHRAE Guidance for Reopening and Operating Schools or Commercial Buildings, as applicable, or otherwise applicable local or State guidance; and
- (c) verify that HVAC system operational times, exhaust fans operation times, setpoints, and enabled features meet ASHRAE Guidance for Reopening and Operating Schools or Commercial Buildings, as applicable, or otherwise applicable local or State guidance.
- (2) A requirement for filtration levels, ventilation rates, and ventilation schedules may be amended by the board based on the latest coronavirus 2019, or other applicable, guidance.
- f. Concerning a school, to ensure proper ventilation is maintained throughout the school year, all school district classrooms shall be equipped with a carbon dioxide monitor that meets requirements determined by the board. If a classroom carbon dioxide concentration exceeds 1,100 parts per million more than once a week as observed by the teacher or the facilities staff, the classroom ventilation rates shall be adjusted by qualified testing personnel or qualified adjusting personnel to ensure peak carbon dioxide concentrations in the classroom remain below the maximum allowable carbon dioxide parts per million setpoint.
- g. A certified energy auditor shall determine what, if any, additional adjustments or repairs would be necessary to meet the minimum ventilation and filtration requirements, pursuant to this section, determine whether any further cost-effective energy efficiency upgrades or replacements are warranted recommended, and provide an estimated cost for this work. If the cost of recommended repairs, upgrades, or replacements are greater than the contingency amount provided in the grant, then the certified energy auditor and the board of education or small business shall submit an application for additional funding pursuant to section 2 of P.L., c. (C.) (pending before the Legislature as this bill).
- h. Upon completion of all work funded by a grant pursuant to P.L., c. (C.) (pending before the Legislature as this bill), a board of education and small business shall prepare an HVAC verification report. The HVAC verification report shall include all of the following information:

- (1) the name and address of a school facility or small business and person or contractor preparing and certifying the report;
- (2) a description of the assessment, maintenance, adjustment, repair, upgrade, and replacement activities and outcomes;
- (3) verification that the board of education and small business has complied with all requirements of P.L. , c. (C.) (pending before the Legislature as this bill);
- (4) verification that the school facility and small business meet ANSI/ASHRAE Standard 62.1-2019, Ventilation for Acceptable Indoor Air Quality;
- (5) documentation of HVAC system deficiencies and recommendations for additional deferred general maintenance to bring up to date, replacement, or upgrades to improve energy efficiency, safety, or performance;
- (6) verification of the installation of carbon dioxide monitors, pursuant to subsection e. of this section, including the make and model of the monitors;
- (7) verification that all work has been performed by a certified energy auditor, including the provision of the contractor's name and license; and
- (8) verification that the equipment installed exceeds current energy efficiency requirements by code and the submission of manufacturer specification sheets and supporting documents of qualification.
- i. The requirements of this section may be amended by the board as necessary to reflect available technology and to achieve the intent of P.L. , c. (C.) (pending before the Legislature as this bill).
- j. A board of education and small business shall maintain a copy of the HVAC verification report made pursuant to subsection h. of this section and make it to any member of the public or the board upon request.

- 5. a. The board shall establish and administer the School and Small Business Noncompliant Plumbing Fixture and Appliance Program to provide grants to boards of education and small businesses to replace noncompliant plumbing fixtures and appliances that fail to meet water efficiency standards, and waste and potable water and the energy used to convey that water, with water-conserving plumbing fixtures and appliances.
- b. A board of education and small business may apply for a grant pursuant to section 2 P.L. , c. (C.) (pending before the Legislature as this bill) by submitting an application to the board, in a form and manner determined by the board, showing the existence of noncompliant plumbing fixtures or appliances in the school or small business for which the grant funding will be used and a cost estimate that is verified by a contractor for the replacement of the noncompliant plumbing fixtures and appliances with water-conserving plumbing fixtures and water-conserving

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- appliances, and the board of education and small business meet other requirements determined by the board to be appropriate to achieve the purposes of this section.
- c. Upon completion of all work funded by a grant pursuant to P.L., c. (C.) (pending before the Legislature as this bill), a board of education and small business shall prepare a plumbing verification report. The plumbing verification report shall include all of the following information:
 - (1) the name and address of a school facility or small business and person or contractor preparing and certifying the report;
 - (2) a description of the assessment, maintenance, adjustment, repair, upgrade, and replacement activities and outcomes;
 - (3) verification that the board of education and small business has complied with all requirements of P.L. , c. (C.) (pending before the Legislature as this bill);
 - (4) documentation of plumbing system deficiencies;
 - (5) verification that all work has been performed by a licensed professional, including the provision of the contractor's name and license; and
 - (6) verification that the equipment installed exceeds current energy efficiency requirements required by code and the submission of manufacturer specification sheets and supporting documents of qualification.
 - d. The board is authorized to provide technical assistance or award grants pursuant to the SSBNPFA Program to assist a board of education and small business in identifying noncompliant plumbing fixtures and noncompliant appliances eligible for replacement pursuant to this section.
 - 6. The Board of Public Utilities may adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations necessary to effectuate the purposes of P.L., c. (C.) (pending before the Legislature as this bill). The board may adopt, by board order, any program fund details necessary to effectuate the purposes of P.L., c. (C.) (pending before the Legislature as this bill), and is pre-authorized to spend any necessary funds without additional approvals, provided that any temporarily avoided spending approvals are sought and obtained as expeditiously as possible.

