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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO HEALTH AND SAFETY -- BUILDING PERFORMANCE STANDARDS
ACT OF 2026

Introduced By: Senators Kallman, Valverde, Lauria, DiMario, Euer, Vargas, Gu, Mack,
and Britto

Date Introduced: January 23, 2026

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1 SECTION 1. Purpose.

2 The purpose of this chapter is to reduce the greenhouse gas emissions of buildings in Rhode
3 Island, consistent with chapter 6.2 of title 42 (“2021 act on climate”). Of the building stock in 2050,
4 approximately seventy percent (70%) has already been built, and addressing these existing
5 buildings is critical to achieving net-zero emissions by 2050. As significant retrofits to existing
6 buildings will eventually be needed, this chapter establishes a standard for their energy
7 performance. Further, the intent of the legislature is to ensure that the Office of Energy Resources
8 (OER) has dedicated resources sufficient to administer its responsibilities under this chapter to
9 enable swift and steady progress towards Rhode Island's net-zero mandate.

10 SECTION 2. Title 23 of the General Laws entitled "HEALTH AND SAFETY" is hereby
11 amended by adding thereto the following chapter:

12 CHAPTER 27.5

13 BUILDING PERFORMANCE STANDARDS ACT OF 2026

14 **23-27.5-1. Definitions.**

15 As used in this chapter:

16 (1) "BPS fund" means the building performance standard fund established in § 23-27.5-5.

17 (2) "Building improvement tool" means an online tool to help building owners and
18 operators improve building energy and water efficiency and reduce greenhouse gas emissions

1 through identifying, tracking, and verifying improvements and their performance, including the
2 capability to integrate with ENERGY STAR Portfolio Manager.

3 (3) "Building performance standard" means an objectively verifiable numeric value of a
4 defined building performance metric that covered properties are required to achieve by specified
5 dates.

6 (4) "Commercial building" means a building or multiple buildings on a property of which
7 not less than fifty percent (50%) of the gross floor area, including hallways or other common space,
8 but excluding parking, is used for commercial, retail, office, professional, educational or other
9 nonresidential purposes, or any grouping of commercial buildings designated by the OER as an
10 appropriate reporting unit for the purposes of this section; provided, however, that "commercial
11 building" shall not include a public facility or a building owned or leased by the federal government,
12 and shall not include a facility in which the majority of energy is consumed for manufacturing, for
13 the generation of electric power or district thermal energy to be consumed off site, for
14 communications infrastructure, or for other process loads as determined by the OER.

15 (5) "Community impacted by poverty and environmental injustice" means census tracts
16 that are highlighted as overburdened and underserved in the geospatial climate and economic
17 justice screening tool (CEJST).

18 (6) "Condominium" means a property that combines separate ownership of individual units
19 with common ownership of other elements such as common areas.

20 (7) "Covered property" means any of the following with at least twenty-five thousand
21 square feet (25,000 sq. ft.) of gross floor area:

22 (i) A single building;

23 (ii) One or more buildings held in the condominium form of ownership, and governed by
24 a single board of managers; or

25 (iii) Two (2) or more buildings that are served by the same electric or gas meter or are
26 served by the same heating or cooling system(s), which is not a district energy system. Provided
27 that buildings, spaces, or groups of buildings and spaces, that are sub-metered or otherwise subject
28 to easy determination of the resource consumption attributable to each individual building, space,
29 or group of buildings or spaces, shall be treated as separate "covered properties" as determined by
30 the OER.

31 (8) "Department of environmental management" or "DEM" means the state government
32 agency charged with supervising and controlling the protection, development, planning, and
33 utilization of the natural resources of the state and of which the director is the chair of the executive
34 climate change coordinating council.

1 (9) "District energy system" means a system serving multiple covered properties and
2 consisting of non-combusting thermal energy generation, transfer, and distribution equipment
3 providing thermal energy in the form of heat and/or heat rejection.

4 (10) "Executive climate change coordinating council" or "council" or "EC4" means the
5 council established by § 42-6.2-1.

