

Senate Bill 576

Sponsored by COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES (at the request of American Institute of Architects)

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**.

Directs State Department of Energy, in cooperation with Oregon Department of Administrative Services, to require that major facility projects be planned, designed, constructed and renovated to meet high performance building standards for energy efficiency and environmental sustainability.

A BILL FOR AN ACT

1
2 Relating to construction of high performance buildings.

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

4 **SECTION 1. The Legislative Assembly finds and declares that:**

5 (1) **The operation of buildings is responsible for more carbon dioxide emissions than ei-**
6 **ther the transportation or industrial sectors. Due to the low performance and efficiency**
7 **standards currently required of the building industry, construction and renovation to energy**
8 **efficient standards presents the single largest opportunity for the reduction of carbon dioxide**
9 **emissions.**

10 (2) **Architecture 2030 Challenge goals recommend a fossil fuel reduction standard for the**
11 **operation of new buildings to achieve carbon neutrality by 2030. Buildings that achieve LEED**
12 **Gold certification or above meet the Architecture 2030 Challenge goals and should be the**
13 **standard for public buildings in the State of Oregon.**

14 (3) **Public buildings, including educational facilities, can be improved by adopting recog-**
15 **nized standards for high performance buildings and by allowing flexible methods and choices**
16 **in how public bodies achieve those standards.**

17 (4) **Public buildings certified as being constructed or renovated to high performance**
18 **building standards can save money, conserve resources, improve student performance and**
19 **make workers more productive.**

20 (5) **Costs and savings can be monitored and documented by public bodies and subjected**
21 **to independent performance reviews to ensure that economic, community and environmental**
22 **goals are achieved each year.**

23 (6) **High performance building standards can increase the demand for building materials**
24 **and products that are grown or manufactured locally, thereby reducing the environmental**
25 **impact and supporting the local economy.**

26 **SECTION 2. As used in sections 1 to 5 of this 2007 Act, unless the context requires oth-**
27 **erwise:**

28 (1) **"High performance buildings" means buildings planned, designed, constructed or ren-**
29 **ovated to qualify for LEED Gold or LEED Silver certification or other energy efficiency and**
30 **environmental sustainability standards required by section 3 of this 2007 Act.**

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 (2) "LEED" means the Leadership in Energy and Environmental Design rating system for
 2 certification of energy efficient and environmentally sustainable buildings established by the
 3 United States Green Building Council.

4 (3) "LEED Gold" means the third of four tiers of standards for certification in the LEED
 5 rating system.

6 (4) "LEED Silver" means the second of four tiers of standards for certification in the
 7 LEED rating system.

8 (5) "Major facility project" means:

9 (a) A capital construction project larger than 4,000 square feet that is owned or operated
 10 by:

11 (A) A public body.

12 (B) An entity in the private sector if the project receives financial assistance from state
 13 government totaling more than \$200,000 or 10 percent of the total project costs.

14 (b) A capital renovation project larger than 4,000 square feet that is owned or operated
 15 by:

16 (A) A public body if the cost of the project is more than 50 percent of the value of the
 17 building prior to renovation.

18 (B) An entity in the private sector if the cost of the project is more than 50 percent of
 19 the value of the building prior to renovation and the project receives financial assistance
 20 from state government totaling more than \$200,000 or 10 percent of the total project costs.

21 (6) "Public body" has the meaning given that term in ORS 174.109.

22 **SECTION 3.** (1) Subject to the approval of the State Department of Energy, in cooper-
 23 ation with the Oregon Department of Administrative Services, a major facility project must
 24 be planned and designed in a manner that causes the construction or renovation of the major
 25 facility project to:

26 (a) Qualify for LEED Gold certification or a substantially equivalent certification;

27 (b) Qualify for LEED Silver certification or a substantially equivalent certification; or

28 (c) Meet other high performance building standards required under subsection (2) of this
 29 section.

30 (2) The State Department of Energy, in cooperation with the Oregon Department of Ad-
 31 ministrative Services, may approve the commissioning of a major facility project on which
 32 the planning, design, construction or renovation is not anticipated to cause the project to
 33 qualify for LEED Gold or LEED Silver certification, as described in subsection (1) of this
 34 section, if the State Department of Energy:

35 (a) Determines that LEED certification is not practicable for a particular type of major
 36 facility project; and

37 (b) Establishes other planning, design, construction or renovation criteria that are ap-
 38 propriate for the project and intended to result in the energy efficient and environmentally
 39 sustainable operation of the project.

40 (3) For a major facility project, the State Department of Energy shall approve the use
 41 of wood products that are harvested from a forest certified as sustainable by a credible third
 42 party or from forests regulated under the Oregon Forest Practices Act.