7. This act shall take effect immediately.

> This bill establishes the School and Small Business Energy Efficiency Stimulus Program fund (program fund) in the Board of Public Utilities (BPU). "Small business" is defined in the bill as concerning women and minority-owned small businesses. The

STATEMENT

- 1 purpose of the program fund is to ensure that school and small
- 2 business heating, ventilation, and air conditioning (HVAC) systems
- 3 are upgraded to safely prepare schools and small businesses for
- 4 operating during the coronavirus 2019 pandemic, to improve the
- 5 general health and safety of the school and small business
- 6 environment, and to create jobs across the State. The program fund
- 7 will also fund the upgrading of old, inefficient plumbing fixtures
- 8 that waste water and energy.

- 9 The bill provides that the program fund is to consist of two sub-10 programs:
 - 1) the School and Small Business Ventilation and Energy Efficiency Verification and Repair (SSBVEEVR) Program; and
- 13 2) the School and Small Business Noncompliant Plumbing 14 Fixture and Appliance (SSBNPFA) Program.
- The bill provides that 75 percent of projects funded by the SSBVEEVR Program or SSBNPFA Program are to be in schools and small businesses located in underserved communities, as defined in the bill.
- The bill provides that the BPU is to begin to solicit applications
- 20 from boards of education and small businesses for grants on or
- 21 before October 1, 2021 and begin to approve applications for grants
- 22 no later than December 1, 2021, subject to the availability of funds.
- 23 The bill provides that the program fund is to be funded by monies
- 24 provided to the State from the federal government under the
- 25 "American Rescue Plan Act of 2021," as determined by the BPU,
- and is to be allocated as follows:
- 27 1) 75 percent of funds for the SSBVEEVR Program; and
- 28 2) 25 percent of funds for the SSBNPFA Program.
- 29 Seventy-five percent of grant funds issued pursuant to the bill are
- 30 to be awarded to school districts and the remaining 25 percent is to
- 31 be awarded to small businesses. Program fund grants made pursuant
- 32 to the bill are to provide no more than 75 percent of the cost of
- 33 projects approved by the board, with the remaining 25 percent
- 34 covered by non-SSBVEEVR or non-SSBNPFA funding sources, as
- 35 applicable.
- Notwithstanding the provisions of any other law to the contrary,
- 37 the bill provides that, for the purpose of expediting the BPU's
- 38 procurement of technical services to administer the SSBVEEVR
- 39 and the SSBNPFA Programs, certain provisions are to apply as
- 40 modifications to law or regulation that may interfere with the
- 41 expedited award of the grants.
- The bill requires the BPU to establish and administer the
- 43 SSBVEEVR Program to award grants to boards of education and
- small businesses to ensure schools and small businesses are to have
- 45 functional HVAC systems that are tested, adjusted, and, if
- 46 necessary or cost effective, repaired, upgraded, or replaced to
- 47 increase efficiency and performance.

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The BPU is to award a grant if the amount requested in the application is verified by a certified energy auditor's estimate and the board of education and small business meet other requirements determined by the BPU to be appropriate to achieve the purposes of the bill.

The bill provides that as a condition for receiving a grant, a board of education and small business are to comply with the requirements of the bill for all certain aspects of the schools' or small business' HVAC system or systems. The HVAC systems installed pursuant to the bill are to meet ANSI/ASHRAE Standard 62.1-2019, Ventilation for Acceptable Indoor Air Quality. The HVAC requirements for filtration levels, ventilation rates, and ventilation schedules may be amended by the BPU based on the latest coronavirus 2019, or other applicable, guidance.

The bill provides that a certified energy auditor is to determine what, if any, additional adjustments or repairs would be necessary to meet the minimum ventilation and filtration requirements. If the cost of recommended repairs, upgrades, or replacements are greater than the contingency amount provided in the grant, then the certified energy auditor and the board of education or small business are to submit an application for additional funding. The bill requires that, upon completion of all work funded by a grant made pursuant to the bill, the board of education and small business are to prepare an HVAC verification report.

The bill requires the BPU to establish and administer the SSBNPFA Program to provide grants to boards of education and small businesses to replace noncompliant plumbing fixtures and appliances that fail to meet water efficiency standards and waste potable water and the energy used to convey that water, with waterconserving plumbing fixtures and appliances, as those terms are defined in the bill. The BPU is to award a grant if a board of education or small business submits documents showing the existence of noncompliant plumbing fixtures or appliances in the schools or small business for which the grant funding will be used and a cost estimate that is verified by a contractor for the replacement of the noncompliant plumbing fixtures and appliances with water-conserving plumbing fixtures and water-conserving appliances, and the board of education and small business meet other requirements determined by the BPU to be appropriate to achieve the purposes of the bill.