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ENGROSSED SECOND SUBSTITUTE SENATE BILL 5560

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State of Washington

61st Legislature

2009 Regular Session

By Senate Ways & Means (originally sponsored by Senators Ranker, Swecker, Brown, Hargrove, Pridemore, Marr, Kilmer, Rockefeller, Kauffman, Haugen, Eide, Hobbs, Kohl-Welles, Jarrett, Fraser, Jacobsen, and Murray)

READ FIRST TIME 03/02/09.

1 AN ACT Relating to state agency climate leadership; amending RCW  
2 43.19.565, 43.41.130, 43.19.675, 43.19.680, 43.41.170, and 39.35D.010;  
3 adding new sections to chapter 70.235 RCW; and creating new sections.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that in chapter 14,  
6 Laws of 2008, the legislature established greenhouse gas emission  
7 reduction limits for Washington state, including a reduction of overall  
8 emissions by 2020 to emission levels in 1990, a reduction by 2035 to  
9 levels twenty-five percent below 1990 levels, and by 2050 a further  
10 reduction below 1990 levels. Based upon estimated 2006 emission levels  
11 in Washington, this will require a reduction from present emission  
12 levels of over twenty-five percent in the next eleven years. The  
13 legislature further finds that state government activities are a  
14 significant source of emissions, and that state government should meet  
15 targets for reducing emissions from its buildings, vehicles, and all  
16 operations that demonstrate that these reductions are achievable, cost-  
17 effective, and will help to promote innovative energy efficiency  
18 technologies and practices.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 70.235 RCW  
2 to read as follows:

3        (1) All state agencies shall meet the statewide greenhouse gas  
4 emission limits established in RCW 70.235.020 to achieve the following,  
5 using the estimates and strategy established in subsections (2) and (3)  
6 of this section:

7        (a) By July 1, 2020, reduce emissions by fifteen percent from 2005  
8 emission levels;

9        (b) By 2035, reduce emissions to twenty-five percent below 2005  
10 levels; and

11        (c) By 2050, reduce emissions to the greater reduction of fifty  
12 percent below 2005 levels, or seventy percent below the expected state  
13 government emissions that year.

14        (2)(a) By June 30, 2010, all state agencies shall report estimates  
15 of emissions for 2005 to the department, including 2009 levels of  
16 emissions, and projected emissions through 2035.

17        (b) State agencies required to report under RCW 70.94.151 must  
18 estimate emissions from methodologies recommended by the department and  
19 must be based on actual operation of those agencies. Agencies not  
20 required to report under RCW 70.94.151 shall derive emissions estimates  
21 using an emissions calculator provided by the department.

22        (3) By June 30, 2011, each state agency shall submit to the  
23 department a strategy to meet the requirements in subsection (1) of  
24 this section. The strategy must address employee travel activities,  
25 teleconferencing alternatives, and include existing and proposed  
26 actions, a timeline for reductions, and recommendations for budgetary  
27 and other incentives to reduce emissions, especially from employee  
28 business travel.

29        (4) By October 1st of each even-numbered year beginning in 2012,  
30 each state agency shall report to the department the actions taken to  
31 meet the emission reduction targets under the strategy for the  
32 preceding fiscal biennium. The department may authorize the department  
33 of general administration to report on behalf of any state agency  
34 having fewer than five hundred full-time equivalent employees at any  
35 time during the reporting period. The department shall cooperate with  
36 the department of general administration and the department of  
37 community, trade, and economic development to develop consolidated

1 reporting methodologies that incorporate emission reduction actions  
2 taken across all or substantially all state agencies.

3 (5) All state agencies shall cooperate in providing information to  
4 the department, the department of general administration, and the  
5 department of community, trade, and economic development for the  
6 purposes of this section.

7 NEW SECTION. **Sec. 3.** A new section is added to chapter 70.235 RCW  
8 to read as follows:

9 (1) The department shall develop an emissions calculator to assist  
10 state agencies in estimating aggregate emissions as well as in  
11 estimating the relative emissions from different ways in carrying out  
12 activities.

13 (2) The department may use data such as totals of building space  
14 occupied, energy purchases and generation, motor vehicle fuel purchases  
15 and total mileage driven, and other reasonable sources of data to make  
16 these estimates. The estimates may be derived from a single  
17 methodology using these or other factors, except that for the top ten  
18 state agencies in occupied building space and vehicle miles driven, the  
19 estimates must be based upon the actual and projected operations of  
20 those agencies. The estimates may be adjusted, and reasonable  
21 estimates derived, when agencies have been created since 1990 or  
22 functions reorganized among state agencies since 1990. The estimates  
23 may incorporate projected emissions reductions that also affect state  
24 agencies under the program authorized in RCW 70.235.020 and other  
25 existing policies that will result in emissions reductions.