6 (11) "Gross floor area" means the total area of a covered property, measured between the
7 outside surface of the exterior walls of the covered property building(s). The OER shall promulgate
8 rules and procedures governing the calculation of gross floor area, including areas that shall be
9 excluded from the calculation.

10 (12) "Office of energy resources" or "OER" means the state agency charged with leading
11 Rhode Island towards a clean, affordable, reliable, and equitable energy future.

12 (13) "Owner" means any of the following:

13 (i) An individual or entity possessing title to a covered property;

14 (ii) The board of the owners' association, in the case of a condominium;

15 (iii) The master association, in the case of a condominium, where the powers of an owners'
16 association are exercised by or delegated to a master association;

17 (iv) The board of directors, in the case of a cooperative apartment corporation; or

18 (v) An agent authorized to act on behalf of any of the above.

19 (14) "Performance metrics" means each of the objectively verifiable numeric measures of
20 building performance as established by § 23-27.5-4(d).

21 (15) "Property type(s)" means a category of covered properties subject to the same interim
22 and final building performance standards, as defined by the OER. Covered properties within each
23 property type shall have shared characteristics that facilitate the implementation and enforcement
24 of this law. The OER may define one or more property types to be identical to ENERGY STAR
25 property types.

26 (16) "Public facility" means any public institution, public facility, or any physical asset
27 owned, including its public real-property site, leased or controlled in whole or in part by this state,
28 a public agency, a municipality or a political subdivision, that is for public or government use and
29 that consumes energy.

30 (17) "Residential building" means a building or multiple buildings on a property of which
31 not less than fifty percent (50%) of the gross floor area, including hallways and other common
32 space serving residents, but excluding parking, is used for dwelling purposes, or any grouping of
33 residential buildings designated by the OER as an appropriate reporting unit for the purposes of
34 this chapter; provided, however, that "residential building" shall not include a public facility or a

1 building owned or leased by the federal government.

2 (18) "Tenant" means any tenant, tenant-stockholder of a cooperative apartment
3 corporation, or condominium unit owner.

4 (19) "Utility" means a company, cooperative, association, or government entity that
5 distributes and sells electricity, natural gas, or district energy for use in buildings.

6 **23-27.5-2. Authority.**

7 The office of energy resources is hereby granted authority to administer this chapter, which
8 shall include the authority to issue forms and guidance, promulgate rules and regulations, apply for
9 and receive federal funds, assess and receive fees, and contract with third parties to effectuate the
10 powers granted herein. The OER shall consult with the department of environmental management
11 regarding the emissions-based enforcement and reporting requirements of this chapter, for which
12 the DEM shall be responsible.

13 **23-27.5-3. Advisory board.**

14 (a) For purposes of this chapter, the green building advisory committee (GBAC)
15 established pursuant to § 37-24-5(g) shall act as an advisory board to the OER concerning the
16 implementation of this chapter including, but not limited to, the establishment of the building
17 performance standards, technical assistance, owner needs, outreach and education, opportunities
18 for funding related to the chapter, the implementation of state policies, programs, and statutes
19 related to the chapter and recommendations for building performance standards.

20 (b) No later than one hundred and twenty (120) days following the enactment of this
21 chapter, the OER shall establish the environmental justice advisory board (EJAB) to advise the
22 OER on climate change efforts with respect to potential impacts on, benefits to, and special
23 considerations for individuals and communities impacted by poverty and environmental injustice.

24 (1) The EJAB shall be comprised of no fewer than nine (9) and no more than fifteen (15)
25 individuals who are representatives of communities impacted by poverty and environmental
26 injustice, representatives of nonprofit and public agencies who work with such individuals or
27 communities, including providers of affordable housing, small business owners or organizations,
28 and experts in areas related to racial and social equity, as well as one representative from the Rhode
29 Island AFL-CIO. The commissioner of the OER shall select individuals in consultation with the
30 EC4 advisory board, to serve on the EJAB following an opportunity for the public to apply in
31 consultation with the EC4 advisory board.

32 (2) All appointments to the EJAB shall be for a term of three (3) years. Members whose
33 appointed terms have expired shall be permitted to continue to serve for up to one year until
34 reappointed or replaced by a new appointee.

