

A-Engrossed
Senate Bill 576

Ordered by the Senate May 14
Including Senate Amendments dated May 14

Sponsored by COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES (at the request of American Institute of Architects)

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.

Directs State Department of Energy, in cooperation with Oregon Department of Administrative Services, to require that major facility projects be planned, designed, constructed and renovated to meet high performance building standards for energy efficiency and environmental sustainability.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to construction of high performance buildings; and declaring an emergency.

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

SECTION 1. The Legislative Assembly finds and declares that:

(1) The operation of buildings is responsible for more carbon dioxide emissions than either the transportation or industrial sectors. Due to the low performance and efficiency standards currently required of the building industry, construction and renovation to energy efficient standards presents the single largest opportunity for the reduction of carbon dioxide emissions.

(2) Architecture 2030 Challenge goals recommend a fossil fuel reduction standard for the operation of new buildings to achieve carbon neutrality by 2030. Architecture 2030 Challenge goals should guide the design and construction of public buildings in the State of Oregon.

(3) The construction and operation of buildings place a significant burden on valuable natural resources through use of energy, use of fresh water, wastewater discharge, solid waste generation, extraction for material production and air pollution.

(4) Public buildings, including educational facilities, can be improved by adopting recognized standards for high performance buildings and by allowing flexible methods and choices in how public bodies achieve the standards.

(5) Public buildings certified as being constructed or renovated to high performance building standards can save money, conserve resources, improve student performance and provide human health benefits that make workers more productive and reduce illness.

(6) Costs and savings can be monitored and documented by public bodies and subjected to independent performance reviews to ensure that economic, community and environmental goals are achieved.

(7) High performance building standards can increase the demand for building materials and products that are grown or manufactured locally, thereby reducing environmental im-

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 pacts due to transportation and supporting the local economy.

2 **SECTION 2.** As used in sections 1 to 4 of this 2007 Act, unless the context requires oth-
3 erwise:

4 (1) “High performance building” means a building planned, designed and constructed to
5 meet the standards required by section 3 of this 2007 Act.

6 (2) “High performance building certification program” means a coherent program of
7 building design, construction and renovation standards that:

8 (a) Provides criteria for energy conservation and sustainable design for various building
9 types;

10 (b) Establishes minimum requirements for energy conservation and sustainable design
11 and recognizes additional levels of higher performance achievement;

12 (c) Requires quantifiable aspects to be measured to ensure performance;

13 (d) Includes mandatory and objective third party review and certification of compliance
14 with the standards by qualified and trained professionals;

15 (e) Has been developed through a consensus-based process, engaging all aspects of the
16 building industry in its development and ongoing evolution;

17 (f) Reduces the operating costs of large facility projects by reducing consumption of en-
18 ergy, water and other resources;

19 (g) Results in the recovery of the increased initial cost attributable to compliance with
20 the program by reducing long term energy, maintenance and operating costs; and

21 (h) Encourages use of products harvested, created or mined within Oregon.

22 (3)(a) “Large facility project” means a capital construction project larger than 10,000
23 square feet that is, or will be, owned, leased or operated by a public body and in which the
24 value of state government financial participation is more than \$4 million.

25 (b) “Large facility project” does not include affordable housing projects, including but not
26 limited to housing developments as defined in ORS 456.615 and residential housing as defined
27 in ORS 456.615.

28 (4) “Public body” has the meaning given that term in ORS 174.109.

29 **SECTION 3.** (1) The State Department of Energy shall adopt a high performance building
30 certification program.

31 (2) A large facility project must be designed to be certified by the high performance
32 building certification program as having met the highest level of certification that can be
33 justified by a 20-year life cycle cost analysis.

34 (3) The State Department of Energy may approve a large facility project that is not
35 planned, designed and constructed to the high performance building standards if the depart-
36 ment:

37 (a) Determines that the high performance building standards are not practicable for a
38 particular type of large facility project; and

39 (b) Establishes other planning, design and construction criteria that are appropriate for
40 the project.

41 (4) A public body shall:

42 (a) Document and evaluate ongoing operating expenses of each large facility project
43 owned, leased or operated by the public body to estimate the operating cost differences re-
44 sulting from planning, designing and constructing large facility projects as high performance
45 buildings under this section.

1 (b) Report annually to the department on the performance of large facility projects and
2 estimated differences in operating costs from planning, designing and constructing projects
3 to the high performance building standards.

4 (5) The department shall:

5 (a) Consolidate the reports required in subsection (4) of this section into one report,
6 which shall be submitted to the Governor and to the appropriate interim committees of the
7 Senate and the House of Representatives not later than September 1 of each even-numbered
8 year. In the report, the department shall also describe issues that arise in the implementa-
9 tion of sections 1 to 4 of this 2007 Act, including a description of the large facility projects
10 that did not qualify for the high performance building certification as described in subsection
11 (3) of this section or that were not submitted for certification based on a determination by
12 the department under subsection (3) of this section that it was impracticable to qualify the
13 particular type of project for high performance building certification.

14 (b) Make recommendations regarding the ongoing implementation of sections 1 to 4 of
15 this 2007 Act, including a presentation of incentives and disincentives related to implement-
16 ing sections 1 to 4 of this 2007 Act.

17 (6) The State Department of Energy, in cooperation with the Oregon Department of Ad-
18 ministrative Services, shall adopt rules pursuant to ORS chapter 183 that are necessary for
19 the administration of sections 1 to 4 of this 2007 Act.

20 **SECTION 4.** (1) The State Department of Energy shall create a high performance building
21 advisory committee to make recommendations regarding:

22 (a) An education and training process for planning and design team members and project
23 owners of large facility projects; and

24 (b) An ongoing evaluation or feedback process to help the department implement sections
25 1 to 4 of this 2007 Act.

26 (2) The advisory committee must be composed of:

27 (a) Representatives from the design and construction industries involved in public works
28 contracting;

29 (b) Personnel from affected public bodies that are responsible for overseeing large facility
30 projects; and

31 (c) Other members selected at the discretion of the department.

32 **SECTION 5.** (1) On or before July 1, 2012, the appropriate interim committee of the
33 Seventy-sixth Legislative Assembly shall:

34 (a) Conduct a performance audit of the high performance building program established
35 under sections 1 to 4 of this 2007 Act;

36 (b) Review the implementation of sections 1 to 4 of this 2007 Act and the performance
37 of high performance buildings constructed pursuant to sections 1 to 4 of this 2007 Act and
38 consider whether changes are required to achieve the goals set out in the findings in section
39 1 of this 2007 Act; and

40 (c) Report its findings and recommendations to the Senate President and the Speaker of
41 the House of Representatives on or before December 1, 2012.

42 (2) The performance audit must include, but is not limited to:

43 (a) Identification of the costs of implementation of the high performance building stan-
44 dards in the planning, design, construction and renovation of large facility projects;

45 (b) Identification of estimated operating savings attributable to implementation of the

1 **high performance building standards, including but not limited to savings in energy, utility**
2 **and maintenance costs;**

3 **(c) Identification of the impact of the high performance building standards on worker**
4 **productivity and student performance; and**

5 **(d) Evaluation of the effectiveness of the high performance building standards.**

6 **SECTION 6. This 2007 Act being necessary for the immediate preservation of the public**
7 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**
8 **on its passage.**

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