26 (3) By December 31st of each even-numbered year beginning in 2010,  
27 the department shall report to the governor and to the appropriate  
28 committees of the senate and house of representatives the total state  
29 agencies' emissions of greenhouse gases for 2005 and the preceding two  
30 years and actions taken to meet the emissions reduction targets.

31 **Sec. 4.** RCW 43.19.565 and 2005 c 214 s 1 are each amended to read  
32 as follows:

33 (1) The department of general administration shall establish a  
34 motor vehicle transportation service which is hereby empowered to:

35 ((+1)) (a) Provide suitable motor vehicle transportation services

1 to any state agency on either a temporary or permanent basis upon  
2 requisition from a state agency and upon such demonstration of need as  
3 the department may require;

4 ~~((+2))~~ (b) Provide motor pools for the use of state agencies  
5 located in the Olympia area and such additional motor pools at other  
6 locations in the state as may be necessary to provide economic,  
7 efficient, and effective motor vehicle transportation services to state  
8 agencies. Such additional motor pools may be under either the direct  
9 control of the department or under the supervision of another state  
10 agency by agreement with the department;

11 ~~((+3))~~ (c) Establish an equitable schedule of rental and mileage  
12 charges to agencies for motor vehicle transportation services furnished  
13 which shall be designed to provide funds to cover replacement of  
14 vehicles, the purchase of additional vehicles, and to recover the  
15 actual total costs of motor pool operations including but not limited  
16 to vehicle operation expense, depreciation expense, overhead, and  
17 nonrecoverable collision or other damage to vehicles; and

18 ~~((+4))~~ (d) Establish guidelines, procedures, and standards for  
19 fleet operations that other state agencies and institutions of higher  
20 education may adopt. The guidelines, procedures, and standards shall  
21 be consistent with and carry out the objectives of any general policies  
22 adopted by the office of financial management under RCW 43.41.130.

23 (2) The department of general administration shall phase in fuel  
24 economy standards for motor pools in direct control of the department  
25 or under the supervision of another state agency. The motor pools must  
26 reach an average fuel economy of thirty-six miles per gallon by June 1,  
27 2015. Motor pools refer to passenger vehicles, including passenger  
28 vans and sport utility vehicles. Passenger vehicles are exempt if  
29 used: (a) By the Washington state patrol; or (b) for natural resource  
30 management in a fifty percent off-pavement capacity.

31 **Sec. 5.** RCW 43.41.130 and 1982 c 163 s 13 are each amended to read  
32 as follows:

33 The director of financial management, after consultation with other  
34 interested or affected state agencies, shall establish overall policies  
35 governing the acquisition, operation, management, maintenance, repair,  
36 and disposal of, all passenger motor vehicles owned or operated by any  
37 state agency. Such policies shall include but not be limited to a

1 definition of what constitutes authorized use of a state owned or  
2 controlled passenger motor vehicle and other motor vehicles on official  
3 state business. The definition shall include, but not be limited to,  
4 the use of state-owned motor vehicles for commuter ride sharing so long  
5 as the entire capital depreciation and operational expense of the  
6 commuter ride-sharing arrangement is paid by the commuters. Any use  
7 other than such defined use shall be considered as personal use. By  
8 June 15, 2010, the director of financial management, in consultation  
9 with the department of general administration and the department of  
10 transportation, shall develop policies to direct state agencies to  
11 reduce fuel consumption and emissions from all classes of vehicles.

12 ~~((Such policies shall also include the widest possible use of~~  
13 ~~gasohol and cost effective alternative fuels in all motor vehicles~~  
14 ~~owned or operated by any state agency. As used in this section,~~  
15 ~~"gasohol" means motor vehicle fuel which contains more than nine and~~  
16 ~~one half percent alcohol by volume.))~~

17 The director of financial management, in establishing policies for  
18 passenger vehicles owned or operated by any state agency, shall require  
19 all agency motor vehicle pools and agencies with a fleet of ten  
20 vehicles or greater to achieve an average fuel economy standard of  
21 thirty-six miles per gallon by June 1, 2015. Motor pools and fleets  
22 refer to passenger vehicles, including passenger vans and sport utility  
23 vehicles. Passenger vehicles are exempt if used: (1) By the  
24 Washington state patrol; or (2) for natural resource management in a  
25 fifty percent off-pavement capacity.

