

State of Arkansas
92nd General Assembly
Regular Session, 2019

As Engrossed: H3/26/19

A Bill

HOUSE BILL 1776

By: Representative Love

By: Senator B. Ballinger

For An Act To Be Entitled

AN ACT TO AMEND THE SUSTAINABLE ENERGY-EFFICIENT
BUILDINGS PROGRAM; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE SUSTAINABLE ENERGY-EFFICIENT
BUILDINGS PROGRAM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 22-3-2001 is amended to read as follows:

22-3-2001. Title – Legislative findings.

(a) This subchapter shall be known and may be cited as the
"Sustainable Energy-Efficient Buildings Act".

(b) The General Assembly finds that:

(1)~~(A)~~ Public buildings can be built and renovated using sustainable, energy-efficient methods that save money, reduce negative environmental impacts, improve employee and student performance, and make employees and students more productive~~;~~

~~(B)~~(2) The main objectives of sustainable, energy-efficient designs are to:

~~(i)~~(A) Avoid resource depletion of energy, water, and raw materials;

~~(ii)~~(B) Prevent environmental degradation caused by facilities and infrastructure throughout their life cycle; and

~~(iii)~~(C) Create buildings that are livable, comfortable, safe, and productive; and



~~(2)~~(3) State-owned buildings and buildings owned by an institution of higher education can be improved by establishing specific performance criteria and goals for sustainable, energy-efficient public buildings that are based on recognized, consensual standards with a scientifically proven basis and a history of successful performance.

SECTION 2. Arkansas Code § 22-3-2002(3)-(6), concerning definitions regarding sustainable energy-efficient buildings, are amended to read as follows:

(3)(A) “Major facility” means a construction project of:

(i) A single building larger than twenty thousand (20,000) gross square feet of occupied or conditioned space; or

(ii) Aggregate buildings larger than fifty thousand (50,000) combined square feet of occupied or conditioned space.

(B) “Major facility” does not include a transmitter building or a pumping station;

(4) “Major renovation” means a building renovation project that:

(A) Costs more than fifty percent (50%) of its current replacement value;

(B) Is a single building larger than twenty thousand (20,000) gross square feet of occupied or conditioned space or aggregate buildings larger than fifty thousand (50,000) combined square feet of occupied or conditioned space; and

(C) Is funded in whole or in part by the state;

(5) “Public agency” means a state agency, office, officer, board, department, or commission more than fifty thousand (50,000) gross square feet of occupied or conditioned space; and

(6) “Sustainable, energy-efficient public building” means a public building that, ~~by complying with this subchapter,;~~

(A) has Has the most economical energy and water efficiency for that type of building; and

(B) Is in compliance with this subchapter.

SECTION 3. Arkansas Code § 22-3-2003(a), concerning the Sustainable Energy-Efficient Buildings Program, is amended to read as follows:

(a) The Sustainable Energy-Efficient Buildings Program is established

to promote energy conservation in buildings owned or leased by public agencies and buildings owned or leased by institutions of higher education.

SECTION 4. Arkansas Code § 22-3-2004(a) and (b), concerning standards for major facilities or major renovations, are amended to read as follows:

(a) The following minimum standards apply to a major facility:

(1) A major facility of a public agency or an institution of higher education shall consider a life-cycle cost analysis and be designed, constructed, and certified ~~to at least ten percent (10%) reduction below the baseline energy consumption determined~~ in accordance with the Performance Rating Method of Appendix G of the American Society of Heating, Refrigerating, and Air-Conditioning Engineers, Standard ~~90.1-2007~~ 90.1-2013, as it existed on January 1, ~~2009~~ 2018;

(2) Subdivision (a)(1) of this section applies to a major facility project that has not entered the schematic design phase on or before ~~July 31, 2009~~ June 30, 2019; and

(3) An exception or a special standard for a specific type of building or building facility that is found in the American Society of Heating, Refrigerating, and Air-Conditioning Engineers, Standard ~~90.1-2007~~ 90.1-2013, is included in the American Society of Heating, Refrigerating, and Air-Conditioning Engineers, Standard ~~90.1-2007~~ 90.1-2013, under subdivision (a)(1) of this section.