1 (3) The OER shall fairly compensate EJAB members and provide stipends to cover the
2 cost of childcare and information technology needs as determined by the EJAB and EC4.

3 (4) The EJAB shall advise the OER and DEM on the implementation of this chapter with
4 respect to potential impacts on, benefits to, and special considerations for individuals and
5 communities impacted by poverty and environmental injustice, and small business owners from
6 such communities.

7 (5) The EJAB may develop a plan to allocate funds available in the BPS fund, established
8 under § 23-27.5-5(g), to improve the performance of covered buildings and ensure that those
9 investments benefit such communities.

10 (6) The EJAB may host, in partnership with the GBAC and the OER, public meetings to
11 gather input regarding the benchmarking program as well as the design and implementation of the
12 building performance standards and complementary programs. Equitable engagement shall be a
13 priority.

14 **23-27.5-4. Building performance improvement.**

15 (a) On a regular basis, the OER shall evaluate data relevant to understanding the energy
16 use and greenhouse gas emissions of buildings in Rhode Island. The OER and DEM shall jointly
17 publish reports summarizing the data and the status of building emissions in Rhode Island
18 biennially.

19 (b) No later than December 31, 2027, the OER and DEM shall publish a report including
20 a summary of its activities and progress under this chapter and detailing recommended measures,
21 policies and programs to achieve building emission reductions aligned with Rhode Island's net zero
22 goal. The OER and DEM shall issue supplemental reports biennially for a period of twenty (20)
23 years.

24 (c) Performance metrics shall include site energy use intensity and may also include
25 greenhouse gas emissions or other metrics relevant to the purpose of this chapter.

26 (d) No later than December 31, 2028, the OER and DEM shall select performance metrics
27 and set a building performance standard for each property type or subcategory.

28 (e) The OER shall set final building performance standards that shall collectively cause the
29 aggregate greenhouse gas emissions attributable to all covered properties to be reduced in line with
30 reaching net zero by 2050.

31 (f) The OER and DEM shall set interim building performance standards for covered
32 properties that are applicable at the end of each five (5) year period between adoption and 2050. In
33 doing so a straight-line trajectory may be used, from the covered property's baseline performance
34 for each performance metric to the final building performance standard for that performance metric

1 such that each calculated performance metric shall improve in equal increments during each five
2 (5) year period. The DEM may use other means to calculate interim building performance standards
3 if it deems the straight-line trajectory approach ill-suited for a covered property type.

4 (g) As of June 30, 2035, and at the end of every five (5) year period thereafter, the owner
5 of a covered property shall demonstrate progress toward each applicable final building performance
6 standard by achieving the interim building performance standard(s) set by the OER for the covered
7 property.

8 (h) If the owner of a covered property believes that the owner cannot reasonably meet one
9 or more of the applicable interim or final building performance standards, then the owner may
10 propose an alternative building performance action plan to the OER. If the OER approves an
11 alternative building performance action plan for a covered property, then the owner shall be
12 responsible only to comply with the provisions of the alternative building performance action plan
13 until the next compliance date.

14 (i) The OER shall issue forms, guidance and promulgate regulations necessary to
15 implement this section including requirements for building performance action plans.

16 (j) In consultation with the EJAB, the OER shall provide technical assistance for owners
17 lacking the financial, operational, or technical capacity to meet interim or final building
18 performance standards. To the extent possible, such assistance shall include information on
19 potential loan, grant, and other financing options for owners.

20 (k) The OER shall coordinate with utility companies, energy efficiency program
21 administrators, the public utilities commission, state agencies, and local governments, as
22 appropriate, to support the implementation of its recommendations pursuant to this section.

23 (l) In the case of a municipality that has initiated a building energy performance
24 requirement prior to the enactment of this law, the municipality may continue such program in lieu
25 of the requirements to be established by the OER under this section. In such case, the municipality
26 must notify the OER of such intent within one hundred eighty (180) days of the enactment of this
27 chapter and must provide program and performance information to the OER and DEM annually
28 thereafter for reporting compliance.

