

HOUSE BILL 8

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Q3
HB 985/00 - W&M

2001 Regular Session
11r1312

(PRE-FILED)

By: **Delegates Rosenberg, Taylor, Dewberry, Hurson, Arnick, Busch, Doory,
Guns, Harrison, Hixson, Howard, Kopp, Menes, Montague, Owings,
Vallario, and Wood**

Requested: November 15, 2000

Introduced and read first time: January 10, 2001

Assigned to: Ways and Means and Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit for Green Buildings**

3 FOR the purpose of providing for credits against the State income tax for certain costs
4 for construction or rehabilitation of buildings and certain equipment to meet
5 certain energy efficiency and environmental standards; allowing certain unused
6 credit amounts to be carried forward to certain taxable years; providing for a tax
7 credit for the cost of purchasing and installing nitrogen removal technology
8 under certain circumstances; providing for issuance of certain initial credit
9 component certificates by the Maryland Energy Administration; limiting the
10 annual and aggregate amount of initial credit component certificates that the
11 Administration may issue; prohibiting the Administration from issuing an
12 initial credit component certificate after a certain date; requiring a taxpayer
13 claiming a credit to obtain and file with the income tax return a certain
14 eligibility certificate from an architect or professional engineer regarding
15 compliance with certain requirements; requiring a taxpayer claiming a credit to
16 maintain certain records and submit certain information to the Administration;
17 authorizing the Comptroller, the Administration, and the Department of the
18 Environment to adopt certain regulations; requiring the Comptroller and the
19 Administration to submit a certain report to the Governor and the General
20 Assembly by a certain date; requiring the Administration, in consultation with
21 the Department of the Environment, to adopt certain regulations establishing
22 certain standards by a certain date; requiring the Department of the
23 Environment, in consultation with the Department of Health and Mental
24 Hygiene, to adopt certain regulations establishing certain standards by a
25 certain date; requiring the Department of the Environment, in consultation with
26 the Administration, to adopt certain regulations establishing certain standards
27 by a certain date; defining certain terms; providing for the application of this
28 Act; and generally relating to State income tax credits for buildings, building
29 components, and equipment that meet certain energy efficiency and
30 environmental standards.

31 BY repealing and reenacting, with amendments,

1 Article - Environment
2 Section 9-501
3 Annotated Code of Maryland
4 (1996 Replacement Volume and 2000 Supplement)

5 BY repealing and reenacting, with amendments,
6 Article - Tax - General
7 Section 10-706
8 Annotated Code of Maryland
9 (1997 Replacement Volume and 2000 Supplement)

10 BY adding to
11 Article - Tax - General
12 Section 10-704.10 and 10-722
13 Annotated Code of Maryland
14 (1997 Replacement Volume and 2000 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Environment**

18 9-501.

19 (a) In this subtitle the following words have the meanings indicated.

20 (b) "Community sewerage system" means a publicly or privately owned
21 sewerage system that serves at least 2 lots.

22 (c) "Community water supply system" means a water supply system that
23 serves at least 2 lots.

24 (d) (1) "County plan" means a comprehensive plan for adequately providing
25 throughout the county, including all towns, municipal corporations, and sanitary
26 districts in the county, the following facilities and services by public or private
27 ownership:

28 (i) Water supply systems;

29 (ii) Sewerage systems;

30 (iii) Solid waste disposal systems;

31 (iv) Solid waste acceptance facilities; and

32 (v) Systematic collection and disposal of solid waste, including
33 litter.

1 (2) "County plan" includes a revised or amended county plan.

2 (e) "Individual sewerage system" means a sewerage system that serves only 1
3 lot.

4 (f) "Individual water supply system" means a water supply system that
5 supplies water to only 1 lot.

6 (g) "Litter" means any:

7 (1) Waste material;

8 (2) Refuse;

9 (3) Garbage;

10 (4) Trash;

11 (5) Debris;

12 (6) Dead animal; or

13 (7) Other discarded material.

14 (h) "Lot" means a parcel of land, including a part of a subdivision, that:

15 (1) Is used or is intended to be used as a building site; and

16 (2) Is not intended to be further subdivided.

17 (i) "Multiuse sewerage system" means a sewerage system that:

18 (1) Serves only 1 lot;

19 (2) Serves a number of individuals;

20 (3) Has a treatment capacity of more than 5,000 gallons a day; and

21 (4) Is not publicly owned or operated.

22 (j) "Multiuse water supply system" means an individual water supply system
23 that:

24 (1) Has the capacity to supply more than 5,000 gallons of water a day;

25 and

26 (2) Serves a number of individuals.

27 (K) "NITROGEN REMOVAL TECHNOLOGY" MEANS A SYSTEM APPROVED BY
28 THE DEPARTMENT CAPABLE OF RELIABLY ACHIEVING A NITROGEN REMOVAL
29 EFFICIENCY OF 60% OR GREATER.

- 1 [(k)] (L) (1) "Proposed county plan" means a county plan that:
- 2 (i) Has been adopted by the county governing body; and
- 3 (ii) Has not been approved by the Department.
- 4 (2) "Proposed county plan" includes any proposed amendment or revision
5 of the county plan.
- 6 [(l)] (M) "Sewage" means any human or animal excretion, street wash,
7 domestic waste, or industrial waste.
- 8 [(m)] (N) (1) "Sewerage system" means:
- 9 (i) The channels used or intended to be used to collect and dispose
10 of sewage; and
- 11 (ii) Any structure and appurtenance used or intended to be used to
12 collect or prepare sewage for discharge into the waters of this State.
- 13 (2) "Sewerage system" includes any sewer of any size.
- 14 (3) "Sewerage system" does not include the plumbing system inside any
15 building served by the sewerage system.
- 16 [(n)] (O) "Solid waste acceptance facility" means any sanitary landfill,
17 incinerator, transfer station, or plant whose primary purpose is to dispose of, treat, or
18 process solid waste.
- 19 [(o)] (P) (1) "Solid waste disposal system" means any publicly or privately
20 owned system that:
- 21 (i) Provides a scheduled or systematic collection of solid waste;
- 22 (ii) Transports the solid waste to a solid waste acceptance facility;
23 and
- 24 (iii) Treats or otherwise disposes of the solid waste at the solid waste
25 acceptance facility.
- 26 (2) "Solid waste disposal system" includes each solid waste acceptance
27 facility that is used in connection with the solid waste disposal system.
- 28 [(p)] (Q) (1) "Subdivision" means any division of a tract or parcel of land into
29 at least 2 lots, for the purpose of sale or building development.
- 30 (2) "Subdivision" includes any change in street lines or lot lines.
- 31 (3) "Subdivision" does not include any division of land into parcels of
32 more than 3 acres, if the division:

- 1 (i) Is for agricultural purposes; and
- 2 (ii) Does not involve any new street or easement of access.
- 3 [(q)] (R) (1) "Water supply system" means a publicly or privately owned or
4 operated:
- 5 (i) Source and the surrounding area from which water is supplied
6 for drinking or domestic purposes; and
- 7 (ii) Structure, channel, or appurtenance used or intended to be used
8 to prepare water for use or to deliver water to a consumer.
- 9 (2) "Water supply system" does not include the plumbing system inside
10 any building that is served by the water supply system.

11 **Article - Tax - General**

12 10-704.10.

13 (A) SUBJECT TO THE PROVISIONS OF THIS SECTION, AN INDIVIDUAL OR A
14 CORPORATION REPAIRING, REPLACING, OR MODIFYING AN EXISTING ON-SITE
15 SEWERAGE DISPOSAL SYSTEM MAY CLAIM A CREDIT AGAINST THE STATE INCOME
16 TAX FOR A TAXABLE YEAR IN THE AMOUNT EQUAL TO 70% OF THE COST OF
17 PURCHASING AND INSTALLING NITROGEN REMOVAL TECHNOLOGY AS DEFINED
18 UNDER § 9-501(K) OF THE ENVIRONMENT ARTICLE.

