

HB 2398 -1, -4, -5, -7, -8, -10, -11, -12, -14, -15 STAFF

MEASURE SUMMARY

House Committee On Energy and Environment

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Meeting Dates: 2/17, 3/1, 3/31, 4/12

WHAT THE MEASURE DOES:

Requires Director of Department of Consumer and Business Services (Director) to ensure that Reach Code energy efficiency standards mandate achievement of not more than 90 percent of site energy use that other statewide residential and commercial building codes require. Requires Director to update the Reach Code every three years. Requires Director to analyze how the amendments to the Reach Code will meet state statutory greenhouse gas reduction goals for buildings. Permits municipality to adopt Reach Code and require adherence to code as minimum construction standard and method within municipality's jurisdiction. Stipulates that adherence to the Reach Code as a minimum construction standard and method within a county's jurisdiction does not apply within the jurisdiction of a city within the county that has not adopted the Reach Code.

ISSUES DISCUSSED:

- Potential unintended consequences of meeting building codes
- Cost of building materials
- Impact of Reach Code on homeowners

EFFECT OF AMENDMENT:

-1 Removes the requirement that adherence to the Reach Code as a minimum construction standard and method within a county's jurisdiction does not apply within the jurisdiction of a city within the county that has not adopted the Reach Code.

-4 Requires municipalities that adopt the Reach Code and require adherence to the Reach Code as a minimum construction standard and method to subject measurement of energy efficiency savings and related incentives to the requirements of statewide residential and commercial codes.

-5 Requires Director of Department of Consumer and Business Services (Director) to engage the University of Oregon (University) to analyze and compare, using nationally accepted methods and practices, state building code standards for energy use and energy efficiency to similar building code standards in other states. Requires analysis to quantify building energy efficiency and compare results to other states. Requires the University to identify and list materials and construction methods that enable energy efficiency increases. Requires Director to engage a research institution to develop an energy efficiency cost-analysis tool. Repeals requirements for study and cost-analysis tool development on January 1, 2024.

-7 Requires Director of Department of Consumer and Business Services (Director) when adopting or amending the Reach Code, in consultation with the appropriate advisory boards, to follow the process the director followed in developing the residential and commercial building codes.

-8 Requires Director of Department of Consumer and Business Services (Director) to produce a source-based analysis of how the Reach Code will enable the state to make progress toward meeting greenhouse gas reduction goals for buildings in the context of economy-wide greenhouse gas reduction goals. Requires Director to base analysis on data specific for this state's electricity and natural gas grids and update the analysis to account for changes in each grid.

-10 Requires Director of Department of Consumer and Business Services (Director) to engage the University of Oregon (University) to analyze and compare, using nationally accepted methods and practices, state building code standards for energy use and energy efficiency to similar building code standards in other states, with a focus on states that are within the marine and cold climate zones. Requires analysis to quantify building energy efficiency and compare results to other states. Requires University to identify materials and construction methods capable of increasing energy efficiency in affordable single-family dwellings, multifamily apartment buildings, food service and related structures, and publicly or privately owned commercial buildings of certain sizes and capacities. Requires Director to engage a research institution to develop an energy efficiency cost-analysis tool. Repeals requirements for study and cost-analysis tool development on January 1, 2024.

-11 Requires Director of Department of Consumer and Business Services (Director), in consultation with the appropriate advisory boards, to adopt the residential provisions of the Reach Code at the same time the director adopts a corresponding residential specialty code, and adopt the commercial provisions of the Reach Code at the same time the director adopts a structural specialty code. Stipulates that if a municipality adopts the Reach Code and requires adherence to it as a minimum construction standard and method, measurement of energy efficiency savings and related incentives must remain subject to the requirements of statewide residential and commercial codes.

-12 Requires Director of Department of Consumer and Business Services (Director) to engage the University of Oregon (the university) to analyze and compare, using nationally accepted methods and practices, state building code standards for energy use and energy efficiency to similar building code standards in other states, with a focus on states that are within the marine and cold climate zones. Requires state building code standards for energy use and energy efficiency analysis to quantify building energy efficiency and compare results to other states. Requires the university to identify materials and construction methods capable of increasing energy efficiency in structures of certain sizes and capacities, including: 1) affordable single-family dwellings; 2) multifamily apartment buildings; 3) food service and related structures; 4) publicly or privately owned commercial buildings; and 4) schools, school buildings or other school facilities. Requires Director to engage a research institution to develop an energy efficiency cost-analysis tool. Repeals requirements for state building code standards for energy use and energy efficiency study and cost-analysis tool development on January 1, 2024.