(b)(1) A major renovation of a public agency or an institution of higher education shall consider a life-cycle cost analysis and be certified ~~to at least ten percent (10%) reduction below the baseline energy consumption determined~~ in accordance with the Performance Rating Method of Appendix G of the American Society of Heating, Refrigerating, and Air-Conditioning Engineers, Standard ~~90.1-2007~~ 90.1-2013, as it existed on January 1, ~~2009~~ 2018.

(2) Subdivision (b)(1) of this section applies to a major renovation that has not entered the schematic design phase on or before ~~July 31, 2009~~ June 30, 2019.

SECTION 5. Arkansas Code § 22-3-2004(d), concerning standards for major facilities or major renovations, is amended to read as follows:

(d) If the Arkansas Energy Office or the institution of higher

education determines the American Society of Heating, Refrigerating, and Air-Conditioning Engineers, Standard ~~90.1-2007~~ 90.1-2013 is not practicable for a major facility or major renovation, the Arkansas Energy Office or the institution of higher education shall determine a practicable alternative standard for the design and construction for that major facility or major renovation.

SECTION 6. Arkansas Code § 22-3-2004(f)(2)(B), concerning standards for major facilities or major renovations, is amended to read as follows:

(B) If the report under subdivision (f)(2)(A)(ii) of this section shows that the building's average energy or water consumption over the one-year period after the date of beneficial occupancy is more than the baseline consumption determined in accordance with the Performance Rating Method of Appendix G of the American Society of Heating, Refrigerating, and Air-Conditioning Engineers, Standard ~~90.1-2007~~ 90.1-2013, as it existed on January 1, ~~2009~~ 2018, the designer, the owner public agency or the owner institution of higher education, the contractor, the contract manager at risk, and the commissioning agent shall:

- (i) Investigate;
- (ii) Determine the cause for the failure to achieve this section's performance standards; and
- (iii) Recommend corrections or modifications to meet this section's performance standards.

SECTION 7. Arkansas Code § 22-3-2006 is amended to read as follows:

22-3-2006. Program to manage energy usage of public agencies.

(a) The Arkansas Energy Office of the Arkansas Department of Environmental Quality shall:

(1) Develop an energy program to manage energy, water, and other utility uses for public agencies that will reduce total aggregate energy consumption per gross square foot for all existing ~~state~~ applicable public agency buildings by ~~twenty percent (20%) by 2014 and thirty percent (30%) by 2017 based on energy consumption for the 2007-2008 fiscal year~~ if the savings can be justified by a life-cycle cost analysis; ~~and~~

(2) Update this program annually; and

(3) Recommend public agency energy consumption reduction goals

every five (5) years.

(b) To implement its ~~plan~~ program, the Arkansas Energy Office of the Arkansas Department of Environmental Quality shall to the extent funds are available and appropriated:

(1) Develop and implement policies, procedures, and standards to ensure that a public agency's purchasing practices:

(A) Improve the efficiency of energy, water, and other utility uses; and

(B) Consider the cost of the product over its economic life;

~~(2)(A)~~ Adopt and implement building energy design guidelines for public agencies that include without limitation:

~~(i)(A)~~ Energy-use goals and standards;

~~(ii)(B)~~ Economic assumptions for life-cycle cost analysis; and

~~(iii)(C)~~ Other criteria for building systems and technologies.

~~(B) The Arkansas Energy Office shall modify the design criteria for the construction or the renovation of the facilities of a public facility to require the conducting of a life-cycle cost analysis;~~

(3) Identify and recommend energy conservation maintenance and operating procedures that:

(A) Are designed to reduce energy consumption within the public facility; and

(B) Require no significant expenditure of funds;

(4) Require the maximum interchangeability and compatibility of equipment components when energy management equipment is proposed for any facility of a public agency; and

~~(5)(A) Develop an energy audit and a procedure for conducting an energy audit.~~

~~(B)(i) Within five (5) years after June 30, 2011, each public agency occupying a state-owned building shall complete an energy audit using American Society of Heating, Refrigerating and Air-Conditioning Engineers audit procedures and report the findings to the Arkansas Energy Office.~~

~~(ii) The level of the energy audit in subdivision~~

~~(b)(5)(B)(i) of this section shall be consistent with the condition of each public facility.~~

~~(C) When conducting an energy audit under this subdivision (b)(5), the Arkansas Energy Office shall identify and recommend any public facility that is suitable for:~~

~~(i) Building commissioning to reduce energy consumption within the facility; or~~

~~(ii) Installing an energy savings measure under a guaranteed energy savings contract Offer substantial recognition to a public agency that acts in a manner that furthers the program and goals under this section.~~

(c) The Arkansas Energy Office of the Arkansas Department of Environmental Quality may adopt architectural and engineering standards to implement this section.