19 (B) (1) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED
20 \$4,900 IN ANY TAXABLE YEAR.

21 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE
22 YEAR EXCEEDS THE TOTAL TAX OTHERWISE PAYABLE BY THE INDIVIDUAL OR
23 CORPORATION FOR THAT TAXABLE YEAR, THE INDIVIDUAL OR CORPORATION MAY
24 APPLY THE EXCESS AS A CREDIT FOR SUCCEEDING TAXABLE YEARS UNTIL THE
25 EARLIER OF:

26 (I) THE FULL AMOUNT OF THE EXCESS IS USED, OR

27 (II) THE EXPIRATION OF THE THIRD SUCCEEDING TAXABLE YEAR.

28 10-706.

29 (a) Except as otherwise provided in this section, a credit allowed under this
30 subtitle is allowed against the State income tax only.

31 (b) A credit under § 10-701 of this subtitle is allowed against the total county
32 and State income taxes.

33 (c) (1) A credit allowed under § 10-704(a)(1), § 10-704.10, or § 10-709(b)(1) of
34 this subtitle is allowed against the State income tax only.

1 (2) A credit allowed under § 10-704(a)(2) or § 10-709(b)(2) of this
2 subtitle is allowed against the county income tax only.

3 10-722.

4 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
5 INDICATED.

6 (2) "ADMINISTRATION" MEANS THE MARYLAND ENERGY
7 ADMINISTRATION.

8 (3) (I) "ALLOWABLE COSTS" MEANS AMOUNTS PROPERLY
9 CHARGEABLE TO CAPITAL ACCOUNT, OTHER THAN FOR LAND, THAT ARE PAID OR
10 INCURRED ON OR AFTER JULY 1, 2001, FOR:

11 1. CONSTRUCTION OR REHABILITATION;

12 2. COMMISSIONING COSTS;

13 3. INTEREST PAID OR INCURRED DURING THE
14 CONSTRUCTION OR REHABILITATION PERIOD;

15 4. LEGAL, ARCHITECTURAL, ENGINEERING, AND OTHER
16 PROFESSIONAL FEES ALLOCABLE TO CONSTRUCTION OR REHABILITATION;

17 5. CLOSING COSTS FOR CONSTRUCTION, REHABILITATION,
18 OR MORTGAGE LOANS;

19 6. RECORDING TAXES AND FILING FEES INCURRED WITH
20 RESPECT TO CONSTRUCTION OR REHABILITATION;

21 7. SITE COSTS, INCLUDING TEMPORARY ELECTRIC WIRING,
22 SCAFFOLDING, DEMOLITION COSTS, AND FENCING AND SECURITY FACILITIES; AND

23 8. FURNITURE, CARPETING, PARTITIONS, WALLS AND WALL
24 COVERINGS, CEILINGS, DRAPES, BLINDS, LIGHTING, PLUMBING, ELECTRICAL
25 WIRING, AND VENTILATION.

26 (II) "ALLOWABLE COSTS" DOES NOT INCLUDE:

27 1. THE COST OF TELEPHONE SYSTEMS AND COMPUTERS,
28 OTHER THAN ELECTRICAL WIRING COSTS; OR

29 2. THE COST OF PURCHASING OR INSTALLING FUEL CELLS
30 OR PHOTOVOLTAIC MODULES OR THE COST OF PURCHASING NEW
31 AIR-CONDITIONING EQUIPMENT USING A NONOZONE DEPLETING REFRIGERANT
32 APPROVED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY.

33 (4) "APPLICABLE ENERGY EFFICIENCY STANDARDS" MEANS ENERGY
34 EFFICIENCY STANDARDS IN EFFECT AT THE TIME THE PROPERTY, CONSTRUCTION,
35 COMPLETION, OR REHABILITATION ON WHICH THE CREDIT ALLOWED UNDER THIS

1 SECTION IS BASED IS PLACED IN SERVICE, AS ESTABLISHED BY THE
2 ADMINISTRATION IN REGULATIONS ADOPTED UNDER SUBSECTION (L) OF THIS
3 SECTION.

4 (5) "BASE BUILDING" MEANS ALL AREAS OF A BUILDING NOT INTENDED
5 FOR OCCUPANCY BY A TENANT OR OWNER, INCLUDING THE STRUCTURAL
6 COMPONENTS OF THE BUILDING, EXTERIOR WALLS, FLOORS, WINDOWS, ROOFS,
7 FOUNDATIONS, CHIMNEYS AND STACKS, PARKING AREAS, MECHANICAL ROOMS AND
8 MECHANICAL SYSTEMS, AND OWNER-CONTROLLED OR -OPERATED SERVICE
9 SPACES, SIDEWALKS, MAIN LOBBY, SHAFTS AND VERTICAL TRANSPORTATION
10 MECHANISMS, STAIRWAYS, AND CORRIDORS.

11 (6) "COMMISSIONING" MEANS:

12 (I) THE TESTING AND FINE-TUNING OF HEAT, VENTILATING, AND
13 AIR-CONDITIONING SYSTEMS AND OTHER SYSTEMS TO ASSURE PROPER
14 FUNCTIONING AND ADHERENCE TO DESIGN CRITERIA; AND

15 (II) THE PREPARATION OF SYSTEM OPERATION MANUALS AND
16 INSTRUCTION OF MAINTENANCE PERSONNEL.

17 (7) "CREDIT ALLOWANCE YEAR" MEANS THE LATER OF:

18 (I) THE TAXABLE YEAR DURING WHICH THE PROPERTY,
19 CONSTRUCTION, COMPLETION, OR REHABILITATION ON WHICH THE CREDIT
20 ALLOWED UNDER THIS SECTION IS BASED IS ORIGINALLY PLACED IN SERVICE; OR

21 (II) THE FIRST TAXABLE YEAR FOR WHICH THE CREDIT MAY BE
22 CLAIMED UNDER THE INITIAL CREDIT COMPONENT CERTIFICATE ISSUED UNDER
23 SUBSECTION (J) OF THIS SECTION.

24 (8) "ELIGIBLE BUILDING" MEANS A BUILDING LOCATED IN THE STATE
25 THAT IS:

26 (I) A BUILDING USED PRIMARILY FOR NONRESIDENTIAL
27 PURPOSES IF THE BUILDING CONTAINS AT LEAST 20,000 SQUARE FEET OF INTERIOR
28 SPACE;

29 (II) A RESIDENTIAL MULTI-FAMILY BUILDING WITH AT LEAST 12
30 DWELLING UNITS THAT CONTAINS AT LEAST 20,000 SQUARE FEET OF INTERIOR
31 SPACE;

32 (III) ONE OR MORE RESIDENTIAL MULTI-FAMILY BUILDINGS WITH
33 AT LEAST TWO DWELLING UNITS THAT ARE PART OF A SINGLE OR PHASED
34 CONSTRUCTION PROJECT THAT CONTAINS, IN THE AGGREGATE, AT LEAST 20,000
35 SQUARE FEET OF INTERIOR SPACE IF IN ANY SINGLE PHASE OF THE PROJECT AT
36 LEAST 10,000 SQUARE FEET OF INTERIOR SPACE IS UNDER CONSTRUCTION OR
37 REHABILITATION; OR

1 (IV) ANY COMBINATION OF BUILDINGS DESCRIBED IN ITEM (I), (II),
2 OR (III) OF THIS PARAGRAPH.

