

## **HB 2496 A STAFF MEASURE SUMMARY**

### **Senate Committee On Business and General Government**

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**Prepared By:** Tyler Larson, LPRO Analyst

**Meeting Dates:** 5/7

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#### **WHAT THE MEASURE DOES:**

Modifies green energy and energy efficiency standards applicable to public building projects to accommodate alternatives. Adds battery storage that is part of an on-site solar or geothermal energy system to the definition of "green energy technology." Lowers threshold from 20 to 10 percent reduction of energy use for passive solar energy building design to meet the definition of "green energy technology." Defines "total contract price" for the construction, reconstruction, or major renovation of a public building. Excludes direct costs of seismic retrofitting from "total contract price." Clarifies that "public building" does not include airports. Allows contracting agency to spend up to the 1.5 percent requirement on energy efficiency if green technology is determined to be inappropriate, and up to .75 percent otherwise, if an analysis shows the available total solar resource fraction is 75 percent or less; or on woody biomass energy technology if it creates new energy generation capacity, subject to other requirements. Modifies rules for expenditures on energy efficiency and woody biomass. Requires contracting agency to make a written determination whether green energy technology is appropriate. Requires determination to include analysis of total solar resource fraction available on site of solar energy installation to heat space or water. Allows same to be deemed appropriate if total solar resource fraction exceeds 75 percent. Requires contracting agency that determines green energy technology is not appropriate, that does not spend on energy efficiency or woody biomass in the alternative, to spend an amount equal to at least 1.5 percent of the contract price of a future project on green energy technology or energy efficiency or woody biomass, in addition to any other requirements for such expenditures. Authorizes contracting agencies to consolidate in one public building all or a substantial part of green energy technology that would otherwise be part of one or more public building projects if the total amount expended on green energy technology meets the requirements for all public buildings that are part of the project, and the project is otherwise compliant as specified. Becomes operative January 1, 2020. Takes effect on 91st day following adjournment sine die.

#### **ISSUES DISCUSSED:**

##### **EFFECT OF AMENDMENT:**

No amendment.

##### **BACKGROUND:**

Current statute requires all public building construction, reconstruction, or major renovation projects with costs exceeding 50 percent of the value of the building to expend at least 1.5 percent of the total contract price on "green energy technology," which is defined as a solar, geothermal, or woody biomass energy system used directly for space or water heating or to generate electricity, or a building design that uses solar energy passively to reduce energy use from other sources by at least 20 percent.

House Bill 2496-A eases the green energy technology in public buildings requirements by adding battery storage that is part of an on-site solar or geothermal energy system to the definition of "green energy technology." It also lowers the threshold, from 20 to 10 percent reduction of energy use, for passive solar energy building designs to meet the definition of "green energy technology" and allows contracting agencies that determine green energy technology is not appropriate for a particular public building to use energy-efficient technologies, engineering, or design to meet green energy technology expenditure requirements.