

**SB 634 STAFF MEASURE SUMMARY**

**Senate Committee On Environment and Natural Resources**

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**Prepared By:** Beth Patrino, LPRO Analyst

**Meeting Dates:** 4/5, 4/10

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**WHAT THE MEASURE DOES:**

Adds woody biomass used for specified purposes to list of qualifying green energy technologies that may be used to satisfy requirement that 1.5 percent of total contract price for construction, reconstruction, or major renovation of a public building be spent to include green energy technology. If woody biomass is employed at a site located away from site of public building to meet 1.5 percent requirement, requires it not replace or constitute a purchase of green energy technology that employs woody biomass that existed on date on which the original building permit for the public building was issued. In evaluating whether off site location meets requirement, requires contracting agency to compare costs of onsite and offsite locations. Applies to public contracts entered into after effective date of Act. Act takes effect on 91st day after adjournment of 2017 legislative session.

*REVENUE: May have revenue impact, but no statement yet issued*

*FISCAL: May have fiscal impact, but no statement yet issued*

**ISSUES DISCUSSED:**

- Past legislative attempts to add biomass as a qualifying green energy technology
- Types of buildings where biomass use for heating is appropriate

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Oregon law requires public entities 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 green energy technology. Public entities include, but are not limited to, state agencies, community colleges, school districts and education services districts, and local government. In 2012, Senate Bill 1533 allowed the use of geothermal energy to satisfy the 1.5 percent requirement if the water used as a heat source is at temperatures of more than 140 degrees Fahrenheit. In 2015, House Bill 3329 modified 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.

Senate Bill 634 would add woody biomass used as a fuel for space heating or water heating or as a fuel for a combined heat and power system to the list of qualifying green energy technology.