3 (9) "GREEN BASE BUILDING" MEANS A BASE BUILDING THAT IS PART OF
4 AN ELIGIBLE BUILDING AND MEETS THE REQUIREMENTS SET OUT IN SUBSECTION
5 (H) OF THIS SECTION.

6 (10) "GREEN BUILDING" MEANS A BUILDING FOR WHICH THE BASE
7 BUILDING IS A GREEN BASE BUILDING AND ALL TENANT SPACE IS GREEN TENANT
8 SPACE.

9 (11) "GREEN TENANT SPACE" MEANS TENANT SPACE IN A BUILDING IF
10 THE BUILDING IS AN ELIGIBLE BUILDING AND THE TENANT SPACE MEETS THE
11 REQUIREMENTS OF SUBSECTION (I) OF THIS SECTION.

12 (12) "REVITALIZATION AREA" MEANS:

13 (I) AN AREA DESIGNATED AS AN ENTERPRISE ZONE UNDER
14 ARTICLE 83A, § 5-402 OF THE CODE OR BY THE UNITED STATES GOVERNMENT;

15 (II) AN AREA DESIGNATED AS AN EMPOWERMENT ZONE BY THE
16 UNITED STATES GOVERNMENT PURSUANT TO 26 U.S.C. § 1391 ET SEQ.; OR

17 (III) AN AREA DESIGNATED AS AN ELIGIBLE NEIGHBORHOOD FOR
18 ECONOMIC REVITALIZATION ASSISTANCE UNDER ARTICLE 83B, § 4-203 OF THE CODE.

19 (13) "TENANT IMPROVEMENTS" MEANS IMPROVEMENTS THAT ARE
20 NECESSARY OR APPROPRIATE TO SUPPORT OR CONDUCT THE BUSINESS OF A
21 TENANT OR OCCUPYING OWNER.

22 (14) "TENANT SPACE" MEANS THE PORTION OF A BUILDING INTENDED
23 FOR OCCUPANCY BY A TENANT OR OCCUPYING OWNER.

24 (B) (1) AN INDIVIDUAL OR A CORPORATION MAY CLAIM A CREDIT AGAINST
25 THE STATE INCOME TAX AS PROVIDED UNDER THIS SECTION FOR GREEN BUILDINGS
26 AND GREEN BUILDING COMPONENTS.

27 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE
28 STATE INCOME TAX, ANY UNUSED CREDIT MAY BE CARRIED FORWARD AND APPLIED
29 FOR SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:

30 (I) THE FULL AMOUNT OF THE CREDIT IS USED; OR

31 (II) THE EXPIRATION OF THE 15TH YEAR AFTER THE TAXABLE
32 YEAR FOR WHICH THE CREDIT WAS ALLOWED.

33 (C) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE CREDIT
34 ALLOWED UNDER THIS SECTION FOR EACH TAXABLE YEAR EQUALS THE SUM OF THE
35 CREDIT COMPONENTS AS SPECIFIED IN SUBSECTIONS (D) THROUGH (G) OF THIS
36 SECTION.

1 (2) THE CREDIT MAY NOT BE ALLOWED UNLESS THE TAXPAYER HAS
2 COMPLIED WITH THE REQUIREMENTS FOR REPORTS TO THE ADMINISTRATION
3 UNDER SUBSECTION (K) OF THIS SECTION.

4 (3) FOR EACH OF THE CREDIT COMPONENTS UNDER SUBSECTIONS (D)
5 THROUGH (G) OF THIS SECTION:

6 (I) THE CREDIT MAY NOT BE ALLOWED FOR ANY TAXABLE YEAR
7 UNLESS:

8 1. THE TAXPAYER HAS OBTAINED AND FILED AN INITIAL
9 CREDIT COMPONENT CERTIFICATE AND AN ELIGIBILITY CERTIFICATE ISSUED
10 UNDER SUBSECTION (J) OF THIS SECTION;

11 2. A CERTIFICATE OF OCCUPANCY FOR THE BUILDING HAS
12 BEEN ISSUED; AND

13 3. THE PROPERTY WITH RESPECT TO WHICH THE CREDIT IS
14 CLAIMED IS IN SERVICE DURING THE TAXABLE YEAR;

15 (II) THE CREDIT AMOUNT ALLOWED FOR THE CREDIT COMPONENT
16 MAY BE CLAIMED:

17 1. FOR THE CREDIT ALLOWANCE YEAR; AND

18 2. FOR EACH OF THE 4 TAXABLE YEARS SUCCEEDING THE
19 CREDIT ALLOWANCE YEAR; AND

20 (III) THE TOTAL CREDIT ALLOWED IN THE AGGREGATE FOR THE
21 CREDIT ALLOWANCE YEAR AND THE 4 TAXABLE YEARS SUCCEEDING THE CREDIT
22 ALLOWANCE YEAR MAY NOT EXCEED THE MAXIMUM SET FORTH IN THE INITIAL
23 CREDIT COMPONENT CERTIFICATE OBTAINED UNDER SUBSECTION (J) OF THIS
24 SECTION.

25 (4) IN DETERMINING THE AMOUNT OF THE CREDIT COMPONENTS, A
26 COST PAID OR INCURRED MAY NOT BE THE BASIS FOR MORE THAN ONE CREDIT
27 COMPONENT.

28 (5) (I) IF A BUILDING FOR WHICH A CREDIT IS ALLOWED TO A
29 BUILDING OWNER UNDER THIS SECTION IS SOLD, THE NEW OWNER MAY CLAIM THE
30 CREDIT FOR THE PERIOD AFTER THE SALE.

31 (II) IF A TENANCY FOR A BUILDING FOR WHICH A CREDIT IS
32 ALLOWED TO A TENANT UNDER THIS SECTION IS TERMINATED BUT THE PROPERTY
33 REMAINS IN USE BY A SUCCESSOR TENANT, THE SUCCESSOR TENANT MAY CLAIM
34 THE CREDIT FOR THE PERIOD AFTER THE TERMINATION.

35 (III) THE CREDIT FOR THE YEAR OF A SALE OR THE YEAR OF
36 TERMINATION OF A TENANCY SHALL BE ALLOCATED BETWEEN THE PARTIES BASED

1 ON THE NUMBER OF DAYS DURING THE YEAR THAT THE PROPERTY OR INTEREST
2 WAS HELD OR USED BY EACH.

3 (IV) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF A
4 CREDIT IS CLAIMED BY A SUCCESSOR OWNER OR TENANT UNDER THIS PARAGRAPH,
5 THE COMPTROLLER MAY DISCLOSE TO THE SUCCESSOR OWNER OR TENANT ANY
6 INFORMATION RELATING TO THE CREDIT OF THE PRIOR OWNER OR TENANT THAT IS
7 THE BASIS FOR THE DENIAL IN WHOLE OR IN PART OF THE CREDIT CLAIMED BY THE
8 SUCCESSOR OWNER OR TENANT.

9 (D) (1) THE CREDIT ALLOWED UNDER THIS SECTION INCLUDES AN AMOUNT
10 EQUAL TO THE APPLICABLE PERCENTAGE OF THE ALLOWABLE COSTS PAID OR
11 INCURRED BY AN OWNER OR TENANT FOR THE CONSTRUCTION OF A GREEN
12 BUILDING OR THE REHABILITATION OF A BUILDING THAT IS NOT A GREEN BUILDING
13 TO BE A GREEN BUILDING.