-14 Requires Director of Department of Consumer and Business Services (Director) with the approval of the appropriate advisory boards, to adopt, amend, and administer the Reach Code as part of the state building code. Requires Reach Code to be a set of statewide construction standards and methods that are economically and technically feasible. Requires Director, with the approval of the appropriate advisory boards, to follow the same process the director follows in developing the residential and commercial building codes to: 1) ensure that standards for energy efficiency in the statewide Reach Code mandates achievement of not more than 90 percent of site energy use that other statewide residential and commercial building codes require; 2) adopt the Reach Code no later than October 31, 2021; and 3) adopt the residential provisions of the Reach Code at the same time the director adopts a corresponding residential specialty code and adopt the commercial portions of the Reach Code at the same time the director adopts a structural specialty code. Authorizes municipality to adopt the Reach Code and does not require Director to review or approve the adoption. Requires municipalities that adopt the Reach Code and require adherence to the Reach Code as a minimum construction standard and method to subject measurement of energy efficiency savings and related incentives to the requirements of statewide residential and commercial codes. Removes requirement that when amending the state building code, the Director consider whether any of the standards and methods contained in the Reach Code should be removed from the Reach Code and adopted in the state building code. Declares emergency, effective July 1, 2021.

-15 Requires the Director of the Department of Consumer and Business Services (Director) to have general supervision over the administration of the state building code regulations, including providing statewide interpretations for the Reach Code and the plumbing, elevator, electrical, manufactured structures, boiler, amusement ride, structural, mechanical, low-rise residential dwelling, and prefabricated structures codes. Requires the Director, with the approval of the appropriate advisory boards, to adopt, amend, and administer the Reach Code as a specialty code within the state building code. Requires Reach Code to be a set of statewide construction standards and methods that are economically and technically feasible. Requires Director, with the approval of the appropriate advisory boards, to follow the same process the director follows in developing the residential and commercial building codes to: 1) ensure that standards for energy efficiency in the statewide Reach Code mandate achieving a site energy use of not more than 90 percent of the site energy use that other statewide residential and commercial codes require; 2) adopt the Reach Code no later than October 31, 2021; and 3) adopt the residential provisions of the Reach Code at the same time the Director adopts a corresponding residential specialty code and adopt the commercial portions of the Reach Code at the same time the Director adopts a structural specialty code; and 4) requires Director to update the Reach Code at least every three years. Authorizes municipality to adopt the Reach Code and, upon choosing to adopt the Reach Code, may require adherence to the Reach Code as a minimum construction standard and method within the municipality's jurisdiction, notwithstanding the provisions of ORS 455.040 that require the statewide building code to be uniform and applicable to all municipalities. Establishes that a municipality's adoption of the Reach Code is not an amendment to the state building code and does not require the Director to review or approve the adoption. Establishes that a municipality that assumes administration and enforcement of a building inspection program but that does not adopt the Reach Code does not need to enforce the Reach Code as a specialty code within the municipality's jurisdiction. Requires municipalities that adopt the Reach Code and require adherence to the Reach Code as a minimum construction standard and method, measurement of energy efficiency savings and related incentives must remain subject to the statewide residential and commercial codes, as must measurements of cost effectiveness and payment of incentives under cost-effective energy efficiency resources and demand response resources (ORS 757.054) and requirements for public purpose expenditures (757.612). Requires the Director, when amending the state building code, to consider whether any of the standards and methods contained in the Reach Code should be removed from the Reach Code and adopted into a residential or commercial specialty code. Declares emergency, effective July 1, 2021.

- *FISCAL: Costs related to the measure may require budgetary action; warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its impact to DCBS's biennial budget*
- *REVENUE: No revenue impact*

BACKGROUND:

According to the US Department of Energy Oregon's first energy conservation requirements were developed in 1975 and were limited to residential buildings. This code was upgraded in 1978 and again in 1980 to reflect the new editions of the ASHRAE standards. Since 1980, the residential energy conservation requirements have been amended on a three-year cycle in sequence with the Oregon One- and Two- Family Dwelling Specialty Code. Previous energy conservation requirements became effective on April 1, 2003. New energy conservation requirements for residential buildings became effective April 1, 2005. The energy conservation requirements for commercial buildings were developed in 1978 and upgraded in 1980. Since 1980, the energy conservation requirements have been upgraded in sequence with the Oregon Structural Specialty Code. Previous energy conservation requirements became effective on October 1, 2003. New energy conservation requirements for commercial buildings were adopted and became effective on October 1, 2005. Effective April 1, 2007, non-residential buildings are subject to the 2007 Oregon Structural Specialty Code (OSSC).

House Bill 2398 would require the Director of the Department of Consumer and Business Services (Director) to ensure that standards for energy efficiency in the statewide Reach Code mandates achievement of not more than 90 percent of site energy use that other statewide residential and commercial building codes require. The bill would require the Director to update the Reach Code every three years and would also require the Director to analyze how the amendments to the Reach Code will meet state statutory greenhouse gas reduction goals for buildings.