43 (4) A public body shall:

44 (a) Document and evaluate ongoing operating expenses of each major facility project to
 45 estimate the operating cost differences resulting from planning, designing, constructing or

1 renovating major facility projects as high performance buildings under this section.

2 (b) Report annually to the Oregon Department of Administrative Services on the per-
3 formance of major facility projects and estimated savings in operating costs from planning,
4 designing, constructing or renovating projects to the high performance building standards.

5 (5) The Oregon Department of Administrative Services shall:

6 (a) Consolidate the reports required in subsection (4) of this section into one report and
7 report to the Governor and to the appropriate interim committees of the Senate and the
8 House of Representatives not later than September 1 of each even-numbered year. In the
9 report, the department shall also describe issues that arise in the implementation of sections
10 1 to 5 of this 2007 Act, including a description of the major facility projects that did not
11 qualify for LEED Gold or LEED Silver certification as described in subsection (1) of this
12 section or that were not submitted for certification based on a determination by the State
13 Department of Energy under subsection (2) of this section that it was impracticable to
14 qualify the particular type of project for LEED certification.

15 (b) Make recommendations regarding the ongoing implementation of sections 1 to 5 of
16 this 2007 Act, including a presentation of incentives and disincentives related to implement-
17 ing sections 1 to 5 of this 2007 Act.

18 (6) A project owner, the planning and design team and the construction or renovation
19 teams are not liable for the failure of a major facility project to qualify for LEED Gold or
20 LEED Silver certification or other high performance building standards established for the
21 project under this section if the project owner, the planning and design team and the con-
22 struction or renovation teams made a good faith effort to meet the high performance build-
23 ing standards.

24 (7) The State Department of Energy, in cooperation with the Oregon Department of Ad-
25 ministrative Services, shall adopt rules pursuant to ORS chapter 183 that are necessary for
26 the administration of sections 1 to 5 of this 2007 Act.

27 **SECTION 4.** (1) The State Department of Energy shall create a high performance
28 buildings advisory committee to make recommendations regarding:

29 (a) An education and training process for planning and design team members and project
30 owners of major facility projects; and

31 (b) An ongoing evaluation or feedback process to help the department implement sections
32 1 to 5 of this 2007 Act.

33 (2) The advisory committee must be composed of:

34 (a) Representatives from the design and construction industries involved in public works
35 contracting;

36 (b) Personnel from affected public bodies that are responsible for overseeing major fa-
37 cility projects;

38 (c) Representatives from the State Board of Education;

39 (d) Representatives from the office of the Superintendent of Public Instruction; and

40 (e) Other members selected at the discretion of the department.

41 **SECTION 5.** To the greatest extent practicable, a major facility project for the con-
42 struction or renovation of a high performance building must use Oregon-grown or Oregon-
43 produced building materials and products and Oregon-based industries, manufacturers and
44 other businesses to meet the requirements of sections 1 to 5 of this 2007 Act, and to generate
45 economic development and activity in the State of Oregon.

1 **SECTION 6. (1) On or before July 1, 2012, the appropriate interim committee of the**
2 **Seventy-sixth Legislative Assembly shall:**

3 **(a) Review the implementation of sections 1 to 5 of this 2007 Act and the performance**
4 **of high performance buildings constructed or renovated pursuant to sections 1 to 5 of this**
5 **2007 Act and consider whether changes are required to achieve the goals set out in the**
6 **findings in section 1 of this 2007 Act; and**

7 **(b) Conduct a performance audit of the high performance buildings program established**
8 **under sections 1 to 5 of this 2007 Act.**

9 **(2) The performance audit must include, but is not limited to:**

10 **(a) Identification of the costs of implementation of the high performance building stan-**
11 **dards in the planning, design, construction and renovation of major facility projects;**

12 **(b) Identification of estimated operating savings attributable to implementation of the**
13 **high performance building standards including, but not limited to, savings in energy, utility**
14 **and maintenance costs;**

15 **(c) Identification of the impact of the high performance building standards on worker**
16 **productivity and student performance;**

17 **(d) Evaluation of the effectiveness of the high performance building standards; and**

18 **(e) Recommendations for changes in the high performance building standards that may**
19 **be supported by the committee's findings.**

20 **(3) The interim committee described in subsection (1) of this section shall report its**
21 **findings and recommendations on or before December 1, 2012.**

22 **SECTION 7. Sections 1 to 5 of this 2007 Act apply to major facility projects commissioned**
23 **on or after the effective date of this 2007 Act.**

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