14 (2) THE APPLICABLE PERCENTAGE FOR THE CREDIT COMPONENT
15 UNDER THIS SUBSECTION FOR A GREEN BUILDING SHALL BE:

16 (I) 1.4% UNLESS THE BUILDING IS LOCATED IN A REVITALIZATION
17 AREA; OR

18 (II) 1.6% IF THE BUILDING IS LOCATED IN A REVITALIZATION AREA.

19 (3) THE ALLOWABLE COSTS USED TO DETERMINE THE CREDIT AMOUNT
20 ALLOWED UNDER THIS SUBSECTION FOR A GREEN BUILDING MAY NOT EXCEED IN
21 THE AGGREGATE:

22 (I) \$150 PER SQUARE FOOT FOR THAT PORTION OF THE BUILDING
23 THAT COMPRISES THE BASE BUILDING; AND

24 (II) \$75 PER SQUARE FOOT FOR THAT PORTION OF THE BUILDING
25 THAT COMPRISES THE TENANT SPACE.

26 (E) (1) THE CREDIT ALLOWED UNDER THIS SECTION INCLUDES AN AMOUNT
27 EQUAL TO THE APPLICABLE PERCENTAGE OF THE ALLOWABLE COSTS PAID OR
28 INCURRED BY AN OWNER FOR THE CONSTRUCTION OF A GREEN BASE BUILDING OR
29 THE REHABILITATION OF A BUILDING THAT IS NOT A GREEN BASE BUILDING TO BE A
30 GREEN BASE BUILDING.

31 (2) THE APPLICABLE PERCENTAGE FOR THE CREDIT COMPONENT
32 UNDER THIS SUBSECTION FOR A GREEN BASE BUILDING SHALL BE:

33 (I) 1.0% UNLESS THE BUILDING IS LOCATED IN A REVITALIZATION
34 AREA; OR

35 (II) 1.2% IF THE BUILDING IS LOCATED IN A REVITALIZATION AREA.

1 (3) THE ALLOWABLE COSTS USED TO DETERMINE THE CREDIT AMOUNT
2 ALLOWED UNDER THIS SUBSECTION FOR A GREEN BASE BUILDING MAY NOT
3 EXCEED IN THE AGGREGATE \$150 PER SQUARE FOOT.

4 (F) (1) THE CREDIT ALLOWED UNDER THIS SECTION INCLUDES AN AMOUNT
5 EQUAL TO THE APPLICABLE PERCENTAGE OF THE ALLOWABLE COSTS FOR TENANT
6 IMPROVEMENTS PAID OR INCURRED BY AN OWNER OR TENANT IN THE
7 CONSTRUCTION OR COMPLETION OF GREEN TENANT SPACE OR THE
8 REHABILITATION OF TENANT SPACE THAT IS NOT GREEN TENANT SPACE TO BE
9 GREEN TENANT SPACE.

10 (2) THE APPLICABLE PERCENTAGE FOR THE CREDIT COMPONENT
11 UNDER THIS SUBSECTION FOR GREEN TENANT SPACE SHALL BE:

12 (I) 1.0% UNLESS THE BUILDING IS LOCATED IN A REVITALIZATION
13 AREA; OR

14 (II) 1.2% IF THE BUILDING IS LOCATED IN A REVITALIZATION AREA.

15 (3) (I) THE ALLOWABLE COSTS USED TO DETERMINE THE CREDIT
16 AMOUNT ALLOWED UNDER THIS SUBSECTION FOR GREEN TENANT SPACE MAY NOT
17 EXCEED IN THE AGGREGATE \$75 PER SQUARE FOOT.

18 (II) IF AN OWNER AND TENANT BOTH INCUR ALLOWABLE COSTS
19 FOR TENANT IMPROVEMENTS UNDER THIS SUBSECTION AND THE COSTS EXCEED \$75
20 PER SQUARE FOOT IN THE AGGREGATE, THE OWNER HAS PRIORITY AS TO COSTS
21 CONSTITUTING THE BASIS FOR THE GREEN TENANT SPACE CREDIT COMPONENT
22 UNDER THIS SUBSECTION.

23 (4) UNLESS THE BASE BUILDING IS A GREEN BASE BUILDING, THE
24 CREDIT COMPONENT UNDER THIS SECTION FOR GREEN TENANT SPACE MAY NOT BE
25 CLAIMED BY AN OWNER OF THE BUILDING OR BY A TENANT THAT OCCUPIES FEWER
26 THAN 10,000 SQUARE FEET OF THE BUILDING.

27 (G) THE CREDIT ALLOWED UNDER THIS SECTION INCLUDES AN AMOUNT
28 EQUAL TO 2% OF THE COST OF NEW AIR-CONDITIONING EQUIPMENT, INCLUDING
29 CHILLERS AND ABSORPTION CHILLERS, WATER OR AIR COOLED UNITARY
30 EQUIPMENT, WATER-COOLED HEAT PUMPS, PACKAGED TERMINAL HEAT PUMPS,
31 AND OTHER SIMILAR AIR-CONDITIONING EQUIPMENT, THAT USES A NONOZONE
32 DEPLETING REFRIGERANT APPROVED BY THE UNITED STATES ENVIRONMENTAL
33 PROTECTION AGENCY AND IS INSTALLED TO SERVE A GREEN BUILDING, GREEN
34 BASE BUILDING, OR GREEN TENANT SPACE.

35 (H) (1) TO QUALIFY AS A GREEN BASE BUILDING ELIGIBLE FOR THE TAX
36 CREDITS UNDER THIS SECTION, A BASE BUILDING SHALL MEET THE REQUIREMENTS
37 OF THIS SUBSECTION.

38 (2) (I) ENERGY USE SHALL BE NO MORE THAN THE APPLICABLE
39 PERCENTAGE OF THE USE PERMITTED UNDER APPLICABLE ENERGY EFFICIENCY
40 STANDARDS AS SPECIFIED FOR NEW CONSTRUCTION OR FOR REHABILITATION OF A

1 BASE BUILDING IN REGULATIONS ADOPTED BY THE ADMINISTRATION UNDER
2 SUBSECTION (L) OF THIS SECTION.

3 (II) ALL APPLIANCES AND ANY HEATING, COOLING, AND WATER
4 HEATING EQUIPMENT USED IN THE BASE BUILDING SHALL MEET APPLICABLE
5 ENERGY EFFICIENCY STANDARDS AS SPECIFIED IN REGULATIONS ADOPTED BY THE
6 ADMINISTRATION UNDER SUBSECTION (L) OF THIS SECTION.

7 (3) (I) THE BASE BUILDING SHALL COMPLY WITH ALL APPLICABLE
8 ZONING, LAND USE, AND EROSION CONTROL REQUIREMENTS, STORMWATER
9 MANAGEMENT ORDINANCES, BUILDING CODE REQUIREMENTS, AND
10 ENVIRONMENTAL REGULATIONS.

11 (II) FOR THE REHABILITATION OF AN EXISTING BUILDING, ALL
12 EXISTING ENVIRONMENTAL HAZARDS SHALL BE IDENTIFIED AND MANAGED IN
13 ACCORDANCE WITH APPLICABLE LAWS, REGULATIONS, AND INDUSTRY GUIDELINES.

