

B-Engrossed
Senate Bill 1533

Ordered by the House February 24
Including Senate Amendments dated February 15 and House Amendments
dated February 24

Sponsored by Senator WHITSETT; Senators ATKINSON, FERRIOLI, JOHNSON, KRUSE, OLSEN, STARR,
TELFER, VERGER, WINTERS (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires contracting agency to include amount in contract for construction, reconstruction or major renovation of public building equivalent to 1.5 percent of total contract price for inclusion of appropriate green energy technology.

A BILL FOR AN ACT

1
2 Relating to green energy technology in public buildings; creating new provisions; and amending ORS
3 279C.527 and 279C.528.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 279C.527 is amended to read:

6 279C.527. (1) **As used in this section and in ORS 279C.528:**

7 (a) **“Green energy technology” means technology or a system that employs:**

8 (A) **Geothermal electricity generation or direct use of geothermal energy for space or**
9 **water heating that reduces energy use from other sources by at least 20 percent from a level**
10 **otherwise specified by law:**

11 (i) **At the site of a public building; or**

12 (ii) **Away from the site of a public building if the geothermal source is within this state**
13 **and is in the same county as the public building or an adjacent county, if using energy from**
14 **a geothermal source that is away from the site of the public building is more cost-effective**
15 **than using geothermal energy from a source at the site of the public building, if generating**
16 **or using geothermal energy at the site of the public building is not feasible and if in addition**
17 **to geothermal energy the public building includes additional new capacity for renewable**
18 **electricity generation.**

19 (B) **Solar electricity generation, solar thermal generation or passive solar energy gener-**
20 **ation, if the system that employs passive solar energy generation reduces energy use from**
21 **other sources by at least 20 percent from a level otherwise specified by law:**

22 (i) **At the site of a public building; or**

23 (ii) **Away from the site of a public building if the solar energy source is within this state**
24 **and is in the same county as the public building or an adjacent county, if using energy from**
25 **a solar energy source that is away from the site of the public building is more cost-effective**
26 **than using solar energy from a source at the site of the public building, if generating or us-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 **ing solar energy at the site of the public building is not feasible and if in addition to solar**
 2 **energy the public building includes additional new capacity for renewable electricity gener-**
 3 **ation.**

4 (b) **“Public building” means a building that a public body, as defined in ORS 174.109, owns**
 5 **or controls, and that is:**

6 (A) **Used or occupied by employees of the public body; or**

7 (B) **Used for conducting public business.**

8 [(1)] (2) Except as otherwise provided in this section, a public improvement contract for the
 9 construction of a public building or for the reconstruction or major renovation of a public building,
 10 if the cost of the reconstruction or major renovation exceeds 50 percent of the value of the public
 11 building, [is considered to] **shall** contain an amount equal to at least 1.5 percent of the total contract
 12 price for the inclusion of appropriate [solar] **green** energy technology in the public building. [Solar
 13 energy technology shall include solar electric or solar thermal systems and may include passive solar
 14 energy systems when a proposed passive solar energy system will achieve a reduction in energy usage
 15 of at least 20 percent.]

16 [(2)] (3) Before entering into a public improvement contract described in subsection [(1)] (2) of
 17 this section, a contracting agency shall prepare a written determination of whether the inclusion
 18 of [solar] **green** energy technology in the construction, reconstruction or major renovation of the
 19 public building is appropriate. The contracting agency shall include in the determination the total
 20 contract price and the amount the agency intends to expend on the inclusion of [solar] **green** energy
 21 technology in the public building. The State Department of Energy shall develop a form [usable by
 22 contracting agencies for preparing] **a contracting agency may use to prepare** the written deter-
 23 mination described in this subsection.

24 [(3)] (4) If the contracting agency determines that [it would be inappropriate to include solar]
 25 **including green** energy technology in the construction, reconstruction or major renovation of the
 26 public building **is not appropriate**, subsection [(1)] (2) of this section does not apply to the public
 27 improvement contract. However:

28 (a) The contracting agency shall spend an amount equal to at least 1.5 percent of the total
 29 contract price on the inclusion of appropriate [solar] **green** energy technology in a future public
 30 building project; and

31 (b) The amount [spent by] the contracting agency **spends** on the future public building project
 32 pursuant to paragraph (a) of this subsection is in addition to any amount required under subsection
 33 [(1)] (2) of this section for the inclusion of appropriate [solar] **green** energy technology in the future
 34 public building project.

35 [(4)] (5) Subsection [(3)(a) and (b)] (4) of this section does not apply to a public improvement
 36 contract for which [no] state funds are **not** directly or indirectly used.

37 [(5)] (6) This section does not exempt an authorized state agency, as defined in ORS 276.905,
 38 from complying with ORS 276.900 to 276.915, except that an authorized state agency, without com-
 39 plying with ORS 276.900 to 276.915, may determine that [solar] **green** energy technology [described
 40 in this section] is appropriate [for inclusion] **to include** in the construction, reconstruction or major
 41 renovation of a public building.

42 [(6)(a) As used in this section, “public building” means a building owned or controlled by a public
 43 body, as defined in ORS 174.109, and:]

44 [(A) Used or occupied by employees of the public body; or]

45 [(B) Used for conducting public business.]

1 [(b)] (7) Notwithstanding the provisions of ORS 174.108 (3), this section applies to intergovern-
2 mental entities described in ORS 174.108 (3).

3 **SECTION 2.** ORS 279C.528 is amended to read:

4 279C.528. Public improvement contracts subject to ORS 279C.527 are also subject to rules
5 [adopted by] the State Department of Energy **adopts** that include, but are not limited to, require-
6 ments and specifications for:

7 (1) Using particular [solar] **green** energy [systems or] technologies in public improvements;

8 (2) Determining the cost-effectiveness of [solar] **green** energy [systems or] technologies;

9 (3) Reporting the use of [solar] **green** energy [systems or] technologies in public improvements
10 or submitting documents to the department for review, as appropriate; and

11 (4) Determining whether a structure is a public building subject to the requirements of ORS
12 279C.527.

13 **SECTION 3.** The amendments to ORS 279C.527 and 279C.528 by sections 1 and 2 of this
14 2012 Act apply to contracts for the construction, reconstruction or major renovation of
15 public buildings that a contracting agency first advertises or otherwise solicits or, if the
16 contracting agency does not advertise or solicit the contract, to contracts into which the
17 contracting agency first enters on or after the effective date of this 2012 Act.

18