

House Bill 2343

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor John A. Kitzhaber, M.D., for State Department of Energy)

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 **as introduced**.

Revises requirement that contracting agency dedicate certain amount of contract price toward including green energy technology in public building.

Provides that contracting agency may use energy from green energy technology located away from site of public building if green energy technology meets certain qualifications.

Declares emergency, effective on passage.

A BILL FOR AN ACT

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

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

5 **SECTION 1.** ORS 279C.527, as amended by section 1, chapter 83, Oregon Laws 2012, is amended
6 to read:

7 279C.527. (1) As used in this section and in ORS 279C.528:

8 (a)(A) "Green energy technology" means *[technology or]* a system that employs:

9 *[(A)]* (i) **Solar or** geothermal *[electricity generation]* **energy to generate electricity** or *[direct*
10 *use of geothermal energy]* **directly** for space or water heating; **or**

11 **(ii) Building design** that *[reduces]* **uses solar energy passively to reduce** energy use from
12 other sources by at least 20 percent from a level **required under ORS 276.900 to 276.915 or**
13 **achieved in buildings constructed according to state building code standards that the De-**
14 **partment of Consumer and Business Services approves under ORS 455.496.** *[otherwise specified*
15 *by law:]*

16 *[(i) At the site of a public building; or]*

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

23 *[(B) Solar electricity generation, solar thermal generation or passive solar energy generation, if the*
24 *system that employs passive solar energy generation reduces energy use from other sources by at least*
25 *20 percent from a level otherwise specified by law:]*

26 *[(i) At the site of a public building; or]*

27 *[(ii) Away from the site of a public building if the solar energy source is within this state and is*
28 *in the same county as the public building or an adjacent county, if using energy from a solar energy*
29 *source that is away from the site of the public building is more cost-effective than using solar energy*

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 from a source at the site of the public building, if generating or using solar energy at the site of the
 2 public building is not feasible and if in addition to solar energy the public building includes additional
 3 new capacity for renewable electricity generation.]

4 **(B) “Green energy technology” does not include a system that:**

5 **(i) Uses water, groundwater or the ground as a heat source at temperatures less than**
 6 **140 degrees Fahrenheit; or**

7 **(ii) Incorporates solar energy indirectly into other methods for generating energy, such**
 8 **as from the action of waves on water, from hydroelectric facilities or from wind-powered**
 9 **turbines.**

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

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

13 (B) Used for conducting public business.

14 (2)(a) Except as otherwise provided in this section, a public improvement contract for the con-
 15 struction of a public building or for the reconstruction or major renovation of a public building, if
 16 the cost of the reconstruction or major renovation exceeds 50 percent of the value of the public
 17 building, shall contain an amount equal to at least 1.5 percent of the total contract price for the
 18 [inclusion of] **purpose of including** appropriate green energy technology [in] **as part of the con-**
 19 **struction, reconstruction or major renovation of** the public building.

20 **(b) A public improvement contract to construct, reconstruct or renovate a public building**
 21 **may provide for constructing green energy technology at a site that is located away from the**
 22 **site of the public building if:**

23 **(A) Constructing green energy technology away from the site of the public building and**
 24 **using the energy from the green energy technology at the site of the public building is more**
 25 **cost-effective than constructing and using green energy technology at the site of the public**
 26 **building;**

27 **(B) The green energy technology that is located away from the site of the public building**
 28 **is located within this state and in the same county as, or in a county adjacent to, the site**
 29 **of the public building; and**

30 **(C) The public improvement contract provides that all of the moneys for constructing**
 31 **green energy technology away from the site of the public building must fund new energy**
 32 **generating capacity that does not replace existing green energy technology or constitute a**
 33 **purchase and use of energy generated from existing green energy technology.**

34 (3) Before entering into a public improvement contract described in subsection (2) of this sec-
 35 tion, a contracting agency shall prepare a written determination of whether [the inclusion of] **in-**
 36 **cluding** green energy technology [in] **as part of** the construction, reconstruction or major
 37 renovation of the public building is appropriate. The contracting agency shall [include] **list** in the
 38 determination the total contract price and **specify** the amount the agency intends to expend on [the
 39 inclusion of] **including** green energy technology [in the public building] **as part of the con-**
 40 **struction, reconstruction or major renovation.** The State Department of Energy shall develop a
 41 form **that** a contracting agency may use to prepare the written determination described in this
 42 subsection.

43 (4)(a) If the contracting agency determines that [including green energy technology in the con-
 44 struction, reconstruction or major renovation of the public building] **green energy technology** is not
 45 appropriate **for the public building**, subsection (2) of this section does not apply to the public im-

1 improvement contract. **A contracting agency's determination under this paragraph must consider**
 2 **whether constructing green energy technology at the site of the public building is appropri-**
 3 **ate and whether constructing green energy technology away from the site of the public**
 4 **building and in accordance with subsection (2)(b) of this section is appropriate.** [*However:*]

5 **(b) If subsection (2) of this section does not apply to the public improvement contract:**

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

9 [*(b)*] **(B)** The amount the contracting agency spends on the future public building project [*pur-*
 10 *suant to paragraph (a) of this subsection*] **in accordance with subparagraph (A) of this paragraph**
 11 is in addition to any amount required under subsection (2) of this section for [*the inclusion of*] **in-**
 12 **cluding** appropriate green energy technology [*in*] **as part of** the future public building project.

13 (5) Subsection (4)(b) of this section does not apply to a public improvement contract for which
 14 state funds are not directly or indirectly used.

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

19 **(b) A contracting agency may not use an amount described in subsection (4)(b) of this**
 20 **section to comply with requirements set forth in ORS 276.900 to 276.915 or with a state**
 21 **building code standard that the Department of Consumer and Business Services approves**
 22 **under ORS 455.496.**

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

25 **SECTION 2. The amendments to ORS 279C.527 by section 1 of this 2013 Act apply to a**
 26 **contract for the construction, reconstruction or major renovation of a public building that**
 27 **a contracting agency first advertises or otherwise solicits or, if the contracting agency does**
 28 **not advertise or solicit the contract, to a contract into which the contracting agency first**
 29 **enters on or after the effective date of this 2013 Act.**

30 **SECTION 3. This 2013 Act being necessary for the immediate preservation of the public**
 31 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
 32 **on its passage.**

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