14 (4) IF A BUILDING IS USED PRIMARILY FOR NONRESIDENTIAL
15 PURPOSES, THE BUILDING SHALL MEET THE FOLLOWING INDOOR AIR QUALITY
16 REQUIREMENTS:

17 (I) VENTILATION AND EXCHANGE OF INDOOR AND OUTDOOR AIR
18 SHALL MEET APPLICABLE STANDARDS ESTABLISHED BY REGULATIONS ADOPTED BY
19 THE DEPARTMENT OF THE ENVIRONMENT, IN CONSULTATION WITH THE
20 DEPARTMENT OF HEALTH AND MENTAL HYGIENE, UNDER SUBSECTION (L) OF THIS
21 SECTION;

22 (II) IF SMOKING IS PERMITTED IN SPECIFIC AREAS OF THE
23 BUILDING, SEPARATE AIR VENTILATION AND CIRCULATION SHALL BE PROVIDED
24 FOR SMOKING AND NONSMOKING AREAS;

25 (III) THE VENTILATION SYSTEM SHALL INCLUDE AN AIR PURGING
26 SYSTEM THAT IS CAPABLE OF REPLACING 100% OF THE AIR ON ANY FLOOR, ON A
27 MINIMUM OF TWO FLOORS AT A TIME; AND

28 (IV) THE AIR SHALL BE PURGED FOR A PERIOD OF 1 WEEK ON
29 EVERY FLOOR IMMEDIATELY PRIOR TO INITIAL OCCUPANCY AND ON ANY FLOOR
30 THAT UNDERGOES RENOVATION IMMEDIATELY PRIOR TO RE-OCCUPANCY, UNLESS
31 THE TAXPAYER OBTAINS CERTIFICATION FROM A LICENSED ARCHITECT, ENGINEER,
32 CERTIFIED INDUSTRIAL HYGIENIST, OR OTHER LICENSED OR CERTIFIED
33 PROFESSIONAL APPROVED BY THE SECRETARY OF THE ENVIRONMENT, VERIFYING
34 THAT OFF-GASSING AND ANY OTHER CONTAMINATION CAN BE REDUCED TO
35 COMPARABLE LEVELS IN LESS THAN 1 WEEK.

36 (5) BUILDING FRESH AIR INTAKE SHALL BE LOCATED A MINIMUM OF 25
37 FEET AWAY FROM LOADING AREAS, BUILDING EXHAUST FANS, COOLING TOWERS,
38 AND OTHER POINT SOURCES OF CONTAMINATION.

39 (6) THE VENTILATION SYSTEM COMPONENTS AND PATHWAYS:

1 (I) SHALL BE PROTECTED DURING CONSTRUCTION OR
2 REHABILITATION FROM CONTAMINATION IN ACCORDANCE WITH AN INDOOR AIR
3 QUALITY MANAGEMENT PLAN FOR THE CONSTRUCTION OR REHABILITATION
4 PROCESS THAT MEETS THE STANDARDS ESTABLISHED IN REGULATIONS ADOPTED
5 BY THE DEPARTMENT OF THE ENVIRONMENT, IN CONSULTATION WITH THE
6 DEPARTMENT OF HEALTH AND MENTAL HYGIENE, UNDER SUBSECTION (L) OF THIS
7 SECTION; OR

8 (II) SHALL BE CLEANED PRIOR TO OCCUPANCY.

9 (7) (I) A LICENSED ENGINEER, CERTIFIED INDUSTRIAL HYGIENIST,
10 OR OTHER LICENSED OR CERTIFIED PROFESSIONAL APPROVED BY THE SECRETARY
11 OF THE ENVIRONMENT SHALL CONDUCT INDOOR AIR QUALITY TESTING WITH
12 RESPECT TO THE ENTIRE BUILDING IMMEDIATELY FOLLOWING OCCUPANCY AND,
13 ON AN ANNUAL BASIS, SHALL MONITOR SUPPLY AND RETURN AIR AND AMBIENT AIR
14 FOR CARBON MONOXIDE, CARBON DIOXIDE, TOTAL VOLATILE ORGANIC
15 COMPOUNDS, RADON, AND PARTICULATE MATTER.

16 (II) AFTER RADON MEASUREMENTS HAVE BEEN FOUND TO BE
17 SATISFACTORY, SUBSEQUENT ANNUAL TESTING FOR RADON IS NOT REQUIRED
18 UNDER THIS PARAGRAPH.

19 (8) THE MECHANICAL PLANT OF THE BUILDING SHALL BE
20 COMMISSIONED IN ACCORDANCE WITH THE STANDARDS ESTABLISHED IN
21 REGULATIONS ADOPTED BY THE ADMINISTRATION, IN CONSULTATION WITH THE
22 DEPARTMENT OF THE ENVIRONMENT AND THE DEPARTMENT OF NATURAL
23 RESOURCES, WHICH STANDARDS SHALL BE INFORMED BY DOCUMENTS SUCH AS THE
24 AMERICAN SOCIETY OF HEATING, REFRIGERATING AND AIR CONDITIONING
25 ENGINEERS ASHRAE G-1 AND THE UNITED STATES GENERAL SERVICES
26 ADMINISTRATION "MODEL COMMISSIONING PLAN AND GUIDE SPECIFICATIONS".

27 (9) SEPARATE WASTE DISPOSAL CHUTES OR A CAROUSEL COMPACTOR
28 SYSTEM FOR RECYCLABLE MATERIALS SHALL BE PROVIDED FOR THE RECYCLING OF
29 WASTE BY OCCUPANTS, OR RECYCLING SHALL BE OTHERWISE FACILITATED BY, AT A
30 MINIMUM, PROVIDING A READILY ACCESSIBLE DESIGNATED COLLECTION AREA OR
31 AREAS WITH SUFFICIENT SPACE TO STORE RECYCLABLE MATERIALS SEPARATELY
32 BETWEEN COLLECTION DATES.

33 (10) ALL PLUMBING FIXTURES IN THE PUBLIC AREAS OF THE BUILDING
34 SHALL MEET THE PLUMBING FIXTURE REQUIREMENTS OF THE FEDERAL ENERGY
35 POLICY ACT OF 1992 OR ANY SUCCESSOR PROVISION IN EFFECT AT THE TIME THE
36 BUILDING OR REHABILITATION IS PLACED IN SERVICE.

37 (11) PRIOR TO INITIAL OCCUPANCY AND ON REQUEST, THE OWNER OF
38 THE BUILDING SHALL PROVIDE EACH TENANT WITH:

39 (I) WRITTEN NOTIFICATION OF THE OPPORTUNITY TO APPLY FOR
40 A TAX CREDIT UNDER THIS SECTION; AND

1 (II) WRITTEN GUIDELINES REGARDING OPPORTUNITIES TO
2 IMPROVE THE ENERGY EFFICIENCY AND AIR QUALITY OF TENANT SPACE AND TO
3 REDUCE AND RECYCLE WASTE STREAMS.

4 (12) ALL NEWLY PURCHASED BUILDING MATERIALS, FINISHES, AND
5 FURNISHINGS USED IN THE BASE BUILDING THAT ARE SUBJECT TO THE
6 REGULATIONS ADOPTED BY THE DEPARTMENT OF THE ENVIRONMENT, IN
7 CONSULTATION WITH THE ADMINISTRATION AND THE DEPARTMENT OF NATURAL
8 RESOURCES, UNDER SUBSECTION (L) OF THIS SECTION, SHALL MEET THE
9 STANDARDS ESTABLISHED BY THOSE REGULATIONS IN EFFECT AT THE TIME THE
10 BUILDING OR REHABILITATION IS PLACED IN SERVICE.

11 (13) ALL TENANT SPACE IN THE BUILDING OCCUPIED BY THE OWNER
12 MUST BE GREEN TENANT SPACE.

13 (I) (1) TO QUALIFY AS GREEN TENANT SPACE ELIGIBLE FOR THE TAX
14 CREDIT UNDER THIS SECTION, TENANT SPACE SHALL MEET THE REQUIREMENTS OF
15 THIS SUBSECTION.

