

A-Engrossed
Senate Bill 586

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

Sponsored by Senator WHITSETT

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 public 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) **On-site wind energy generation;**

9 (B) **On-site geothermal energy generation;**

10 (C) **Hydroelectric energy generated by a facility of not more than 10 megawatts of ca-**
11 **capacity;**

12 (D) **Biomass as an energy source;**

13 (E) **Solar electric or solar thermal systems and passive solar energy systems; or**

14 (F) **Conservation techniques that achieve a significant reduction in energy usage.**

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

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

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

19 [(1)] (2) Except as otherwise provided in this section, a public improvement contract for the
20 construction of a public building or for the reconstruction or major renovation of a public building,
21 if the cost of the reconstruction or major renovation exceeds 50 percent of the value of the public
22 building, [*is considered to*] **shall** contain an amount equal to at least 1.5 percent of the total contract
23 price for the inclusion of appropriate [*solar*] **green** energy technology in the public building. [*Solar*
24 *energy technology shall include solar electric or solar thermal systems and may include passive solar*
25 *energy systems when a proposed passive solar energy system will achieve a reduction in energy usage*
26 *of at least 20 percent.*]

27 [(2)] (3) Before entering into a public improvement contract described in subsection [(1)] (2) of
28 this section, a contracting agency shall prepare a written determination of whether the inclusion

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 of *[solar]* **green** energy technology in the construction, reconstruction or major renovation of the
 2 public building is appropriate. The contracting agency shall include in the determination the total
 3 contract price and the amount the agency intends to expend on the inclusion of *[solar]* **green** energy
 4 technology in the public building. The State Department of Energy shall develop a form *[usable by*
 5 *contracting agencies for preparing]* **a contracting agency may use to prepare** the written deter-
 6 mination described in this subsection.

7 *[(3)]* **(4)** If the contracting agency determines that *[it would be inappropriate to include solar]*
 8 **including green** energy technology in the construction, reconstruction or major renovation of the
 9 public building **is not appropriate**, subsection *[(1)]* **(2)** of this section does not apply to the public
 10 improvement contract. However:

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

14 (b) The amount *[spent by]* the contracting agency **spends** on the future public building project
 15 pursuant to paragraph (a) of this subsection is in addition to any amount required under subsection
 16 *[(1)]* **(2)** of this section for the inclusion of appropriate *[solar]* **green** energy technology in the future
 17 public building project.

18 *[(4)]* **(5)** Subsection *[(3)(a) and (b)]* **(4)** of this section does not apply to a public improvement
 19 contract for which *[no]* state funds are **not** directly or indirectly used.

20 *[(5)]* **(6)** This section does not exempt an authorized state agency, as defined in ORS 276.905,
 21 from complying with ORS 276.900 to 276.915, except that an authorized state agency, without com-
 22 plying with ORS 276.900 to 276.915, may determine that *[solar]* **green** energy technology described
 23 in this section is appropriate *[for inclusion]* **to include** in the construction, reconstruction or major
 24 renovation of a public building.

25 *[(6)(a) As used in this section, "public building" means a building owned or controlled by a public*
 26 *body, as defined in ORS 174.109, and:]*

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

28 *[(B) Used for conducting public business.]*

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

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

32 279C.528. Public improvement contracts subject to ORS 279C.527 are also subject to rules
 33 *[adopted by]* the State Department of Energy **adopts** that include, but are not limited to, require-
 34 ments and specifications for:

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

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

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

39 (4) Determining whether a structure is a public building subject to the requirements of ORS
 40 279C.527.

41 **SECTION 3.** The amendments to ORS 279C.527 and 279C.528 by sections 1 and 2 of this
 42 2011 Act apply to contracts for the construction, reconstruction or major renovation of
 43 public buildings that are first advertised or otherwise solicited or, if not advertised or solici-
 44 ted, are first entered into on or after the effective date of this 2011 Act.