29 **23-27.5-5. Compliance assurance.**

30 (a) The OER shall establish a program to maximize owner compliance with this chapter.
31 In coordination with the DEM, the OER shall issue forms, guidance and promulgate regulations as
32 necessary to implement the compliance program, and shall revise such forms, guidance and
33 regulations from time to time as needed.

34 (b) The OER may grant an extension, adjustment or exemption to an interim or final

1 building performance standards for a covered property whose owner submits a request, together
2 with documentation, in a form and date prescribed by the OER, if the covered property meets any
3 of the following criteria:

4 (1) A demolition permit was issued, or demolition is planned, that will prevent achievement
5 of the next interim building performance standard;

6 (2) The covered building did not have a certificate of occupancy or temporary certificate
7 of occupancy for all twelve (12) months of the baseline year prior to the interim building
8 performance standard compliance schedule;

9 (3) The covered property is in financial hardship, as defined guidance or regulations issued
10 by the OER; or

11 (4) The OER determines that strict compliance with the provisions of this law would cause
12 financial hardship or would not be in the public interest. Any approved alternative, extension,
13 adjustment or exemption shall apply only to the specific interim or final building performance
14 standard and shall expire no later than the end of the relevant five (5) year period.

15 (c) The OER shall establish penalties for violations of this chapter through promulgation
16 of regulations issued pursuant to this chapter. In doing so, the OER shall endeavor to minimize
17 disproportionate impacts on communities impacted by poverty and environmental injustice. The
18 OER may coordinate with the DEM for enforcement of the building performance standards, and
19 the standards and requirements herein.

20 (d) Pursuant to each of the benchmarking requirements and the building performance
21 standards established under this chapter, the OER shall establish in regulations the process and
22 criteria for a building owner to apply for, and for the OER to grant or deny:

23 (1) A deadline extension; and/or

24 (2) A hardship waiver.

25 (e) The OER shall establish penalties for covered properties for violation of benchmarking
26 requirements and for violation of building performance standards. Such payment amounts or
27 formula shall reflect:

28 (1) The total number of annual benchmarking submissions which a covered property has
29 failed to achieve;

30 (2) The total number of interim and final building performance standards which a covered
31 property has failed to achieve;

32 (3) The assessed value of the covered property; and

33 (4) The magnitude of non-compliance under each performance metric.

34 (f) An owner whose covered property fails to comply with benchmarking requirements or

1 meet an interim or final building performance standard by the applicable compliance date shall be
2 required to make a penalty payment. Any owner who does not reside or conduct their business in
3 the covered property, but leases the covered property to a tenant or multiple tenants, shall remain
4 the party responsible for ensuring compliance with this section. Any penalty payments rendered as
5 a result of non-compliance shall not be passed on to any tenant who may lease the covered property
6 in order to offset the cost to the owner.

7 (g) The BPS fund is hereby established as a permanent designated fund managed by the
8 OER. The BPS fund shall be used to support the building benchmarking and performance
9 improvement program established in this law.

10 (1) All funds collected from payment of penalties assessed shall be deposited into the BPS
11 fund.

12 (2) All funds deposited into the BPS fund, and any interest earned on the funds, shall not
13 revert to the unrestricted fund balance of the general fund at the end of a fiscal year, or at any other
14 time, but shall be continually available for the uses and purposes set forth in this chapter without
15 regard to fiscal year limitation.

16 (3) Additional funds from other sources may also be deposited into the BPS fund.

17 **23-27.5-6. Rules and regulations.**

18 The OER shall promulgate rules and regulations to implement and enforce the provisions
19 of this chapter.

20 **23-27.5-7. Appeals.**

21 An owner aggrieved by this chapter or compliance orders resulting therefrom may appeal
22 pursuant to the provisions of chapter 35 of title 42 ("administrative procedures").

23 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO HEALTH AND SAFETY -- BUILDING PERFORMANCE STANDARDS
ACT OF 2026

- 1 The act would direct the office of energy resources to develop building performance
- 2 standards for large buildings in Rhode Island that would cause greenhouse gas emissions to decline
- 3 in line with the act on climate requirements.
- 4 This act would take effect upon passage.

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