16 (2) (I) ENERGY USE FOR TENANT SPACE SHALL BE NO MORE THAN
17 THE APPLICABLE PERCENTAGE OF THE USE PERMITTED UNDER APPLICABLE
18 ENERGY EFFICIENCY STANDARDS AS SPECIFIED FOR NEW CONSTRUCTION OR FOR
19 REHABILITATION IN REGULATIONS ADOPTED BY THE ADMINISTRATION UNDER
20 SUBSECTION (L) OF THIS SECTION.

21 (II) ALL APPLIANCES AND ANY HEATING, COOLING, AND WATER
22 HEATING EQUIPMENT USED IN THE TENANT SPACE SHALL MEET APPLICABLE
23 ENERGY EFFICIENCY STANDARDS AS SPECIFIED IN REGULATIONS ADOPTED BY THE
24 ADMINISTRATION UNDER SUBSECTION (L) OF THIS SECTION.

25 (3) THE TENANT SPACE SHALL COMPLY WITH ALL APPLICABLE
26 BUILDING CODE REQUIREMENTS AND ENVIRONMENTAL REGULATIONS AND, WITH
27 RESPECT TO PROJECTS OTHER THAN NEW CONSTRUCTION, ALL EXISTING
28 ENVIRONMENTAL HAZARDS SHALL BE IDENTIFIED AND MANAGED IN ACCORDANCE
29 WITH APPLICABLE LAWS, REGULATIONS, AND INDUSTRY GUIDELINES.

30 (4) IN THE CASE OF BUILDINGS PRIMARILY USED FOR NONRESIDENTIAL
31 PURPOSES:

32 (I) VENTILATION AND EXCHANGE OF INDOOR AND OUTDOOR AIR
33 SHALL MEET THE STANDARDS ESTABLISHED IN REGULATIONS ADOPTED BY THE
34 DEPARTMENT OF THE ENVIRONMENT, IN CONSULTATION WITH THE DEPARTMENT
35 OF HEALTH AND MENTAL HYGIENE AND THE DEPARTMENT OF NATURAL
36 RESOURCES, UNDER SUBSECTION (L) OF THIS SECTION; AND

37 (II) FOR BUILDINGS IN WHICH SMOKING IS PERMITTED, THE
38 TAXPAYER SHALL ENSURE THAT, IF SMOKING IS PERMITTED IN THE TENANT SPACE,
39 IT IS PERMITTED ONLY IN AREAS IN WHICH THE AIR VENTILATION AND
40 CIRCULATION IS SEPARATE FROM THAT FOR NONSMOKING AREAS.

1 (5) THE VENTILATION SYSTEM COMPONENTS AND PATHWAYS:

2 (I) SHALL BE PROTECTED DURING CONSTRUCTION OR
3 REHABILITATION FROM CONTAMINATION IN ACCORDANCE WITH AN INDOOR AIR
4 QUALITY MANAGEMENT PLAN FOR THE CONSTRUCTION OR REHABILITATION
5 PROCESS THAT MEETS THE STANDARDS ESTABLISHED IN REGULATIONS ADOPTED
6 BY THE DEPARTMENT OF THE ENVIRONMENT, IN CONSULTATION WITH THE
7 DEPARTMENT OF HEALTH AND MENTAL HYGIENE AND THE DEPARTMENT OF
8 NATURAL RESOURCES, UNDER SUBSECTION (L) OF THIS SECTION; OR

9 (II) SHALL BE CLEANED PRIOR TO OCCUPANCY.

10 (6) (I) A LICENSED ENGINEER, CERTIFIED INDUSTRIAL HYGIENIST,
11 OR OTHER LICENSED OR CERTIFIED PROFESSIONAL APPROVED BY THE SECRETARY
12 OF THE ENVIRONMENT, SHALL CONDUCT INDOOR AIR QUALITY TESTING WITH
13 RESPECT TO THE TENANT SPACE IMMEDIATELY FOLLOWING OCCUPANCY, AND ON
14 AN ANNUAL BASIS, SHALL MONITOR SUPPLY AND RETURN AIR AND AMBIENT AIR
15 FOR CARBON MONOXIDE, CARBON DIOXIDE, TOTAL VOLATILE ORGANIC
16 COMPOUNDS, RADON, AND PARTICULATE MATTER.

17 (II) AFTER RADON MEASUREMENTS HAVE BEEN FOUND TO BE
18 SATISFACTORY, SUBSEQUENT ANNUAL TESTING FOR RADON IS NOT REQUIRED
19 UNDER THIS PARAGRAPH.

20 (7) ALL PLUMBING FIXTURES IN THE TENANT SPACE SHALL MEET THE
21 PLUMBING FIXTURE REQUIREMENTS OF THE FEDERAL ENERGY POLICY ACT OF 1992
22 OR ANY SUCCESSOR PROVISION IN EFFECT AT THE TIME THE IMPROVEMENTS WITH
23 RESPECT TO WHICH A TAX CREDIT IS CLAIMED ARE PLACED IN SERVICE.

24 (8) ALL NEWLY PURCHASED BUILDING MATERIALS, FINISHES, AND
25 FURNISHINGS USED IN THE TENANT SPACE THAT ARE SUBJECT TO THE
26 REGULATIONS ADOPTED BY THE DEPARTMENT OF THE ENVIRONMENT, IN
27 CONSULTATION WITH THE ADMINISTRATION AND THE DEPARTMENT OF NATURAL
28 RESOURCES, UNDER SUBSECTION (L) OF THIS SECTION, SHALL MEET THE
29 STANDARDS ESTABLISHED BY THOSE REGULATIONS IN EFFECT AT THE TIME THE
30 IMPROVEMENTS WITH RESPECT TO WHICH THE CREDIT UNDER THIS SECTION IS
31 CLAIMED IS PLACED IN SERVICE.

32 (J) (1) (I) ON APPLICATION BY A TAXPAYER, THE ADMINISTRATION
33 SHALL ISSUE AN INITIAL CREDIT COMPONENT CERTIFICATE IF THE TAXPAYER HAS
34 MADE A SHOWING THAT THE TAXPAYER IS LIKELY WITHIN A REASONABLE TIME TO
35 PLACE IN SERVICE PROPERTY FOR WHICH A CREDIT UNDER THIS SECTION WOULD
36 BE ALLOWED.

37 (II) THE INITIAL CREDIT COMPONENT CERTIFICATE ISSUED
38 UNDER THIS PARAGRAPH:

39 1. SHALL STATE THE FIRST TAXABLE YEAR FOR WHICH THE
40 CREDIT MAY BE CLAIMED AND AN EXPIRATION DATE; AND

1 2. SHALL APPLY ONLY TO PROPERTY PLACED IN SERVICE ON
2 OR BEFORE THE EXPIRATION DATE.

3 (III) TO AVOID UNWARRANTED HARDSHIP, THE ADMINISTRATION AT
4 ITS DISCRETION MAY EXTEND THE EXPIRATION DATE STATED UNDER AN INITIAL
5 CREDIT COMPONENT CERTIFICATE.

6 (IV) THE INITIAL CREDIT COMPONENT CERTIFICATE SHALL STATE
7 THE MAXIMUM AMOUNT OF CREDIT COMPONENT ALLOWABLE IN THE AGGREGATE
8 FOR THE 5 TAXABLE YEARS FOR WHICH THE CREDIT COMPONENT IS ALLOWED.

9 (V) THE ADMINISTRATION MAY NOT ISSUE INITIAL CREDIT
10 COMPONENT CERTIFICATES, IN THE AGGREGATE, FOR MORE THAN \$25,000,000
11 WORTH OF CREDIT COMPONENTS.