26 **Sec. 6.** RCW 43.19.675 and 2001 c 214 s 26 are each amended to read  
27 as follows:

28 (1) For each state-owned facility greater than ten thousand square  
29 feet that has not had an energy audit completed in the past five years,  
30 the director of general administration, or the agency responsible for  
31 the facility if other than the department of general administration,  
32 shall conduct an energy audit of that facility. This energy audit may  
33 be conducted by contract or by other arrangement, including appropriate  
34 agency staff. Performance-based contracting shall be the preferred  
35 method for implementing and completing energy audits. ~~((For each~~  
36 ~~state owned facility, the energy consumption surveys shall be completed~~

1 ~~no later than October 1, 2001, and the walk-through surveys shall be~~  
2 ~~completed no later than July 1, 2002.)~~)

3 (2)(a) The director of general administration shall develop a  
4 schedule for conducting and completing state agency energy audits. All  
5 energy audits must be completed by December 1, 2013.

6 (b) The director of general administration shall develop procedures  
7 to ensure that consistent methods for energy benchmarks are used when  
8 conducting energy audits.

9 **Sec. 7.** RCW 43.19.680 and 2001 c 214 s 27 are each amended to read  
10 as follows:

11 (1) Upon completion of each walk-through survey required by RCW  
12 43.19.675, the director of general administration or the agency  
13 responsible for the facility if other than the department of general  
14 administration shall implement energy conservation maintenance and  
15 operation procedures that may be identified for any state-owned  
16 facility. These procedures shall be implemented as soon as possible  
17 but not later than twelve months after the walk-through survey.

18 (2) If a walk-through survey has identified potentially cost-  
19 effective energy conservation measures, the agency responsible for the  
20 facility shall undertake an investment grade audit of the facility.  
21 Investment grade audits shall be completed no later than December 1,  
22 ~~((2002))~~ 2013. Installation of cost-effective energy conservation  
23 measures recommended in the investment grade audit shall be completed  
24 no later than June 30, ~~((2004))~~ 2016.

25 ~~((For each biennium until all measures are installed,))~~ The  
26 director of general administration shall report to the governor and the  
27 legislature ~~((installation progress, [and]))~~ on the progress of energy  
28 audits, development of energy benchmarks, and energy efficiency  
29 measures planned for installation during the ensuing biennium. This  
30 report shall be submitted by December 31, ~~((2004))~~ 2014, or at the end  
31 of the following year whichever immediately precedes the capital budget  
32 adoption, and ~~((every two years thereafter until all measures are~~  
33 installed)) a final report by December 31, 2016.

34 (4) Agencies may contract with energy service companies as  
35 authorized by chapter 39.35C RCW for energy audits and implementation  
36 of cost-effective energy conservation measures. State agencies must  
37 complete an energy audit prior to or as part of a request for state

1 funds on any energy efficiency project for an agency-owned or leased  
2 facility. The department shall provide technically qualified personnel  
3 to the responsible agency upon request. The department shall recover  
4 a fee for this service.

5 **Sec. 8.** RCW 43.41.170 and 1989 c 11 s 15 are each amended to read  
6 as follows:

7 The office of financial management shall ~~((ensure that))~~ require  
8 state agencies to perform energy audits as required under RCW  
9 43.19.675. To the extent possible through the budget process ~~((shall~~  
10 ~~allow))~~, state agencies implementing energy conservation ~~((to))~~  
11 measures as identified under RCW 43.19.680 may retain the resulting  
12 cost savings for other purposes, including further energy conservation.

13 **Sec. 9.** RCW 39.35D.010 and 2005 c 12 s 1 are each amended to read  
14 as follows:

15 (1) The legislature finds that public buildings can be built and  
16 renovated using high-performance methods that save money, improve  
17 school performance, and make workers more productive. High-performance  
18 public buildings are proven to increase student test scores, reduce  
19 worker absenteeism, and cut energy and utility costs.

20 (2) It is the intent of the legislature that state-owned buildings  
21 and schools be improved by adopting recognized standards for high-  
22 performance public buildings, reducing energy consumption, and allowing  
23 flexible methods and choices in how to achieve those standards and  
24 reductions. The legislature also intends that public agencies and  
25 public school districts shall document costs and savings to monitor  
26 this program and ensure that economic, community, and environmental  
27 goals are achieved each year, and that an independent performance  
28 review be conducted to evaluate this program and determine the extent  
29 to which the results intended by this chapter are being met.

30 NEW SECTION. **Sec. 10.** This act shall be in effect only to the  
31 extent that funds are specifically appropriated for the purposes of  
32 this act.

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