(d) A public agency shall:

~~(1) Develop and implement, to the extent funds are available, an energy management plan to manage its energy, water, and other utility uses that is consistent with the Arkansas Energy Office's energy management program developed under this section;~~

~~(2) Update its management plan annually, including without limitation strategies for supporting the energy consumption reduction requirements under subsection (a) of this section;~~

~~(3)(1) Submit annually by October 31 to the Arkansas Energy Office a written report of the public agency's utility consumption and costs by fuel to which the Arkansas Energy Office shall respond with a recommendation annually by June 30;~~

~~(4)(2) Carry out the Complete construction and renovation of a facility in a manner that:~~

~~(A) Furthers the program and goals under this section; and~~

~~(B) Ensures the use of life-cycle cost analyses and practices to conserve energy, water, and other utilities; and~~

~~(5)(3) Implement Comply with the Arkansas Energy Office's ~~recommendations made~~ program under subdivision (b)(1) of this section, to the extent funds are available and appropriated.~~

SECTION 8. Arkansas Code § 22-3-2008(a)(1), concerning the advisory

committee for the Arkansas Energy Office of the Arkansas Department of Environmental Quality, is amended to read as follows:

(a)(1) The Director ~~of the Arkansas Energy Office~~ of the Arkansas Department of Environmental Quality ~~shall~~ or his or her designee may create and recommend members for a sustainable, energy-efficient building advisory committee composed of:

(A) Representatives from the design and construction industry who are involved in public works contracting;

(B) Persons from public agencies who are responsible for overseeing public works projects or for developing energy efficiency programs and policies; and

(C) Other persons that the Director ~~of the Arkansas Energy Office~~ of the Arkansas Department of Environmental Quality or his or her designee considers to have useful information.

SECTION 9. Arkansas Code § 22-3-2009(b)(1), concerning regulations and administration, is amended to read as follows:

(1) Develop or revise the architectural and engineering standards, to the extent funds are available and appropriated, to provide assistance in determining:

(A) The energy conservation measures that are best suited to the unique characteristics of each building; and

(B) The specifications for the energy conservation measures under this subchapter; and

SECTION 10. Arkansas Code § 22-3-2010(a), concerning performance reviews and reports, is amended to read as follows:

(a) ~~The~~ To the extent that funds are available and appropriated, the Arkansas Energy Office of the Arkansas Department of Environmental Quality, ~~to the extent funds are available,~~ shall conduct a performance review of the Sustainable Energy-Efficient Buildings Program that includes at least the following:

(1) An identification of the costs of implementing energy-efficient and water-efficient building standards in the design and construction of a major facility or major renovation;

(2) An identification of the operating savings attributable to

the implementation of energy-efficient and water-efficient building standards, including without limitation savings in energy, water, utility, and maintenance costs; and

~~(3) An identification of any impact on employee productivity from the application of the standards under this subchapter; and~~

~~(4) An evaluation of the effectiveness of the application of the standards under this subchapter.~~

SECTION 11. Arkansas Code § 22-3-2011(a) and (b), concerning the applicability of the Sustainable Energy-Efficient Buildings Program, are amended to read as follows:

(a) The boards of trustees for the University of Arkansas, Arkansas State University, the University of Central Arkansas, Henderson State University, Arkansas Tech University, and Southern Arkansas University are exempt from the provisions of this subchapter if those institutions develop policies and procedures to meet the:

(1) specific Specific performance criteria and goals for a major facility or major renovation; and

(2) Requirements of § 22-3-2006(d)(1).

(b)(1) The board of trustees of any institution of higher education that is not included under subsection (a) of this section may be exempted from the provisions of this subchapter by the Department of Higher Education.

(2) Before granting an exemption to a board of trustees of an institution of higher education under subdivision (b)(1) of this section, the department shall review and approve the policies and procedures to meet the:

(A) specific Specific performance criteria and goals for a major facility or major renovation; and

(B) Requirements of § 22-3-2006(d)(1).

/s/Love

APPROVED: 4/3/19