12 (VI) EXCEPT AS PROVIDED IN SUBPARAGRAPH (VII) OF THIS
13 PARAGRAPH, INITIAL CREDIT COMPONENT CERTIFICATES SHALL BE LIMITED IN
14 THEIR APPLICABILITY, AS FOLLOWS:

15 CREDIT COMPONENTS IN THE	
16 AGGREGATE MAY NOT BE	WITH RESPECT TO TAXABLE
17 ALLOWED FOR MORE THAN:	YEARS BEGINNING:

18 \$1 MILLION	2002
19 \$2 MILLION	2003
20 \$3 MILLION	2004
21 \$4 MILLION	2005
22 \$5 MILLION	2006
23 \$4 MILLION	2007
24 \$3 MILLION	2008
25 \$2 MILLION	2009
26 \$1 MILLION	2010

27 (VII) AS OF THE END OF A CALENDAR YEAR, IF CERTIFICATES FOR
28 CREDIT COMPONENT AMOUNTS TOTALING LESS THAN THE AMOUNT PERMITTED
29 WITH RESPECT TO TAXABLE YEARS BEGINNING IN THAT CALENDAR YEAR HAVE
30 BEEN ISSUED, THE MAXIMUM AMOUNT THAT MAY BE ALLOWED FOR TAXABLE YEARS
31 BEGINNING IN THE SUBSEQUENT CALENDAR YEAR SHALL BE INCREASED BY THE
32 AMOUNT OF THE PRECEDING YEAR'S SHORTFALL.

33 (VIII) THE ADMINISTRATION MAY NOT ISSUE AN INITIAL CREDIT
34 COMPONENT CERTIFICATE AFTER DECEMBER 31, 2005.

35 (2) (I) FOR EACH TAXABLE YEAR FOR WHICH A TAXPAYER CLAIMS A
36 CREDIT UNDER THIS SECTION WITH RESPECT TO A GREEN BUILDING, GREEN BASE
37 BUILDING, GREEN TENANT SPACE, OR AIR-CONDITIONING EQUIPMENT USING A
38 NONOZONE DEPLETING REFRIGERANT APPROVED BY THE UNITED STATES
39 ENVIRONMENTAL PROTECTION AGENCY, THE TAXPAYER SHALL OBTAIN AN
40 ELIGIBILITY CERTIFICATE FROM AN ARCHITECT OR PROFESSIONAL ENGINEER
41 LICENSED TO PRACTICE IN THIS STATE.

1 (II) AN ELIGIBILITY CERTIFICATE ISSUED UNDER THIS PARAGRAPH
2 SHALL CONSIST OF A CERTIFICATION, UNDER THE SEAL OF THE ARCHITECT OR
3 ENGINEER, THAT THE PROPERTY THAT IS THE BASIS FOR THE CREDIT THAT IS
4 CLAIMED REMAINS IN SERVICE AND, AS APPROPRIATE, THAT:

5 1. THE BUILDING, BASE BUILDING, OR TENANT SPACE WITH
6 RESPECT TO WHICH THE CREDIT IS CLAIMED IS A GREEN BUILDING, GREEN BASE
7 BUILDING, OR GREEN TENANT SPACE; OR

8 2. THE AIR-CONDITIONING EQUIPMENT USES A NONOZONE
9 DEPLETING REFRIGERANT APPROVED BY THE UNITED STATES ENVIRONMENTAL
10 PROTECTION AGENCY.

11 (III) THE CERTIFICATION UNDER SUBPARAGRAPH (II) OF THIS
12 PARAGRAPH:

13 1. SHALL BE MADE IN ACCORDANCE WITH THE STANDARDS
14 AND GUIDELINES IN EFFECT AT THE TIME THAT THE PROPERTY THAT IS THE BASIS
15 FOR THE CREDIT WAS PLACED IN SERVICE; AND

16 2. SHALL SET FORTH THE SPECIFIC FINDINGS ON WHICH
17 THE CERTIFICATION WAS BASED.

18 (IV) THE TAXPAYER SHALL FILE THE ELIGIBILITY CERTIFICATE
19 AND THE ASSOCIATED INITIAL CREDIT COMPONENT CERTIFICATE WITH THE
20 TAXPAYER'S INCOME TAX RETURN AND SHALL FILE DUPLICATE COPIES WITH THE
21 ADMINISTRATION.

22 (V) THE ELIGIBILITY CERTIFICATE SHALL INCLUDE:

23 1. SUFFICIENT INFORMATION TO IDENTIFY EACH BUILDING
24 OR SPACE; AND

25 2. ANY OTHER INFORMATION THAT THE ADMINISTRATION
26 OR THE COMPTROLLER REQUIRES BY REGULATION.

27 (3) IF THE ADMINISTRATION HAS REASON TO BELIEVE THAT AN
28 ARCHITECT OR PROFESSIONAL ENGINEER, IN MAKING ANY CERTIFICATION UNDER
29 THIS SUBSECTION, ENGAGED IN PROFESSIONAL MISCONDUCT, THE
30 ADMINISTRATION SHALL INFORM THE APPROPRIATE PROFESSIONAL BOARD OF THE
31 SUSPECTED MISCONDUCT.

32 (K) (1) EACH TAXPAYER SHALL, FOR ANY TAXABLE YEAR FOR WHICH THE
33 GREEN BUILDING CREDIT PROVIDED FOR UNDER THIS SECTION IS CLAIMED,
34 MAINTAIN RECORDS OF THE FOLLOWING INFORMATION:

35 (I) ANNUAL ENERGY CONSUMPTION FOR THE BUILDING, BASE
36 BUILDING, OR TENANT SPACE;

37 (II) ANNUAL RESULTS OF AIR MONITORING;

1 (III) ANNUAL CONFIRMATION THAT THE BUILDING, BASE
2 BUILDING, OR TENANT SPACE CONTINUES TO MEET REQUIREMENTS REGARDING
3 SMOKING AREAS, IF PROVIDED;

4 (IV) TENANT GUIDELINES REFERRED TO IN SUBSECTION (H)(11) OF
5 THIS SECTION, IF APPLICABLE;

6 (V) ALL WRITTEN NOTIFICATION OF TENANTS AND REQUESTS TO
7 REMEDY ANY INDOOR AIR QUALITY PROBLEMS; AND

8 (VI) CERTIFICATIONS AS TO OFF-GASSING AND OTHER
9 CONTAMINATION, AS REQUIRED IN SUBSECTION (H)(4) OF THIS SECTION, WHERE
10 APPLICABLE.

11 (2) (I) EACH TAXPAYER SHALL PROVIDE THE ADMINISTRATION THE
12 INFORMATION DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, IN THE FORM
13 AND AT THE TIME REQUIRED BY THE ADMINISTRATION.

14 (II) THE ADMINISTRATION SHALL DETERMINE THE TIMES FOR
15 FILING THE INFORMATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS
16 PARAGRAPH IN CONSULTATION WITH THE COMPTROLLER.

17 (III) THE INFORMATION REQUIRED UNDER THIS PARAGRAPH SHALL
18 BE PROVIDED TO THE ADMINISTRATION FOR EACH TAXABLE YEAR FOR WHICH THE
19 TAXPAYER CLAIMS A CREDIT UNDER THIS SECTION.

20 (3) (I) THE COMPTROLLER, THE ADMINISTRATION, AND THE
21 SECRETARY OF THE ENVIRONMENT MAY ADOPT REGULATIONS NECESSARY TO
22 CARRY OUT THE PROVISIONS OF THIS SECTION.

