



LEED CERTIFICATION INCENTIVES IN OTHER STATES

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LEED CERTIFICATION

The USGBC's LEED certification program recognizes a broad variety of "green" building strategies and practices. Building projects can qualify for LEED certification under one of five rating systems: building design and construction, interior design and construction, building operations and maintenance, neighborhood development, or homes.

To receive certification, a project must earn credits within the appropriate rating system by meeting certain prerequisites and other optional goals. There are four levels of certification, depending on how many credits a project earns: Certified (40-49 points), Silver (50-59), Gold (60-79), and Platinum (80+).

For additional information on LEED certification, see OLR Report [2014-R-0200](#).

ISSUE

This report provides brief summaries of the incentive programs other states offer to encourage the owners and developers of private sector buildings to earn Leadership in Energy and Environmental Design (LEED) certification for their buildings.

STATE LEED CERTIFICATION INCENTIVES

The LEED program is a building certification process developed and administered by the U.S. Green Building Council (USGBC) that aims to improve a building's performance across a variety of "green" areas. Eligible building projects must meet various prerequisites, such as complying with certain energy efficient engineering standards, and can earn additional points by implementing other green measures. The prerequisites and optional measures cover energy efficiency and several other areas, such as water management, material and resource use, and indoor air quality. A project's certification level depends on how many optional points the project accumulates.

Several states have implemented incentive programs to encourage private sector building owners and developers to pursue LEED certification for their

buildings. These incentives range from financial incentives, like grants and tax credits, to expedited permitting processes and reduced permitting fees. In Connecticut, the Department of Energy and Environmental Protection and the Office

of Policy and Management administer the [Green Buildings Tax Credit](#) program which provides a tax incentive for building owners and developers of certain commercial properties that meet or exceed the LEED gold certification standard.

Table 1 summarizes other states' incentive programs for LEED certification as listed in the U.S. Department of Energy's [Database of State Incentives for Renewables & Efficiency](#). The programs included are those that specifically use LEED certification as a criterion for eligibility, although several of them also allow other certification systems, such as a Green Globes rating, to qualify. Many states and local governments also offer incentives (which are not included below) that could be used to achieve LEED certification, but do not specifically require certification in order to qualify for the incentive.

Table 1. State Incentive Programs for LEED Certification

State	LEED Incentive Program
Delaware	Sustainable Energy Utility Green for Green Home Rebate: provides \$1,000 - \$4,500 rebates to certain new homes that achieve LEED certification.
Hawaii	Priority Permit Processing for Green Buildings: requires each county agency that issues building, construction, or development-related permits to establish a procedure for free priority processing of permit applications for construction projects incorporating energy and environmental design building standards. Buildings can become eligible by earning a LEED silver rating or similar certification.
Illinois	Green Energy Loans: provides interest rate reductions on loans for certain energy efficiency and renewable energy upgrades. Projects can qualify by having a LEED certified professional working on the project with the intent to pursue LEED certification.
Maryland	Local Option Property Tax Credit for High Performance Buildings: allows counties and municipalities to provide a property tax credit for buildings that achieve a LEED silver certification.
Nevada	Property Tax Abatement for Green Buildings: provides property tax abatements for buildings or structures that earn LEED certification. The amount of the abatement increases with higher certification levels.
New Mexico	Sustainable Building Corporate Tax Credit: provides a corporate tax credit for buildings with a LEED silver certification or higher.

State	LEED Incentive Program
New York	Local Option Real Property Tax Exemption for Green Buildings: allows municipalities to exempt LEED certified buildings from a portion of their local property taxes. The amount and duration of the exemption increases with higher certification levels.
North Carolina	Local Option Green Building Incentives: allows counties and cities to provide reductions or partial rebates of building permit fees for buildings that meet guidelines established by LEED or other recognized certification programs.
Pennsylvania	High Performance Building Incentives Program: provides loans, grants, and loan guarantees to new construction and major renovation projects that achieve LEED gold certification and meet other requirements.
Virginia	Local Option Property Tax Assessment for Energy Efficient Buildings: allows local jurisdictions to reduce property tax assessment rates for buildings that exceed LEED energy efficiency standards.

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