FIRST REGULAR SESSION

HOUSE BILL NO. 502

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES MCNEIL (Sponsor), BERRY, ELLINGER, ENGLISH, MEREDITH, ENGLUND, KIRKTON, PACE, KELLY (45) AND REDMON (Co-sponsors).

1252L.01I D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 8, RSMo, by adding thereto one new section relating to environmentally sustainable construction for state-funded buildings.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 8, RSMo, is amended by adding thereto one new section, to be known as section 8.860, to read as follows:

8.860. 1. As used in this section, the following words mean:

- (1) "ASHRAE" or "American Society of Heating, Refrigerating, and Air Conditioning Engineers", an international technical society for all individuals and organizations interested in heating, ventilation, air conditioning, and refrigeration;
- (2) "Building project", the design, construction, renovation, operation, and maintenance of any inhabited physical structure and its associated project building site;
- (3) "Commercial interior fit-out", interior design and installation by owners or tenants of new or existing office space, typically exclusive of structural components and core and shell elements;
- (4) "Energy Star", the most current national energy performance rating system created by the United States Environmental Protection Agency and the United States Department of Energy;
- 13 (5) "Energy Star rating", the rating achieved on the current Energy Star's current 14 rating system on the one to one hundred scale, which rating evaluates the energy 15 performance of a building;
- 16 (6) "GBI", Green Building Initiative;

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- 17 (7) "Globes", the level of a building's sustainability and energy efficiency performance as determined by GBI's Green Globes Rating System; 18
- 19 (8) "Green Globes Rating System", the most current environmental building rating 20 system established by the Green Building Initiative;
 - (9) "High-performance building", a building designed to achieve integrated systems design, construction, and operation so as to significantly reduce or eliminate the negative impact of the built environment and optimize positive attributes;
- 24 (10) "LEED", Leadership in Energy and Environmental Design as determined by 25 the current version of the USGBC's Green Building Rating System;
- 26 (11) "LEED Silver", the current Silver standard as set forth by the USGBC's 27 LEED Green Building Rating System;
 - (12) "Major facility project" or "major facility projects":
- 29 (a) A state-funded:

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- 30 a. New construction building project in which the building's gross square footage is greater than five thousand;
- 32 b. Renovation project involving more than fifty percent of the square footage or 33 occupancy displacement;
- 34 c. Commercial interior fit-out project that is larger than seven thousand square feet 35 of leasable area; or
 - d. Project subject to regulation by the office of administration;
- 37 (b) Shall not include:
- 38 a. A building, regardless of size, that does not have conditioned space as defined by 39 **ASHRAE standard 90.1**;
- 40 b. A correctional facility constructed for the department of corrections or the 41 department of mental health;
 - (13) "Qualified existing facility", any existing building over ten thousand square feet that is operated under the Missouri office of administration, but does not include:
- 44 (a) A building, regardless of size, that does not have conditioned space as defined 45 by ASHRAE standard 90.1;
- 46 (b) A correctional facility constructed for the department of corrections or the 47 department of mental health;
- (c) A building not meeting the Environmental Protection Agency Energy Star 49 benchmarking guidelines;
- 50 (14) "Renovation project", a building project involving the modification or 51 adaptive reuse of an existing facility;

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(15) "Third-party commissioning agent", a person accredited by the USGBC or GBI with expertise in building system performance who analyzes, evaluates, and confirms proper function and performance of a high-performance building, its systems, equipment, and indoor air quality and who did not participate in the original certification of the major facility project or renovation project;