23 (II) REGULATIONS ADOPTED UNDER THIS SECTION SHALL
24 CONSTRUE THE PROVISIONS OF THIS SECTION IN SUCH A MANNER AS TO
25 ENCOURAGE THE DEVELOPMENT OF GREEN BUILDINGS, GREEN BASE BUILDINGS,
26 AND GREEN TENANT SPACE AND TO MAINTAIN HIGH, BUT COMMERCIALY
27 REASONABLE, STANDARDS FOR OBTAINING TAX CREDITS UNDER THIS SECTION.

28 (4) ON OR BEFORE APRIL 1, 2009, THE COMPTROLLER AND THE
29 ADMINISTRATION, JOINTLY AND IN CONSULTATION WITH THE DEPARTMENT OF THE
30 ENVIRONMENT, SHALL SUBMIT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF
31 THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY, A WRITTEN
32 REPORT REGARDING:

33 (I) THE NUMBER OF CERTIFICATIONS AND TAXPAYERS CLAIMING
34 THE CREDIT UNDER THIS SECTION;

35 (II) THE AMOUNT OF THE CREDITS CLAIMED;

36 (III) THE GEOGRAPHICAL DISTRIBUTION OF THE CREDITS CLAIMED;
37 AND

1 (IV) ANY OTHER AVAILABLE INFORMATION THE ADMINISTRATION
2 DETERMINES TO BE MEANINGFUL AND APPROPRIATE.

3 (5) THE COMPTROLLER AND THE ADMINISTRATION SHALL ENSURE
4 THAT THE INFORMATION IS PRESENTED AND CLASSIFIED IN A MANNER CONSISTENT
5 WITH THE CONFIDENTIALITY OF TAX RETURN INFORMATION.

6 (6) (I) THE ADMINISTRATION SHALL MAKE RECOMMENDATIONS
7 REGARDING THE ESTABLISHMENT OF A PERMANENT GREEN BUILDING TAX CREDIT
8 PROGRAM.

9 (II) RECOMMENDATIONS MAY INCLUDE METHODS TO ENHANCE
10 THE EFFECTIVENESS, SIMPLICITY, OR OTHER ASPECTS OF THE PROGRAM.

11 (L) (1) ON OR BEFORE DECEMBER 1, 2001, THE ADMINISTRATION, IN
12 CONSULTATION WITH THE DEPARTMENT OF THE ENVIRONMENT AND THE
13 DEPARTMENT OF NATURAL RESOURCES, SHALL ADOPT THE FOLLOWING, WITH
14 RESPECT TO BASE BUILDINGS:

15 (I) REGULATIONS ESTABLISHING STANDARDS FOR ENERGY USE
16 FOR ELIGIBLE BUILDINGS, TO BE REVIEWED AND UPDATED AT LEAST EVERY 2
17 YEARS, INCLUDING SEPARATE PERCENTAGES OF ENERGY USE FOR ELIGIBILITY
18 APPLICABLE IN THE CASE OF NEW CONSTRUCTION AND IN THE CASE OF
19 REHABILITATIONS;

20 (II) REGULATIONS ESTABLISHING STANDARDS FOR APPLIANCES
21 AND HEATING, COOLING, AND WATER HEATING EQUIPMENT;

22 (III) REGULATIONS SPECIFYING THE METHODOLOGY BY WHICH A
23 TAXPAYER SHALL DEMONSTRATE COMPLIANCE WITH SUBSECTION (H)(2) OF THIS
24 SECTION, TO INCLUDE, AT A MINIMUM, A REQUIREMENT TO CONDUCT HOURLY
25 COMPUTER MODELING FOR 1 FULL YEAR; AND

26 (IV) REGULATIONS ESTABLISHING STANDARDS FOR THE
27 COMMISSIONING OF BUILDINGS.

28 (2) ON OR BEFORE DECEMBER 1, 2001, THE DEPARTMENT OF THE
29 ENVIRONMENT, IN CONSULTATION WITH THE DEPARTMENT OF HEALTH AND
30 MENTAL HYGIENE AND THE DEPARTMENT OF NATURAL RESOURCES, SHALL ADOPT
31 REGULATIONS ESTABLISHING STANDARDS, WITH RESPECT TO BASE BUILDINGS,
32 FOR:

33 (I) VENTILATION AND EXCHANGE OF INDOOR AND OUTDOOR AIR;

34 (II) INDOOR AIR QUALITY MANAGEMENT PLANS FOR THE
35 CONSTRUCTION OR REHABILITATION PROCESS; AND

36 (III) INDOOR AIR QUALITY WITH RESPECT TO LEVELS OF CARBON
37 MONOXIDE, CARBON DIOXIDE, TOTAL VOLATILE ORGANIC COMPOUNDS, RADON, AND
38 PARTICULATE MATTER.

1 (3) (I) IN THIS PARAGRAPH, "BUILDING MATERIALS, FINISHES, AND
2 FURNISHINGS" INCLUDES:

- 3 1. CONCRETE AND CONCRETE MASONRY UNITS;
- 4 2. WOOD AND WOOD PRODUCTS;
- 5 3. MILLWORK SUBSTRATES;
- 6 4. INSULATION;
- 7 5. CERAMIC, CERAMIC/GLASS, AND CEMENTITIOUS TILES;
- 8 6. CEILING TILES AND PANELS;
- 9 7. FLOORING AND CARPET;
- 10 8. PAINTS, COATINGS, SEALANTS, AND ADHESIVES; AND
- 11 9. FURNITURE.

12 (II) ON OR BEFORE DECEMBER 1, 2001, THE DEPARTMENT OF THE
13 ENVIRONMENT, IN CONSULTATION WITH THE ADMINISTRATION AND THE
14 DEPARTMENT OF NATURAL RESOURCES, SHALL ADOPT, WITH RESPECT TO BASE
15 BUILDINGS, REGULATIONS ESTABLISHING STANDARDS FOR BUILDING MATERIALS,
16 FINISHES, AND FURNISHINGS REGARDING MINIMUM PERCENTAGES OF RECYCLED
17 CONTENT AND RENEWABLE SOURCE MATERIAL AND MAXIMUM LEVELS OF TOXICITY
18 AND VOLATILE ORGANIC COMPOUNDS AND ANY OTHER STANDARDS THAT THE
19 DEPARTMENT DETERMINES APPROPRIATE, WHICH REGULATIONS SHALL BE
20 INFORMED BY THE UNITED STATES GREEN BUILDING COUNCIL'S LEADERSHIP IN
21 ENERGY AND ENVIRONMENTAL DESIGN GREEN BUILDING RATING SYSTEM AND
22 WHICH SHALL BE REVIEWED AND UPDATED AT LEAST EVERY 2 YEARS.

23 (4) ON OR BEFORE DECEMBER 1, 2001, THE ADMINISTRATION, IN
24 CONSULTATION WITH THE DEPARTMENT OF THE ENVIRONMENT, SHALL ADOPT
25 REGULATIONS WITH RESPECT TO TENANT SPACE, SPECIFYING THE METHODOLOGY
26 BY WHICH TAXPAYERS SHALL DEMONSTRATE COMPLIANCE WITH SUBSECTION (1)(2)
27 OF THIS SECTION.

28 (5) ON OR BEFORE DECEMBER 1, 2001, THE DEPARTMENT OF THE
29 ENVIRONMENT, IN CONSULTATION WITH THE DEPARTMENT OF HEALTH AND
30 MENTAL HYGIENE, SHALL ADOPT REGULATIONS WITH RESPECT TO TENANT SPACE,
31 SPECIFYING THE METHODOLOGY BY WHICH TAXPAYERS SHALL DEMONSTRATE
32 COMPLIANCE WITH SUBSECTION (1)(3) AND (4) OF THIS SECTION.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 July 1, 2001, and shall be applicable to all taxable years beginning after December 31,
35 2001.