

Enrolled Senate Bill 1533

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

CHAPTER

AN ACT

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

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

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

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

(a) "Green energy technology" means technology or a system that employs:

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

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

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

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

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

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

(b) "Public building" means a building that a public body, as defined in ORS 174.109, owns or controls, and that is:

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

(B) Used for conducting public business.

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

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

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

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

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

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

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

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

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

[(B) Used for conducting public business.]

[(b)] (7) Notwithstanding the provisions of ORS 174.108 (3), this section applies to intergovernmental entities described in ORS 174.108 (3).

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

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

- (1) Using particular [solar] **green** energy [systems or] technologies in public improvements;
- (2) Determining the cost-effectiveness of [solar] **green** energy [systems or] technologies;
- (3) Reporting the use of [solar] **green** energy [systems or] technologies in public improvements or submitting documents to the department for review, as appropriate; and
- (4) Determining whether a structure is a public building subject to the requirements of ORS 279C.527.

SECTION 3. The amendments to ORS 279C.527 and 279C.528 by sections 1 and 2 of this 2012 Act apply to contracts for the construction, reconstruction or major renovation of

public buildings that a contracting agency first advertises or otherwise solicits or, if the contracting agency does not advertise or solicit the contract, to contracts into which the contracting agency first enters on or after the effective date of this 2012 Act.

Passed by Senate February 17, 2012

Repassed by Senate March 1, 2012

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Robert Taylor, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House February 27, 2012

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Bruce Hanna, Speaker of House

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Arnie Roblan, Speaker of House

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John Kitzhaber, Governor

Filed in Office of Secretary of State:

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Kate Brown, Secretary of State