SUBSTITUTE SENATE BILL 5560

State of Washington 61st Legislature 2009 Regular Session

By Senate Environment, Water & Energy (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 02/23/09.

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

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

5 NEW SECTION. **Sec. 1.** The legislature finds that in chapter 14, Laws of 2008, the legislature established greenhouse gas emission б 7 reduction limits for Washington state, including a reduction of overall emissions by 2020 to emission levels in 1990, a reduction by 2035 to 8 9 levels twenty-five percent below 1990 levels, and by 2050 a further reduction below 1990 levels. Based upon estimated 2006 emission levels 10 in Washington, this will require a reduction from present emission 11 levels of over twenty-five percent in the next eleven years. 12 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, costeffective, and will help to promote innovative energy efficiency 17 18 technologies and practices.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 70.235 RCW
 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

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

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

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

(3) By June 30, 2011, each state agency shall submit to the department a strategy to meet the requirements in subsection (1) of this section. The strategy must address employee travel activities, teleconferencing alternatives, and include existing and proposed actions, a timeline for reductions, and recommendations for budgetary and other incentives to reduce emissions, especially from employee 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 meet the emission reduction targets under the strategy for the 31 32 preceding fiscal biennium. The department may authorize the department of general administration to report on behalf of any state agency 33 having fewer than five hundred full-time equivalent employees at any 34 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

reporting methodologies that incorporate emission reduction actions
 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 <u>NEW SECTION.</u> 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.

(2) The department may use data such as totals of building space 13 14 occupied, energy purchases and generation, motor vehicle fuel purchases and total mileage driven, and other reasonable sources of data to make 15 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 estimates must be based upon the actual and projected operations of 19 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 agencies under the program authorized in RCW 70.235.020 and other 24 25 existing policies that will result in emissions reductions.

(3) By December 31st of each even-numbered year beginning in 2010, the department shall report to the governor and to the appropriate committees of the senate and house of representatives the total state agencies' emissions of greenhouse gases for 2005 and the preceding two 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))) <u>(a)</u> 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))) <u>(b)</u> 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.

(2) The department of general administration shall phase in fuel economy standards for motor pools in direct control of the department or under the supervision of another state agency. The motor pools must reach an average fuel economy of thirty-six miles per gallon by June 1, 2015. Motor pools refer to passenger vehicles, including passenger vans and sport utility vehicles.

29 Sec. 5. RCW 43.41.130 and 1982 c 163 s 13 are each amended to read 30 as follows:

The director of financial management, after consultation with other interested or affected state agencies, shall establish overall policies governing the acquisition, operation, management, maintenance, repair, and disposal of, all passenger motor vehicles owned or operated by any state agency. Such policies shall include but not be limited to a definition of what constitutes authorized use of a state owned or controlled passenger motor vehicle and other motor vehicles on official

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

10 ((Such policies shall also include the widest possible use of 11 gasohol and cost-effective alternative fuels in all motor vehicles 12 owned or operated by any state agency. As used in this section, 13 "gasohol" means motor vehicle fuel which contains more than nine and 14 one-half percent alcohol by volume.))

The director of financial management, in establishing policies for passenger vehicles owned or operated by any state agency, shall require all agency motor vehicle pools and agencies with a fleet of ten vehicles or greater to achieve an average fuel economy standard of thirty-six miles per gallon by June 1, 2015. Motor pools and fleets refer to passenger vehicles, including passenger vans and sport utility vehicles.

22 **Sec. 6.** RCW 43.19.675 and 2001 c 214 s 26 are each amended to read 23 as follows:

(1) For each state-owned facility greater than ten thousand square 24 25 feet that has not had an energy audit completed in the past five years, 26 the director of general administration, or the agency responsible for the facility if other than the department of general administration, 27 shall conduct an energy audit of that facility. This energy audit may 28 29 be conducted by contract or by other arrangement, including appropriate 30 agency staff. Performance-based contracting shall be the preferred 31 method for implementing and completing energy audits. ((For each 32 state-owned facility, the energy consumption surveys shall be completed no later than October 1, 2001, and the walk-through surveys shall be 33 34 completed no later than July 1, 2002.))

35 (2)(a) The director of general administration shall develop a
36 schedule for conducting and completing state agency energy audits. All
37 energy audits must be completed by July 1, 2013.

(b) The director of general administration shall develop procedures

2 to ensure that consistent methods for energy benchmarks are used when 3 conducting energy audits.

4 **Sec. 7.** RCW 43.19.680 and 2001 c 214 s 27 are each amended to read 5 as follows:

6 (1) Upon completion of each walk-through survey required by RCW 7 43.19.675, the director of general administration or the agency 8 responsible for the facility if other than the department of general 9 administration shall implement energy conservation maintenance and 10 operation procedures that may be identified for any state-owned 11 facility. These procedures shall be implemented as soon as possible 12 but not later than twelve months after the walk-through survey.

13 (2) If a walk-through survey has identified potentially cost-14 effective energy conservation measures, the agency responsible for the 15 facility shall undertake an investment grade audit of the facility. 16 Investment grade audits shall be completed no later than December 1, 17 ((2002)) 2013. Installation of cost-effective energy conservation 18 measures recommended in the investment grade audit shall be completed 19 no later than June 30, ((2004)) 2016.

20 (3) ((For each biennium until all measures are installed,)) The 21 director of general administration shall report to the governor and the 22 legislature ((installation progress, [and])) on the progress of energy 23 audits, development of energy benchmarks, and energy efficiency measures planned for installation during the ensuing biennium. 24 This 25 report shall be submitted by December 31, ((2004)) 2014, or at the end 26 of the following year whichever immediately precedes the capital budget 27 adoption, and ((every two years thereafter until all measures are installed)) a final report by December 31, 2016. 28

29 (4) Agencies may contract with energy service companies as 30 authorized by chapter 39.35C RCW for energy audits and implementation 31 of cost-effective energy conservation measures. State agencies must complete an energy audit prior to or as part of a request for state 32 funds on any energy efficiency project for an agency-owned or leased 33 34 facility. The department shall provide technically qualified personnel 35 to the responsible agency upon request. The department shall recover 36 a fee for this service.

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1 Sec. 8. RCW 43.41.170 and 1989 c 11 s 15 are each amended to read 2 as follows:

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

9 Sec. 9. RCW 39.35D.010 and 2005 c 12 s 1 are each amended to read 10 as follows:

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

(2) It is the intent of the legislature that state-owned buildings 16 17 and schools be improved by adopting recognized standards for highperformance public buildings, reducing energy consumption, and allowing 18 flexible methods and choices in how to achieve those standards and 19 20 reductions. The legislature also intends that public agencies and 21 public school districts shall document costs and savings to monitor this program and ensure that economic, community, and environmental 22 23 goals are achieved each year, and that an independent performance review be conducted to evaluate this program and determine the extent 24 25 to which the results intended by this chapter are being met.

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