- (16) "USGBC", the United States Green Building Council.
- 2. All major facility projects in Missouri greater than five thousand square feet as provided in subparagraph a. of paragraph (a) of subdivision (12) of subsection 1 of this section shall be designed, constructed, and at least certified as receiving two Globes using the Green Globes Rating System or receiving the LEED Silver standard. All major facility projects in Missouri as defined under subparagraphs b. and c. of paragraph (a) of subdivision (12) of subsection 1 of this section shall be analyzed using:
- (1) A life cycle cost analysis comparing the cost and benefits of designing, constructing, maintaining, and operating the facility at the LEED Silver standard or two Globes standard, or better, with certification;
 - (2) Normal industry and regulatory standards, as applicable; or
- (3) Some standard between subdivisions (1) and (2) of this subsection that causes the project to be designed, constructed, and operated in a manner that achieves the lowest thirty-year life cycle cost.
- 3. In obtaining certification as receiving two Globes using the Green Globes Rating System, a major facility project shall earn at least twenty percent of the available points for energy performance under C.1.1 energy consumption. In obtaining certification as meeting the LEED Silver standard, a major facility project shall reduce energy use twenty-four percent for new buildings or twenty percent for existing buildings over ASHRAE standard 90.1-2007. The office of administration may waive the requirements of this subsection for a proposed major facility project if it determines that the cost of meeting the requirements under this subsection are not economically feasible.
- 4. The office of administration may petition the general assembly to require all major facility projects be certified to a high-performance building rating system standard in addition to or in lieu of the systems provided in this section. However, any alternate rating system adopted by the general assembly shall be no less stringent than the systems provided in this section.
- 5. All major facility projects that were certified at the LEED Silver or two Globe standard or higher shall be inspected by a third-party commissioning agent, at a minimum, in the fifth, tenth, and fifteenth year following certification. The third-party commissioning agent shall determine whether the building is operating at the standard to

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which it was originally designed and certified. The third-party commissioning agent shall report its findings to the office of administration and the respective state department or departments occupying the facility. The report shall include but not be limited to the facility's savings on energy and water, the level of its indoor air quality, the existing system's function and performance, problems with the system, and whether the system's performance meets the facility's requirements. If the office of administration determines the building is not operating within the spirit of this section, the office of administration may take appropriate measures to bring the building into compliance.

- 6. The office of administration shall develop and implement a process to monitor and evaluate the energy and environmental benefits associated with each major facility project designed, constructed, and renovated under this section. The monitoring and evaluation of each major facility project shall commence one year after occupancy or use and shall continue for fifteen years thereafter. All data concerning energy, operational, and environmental benefits collected under this section shall be made available to the office of administration to be compiled and submitted to the general assembly under subsection 8 of this section. The recommendation of incorporation of the Energy Star rating system to fulfill the requirements of this subsection shall be made.
- 7. All qualified existing facilities in the state of Missouri shall meet the energy performance goals of the Energy Star program and shall try to earn minimum Energy Star rating of seventy within the following periods of time:
- (1) (a) First Energy Star rating of less than forty shall achieve a rating increase of thirty points or greater within five years;
- (b) First Energy Star rating of forty-one points to fifty points shall achieve an Energy Star rating to seventy points within four years;
- (c) First Energy Star rating of fifty-one points to sixty points shall achieve a rating increase to seventy points within three years;
- (d) First Energy Star rating of greater than sixty points shall achieve a rating increase to seventy points within two years; or
- (2) Achieve the highest possible rating within a ten-year payback period within fiveyears of the first Energy Star rating.
 - 8. The office of administration shall submit a report regarding major facility projects and Energy Star data of qualified existing building to the house committee on energy and environment and the senate committee on energy and environment that includes:
 - (1) The number and types of buildings designed and constructed;
- 123 (2) The level of certification of each building designed, constructed, or renovated;

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124 (3) The average Energy Star rating per department;

(4) Actual savings in energy costs;

- **(5)** A description of all potential environmental benefits, including but not limited to, water savings and the reduction of waste generation;
 - (6) The ability of building to continue to operate at the standard to which it was originally certified;
- 130 (7) In the event of a waiver by the office of administration to not pursue 131 certification, reasons for the waiver;
 - (8) Any conflicts or barriers that hinder the effectiveness of this section.
 - 9. The office of administration shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid and void.