

STAFF MEASURE SUMMARY

Senate Committee On Environment and Natural Resources

**Fiscal:** Has minimal fiscal impact

**Revenue:** No Revenue Impact

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**Action Date:** 05/18/15

**Action:** Do Pass.

**Meeting Dates:** 05/11, 05/18

**Vote:**

Yeas: 4 - Dembrow, Edwards, Olsen, Prozanski

Exc: 1 - Thomsen

**Prepared By:** Beth Reiley, Committee Administrator

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**WHAT THE MEASURE DOES:**

Modifies standard by which geothermal energy qualifies as type of green energy technology for which at least 1.5 percent of total contract price of certain public improvement contract for construction, reconstruction or major renovation of public school building must be spent. Applies to contracts first advertised, or if not advertised, first entered into, on or after effective date of Act. Act takes effect on 91<sup>st</sup> day after date on which regular session of Seventy-eighth Legislative Assembly adjourns sine die.

**ISSUES DISCUSSED:**

- Estimated savings for schools from using geothermal energy
- Temperature requirement for geothermal energy technology

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

Since 2008, public entities have been required to spend 1.5 percent of the total price of a public improvement contract for new construction or the major renovation of a public building on solar energy technology. In 2012, Senate Bill 1533 allowed the use of geothermal energy to satisfy the 1.5 percent requirement (House Bill 2620) if the water used as a heat source is at temperatures of more than 140 degrees Fahrenheit.

House Bill 3329 would modify the standard for geothermal energy resources to qualify as a green energy technology if the water used as a heat source is more than 128 degrees Fahrenheit and the system is used for a public school building.