

SB 871 (Smart State Buildings) removes barriers to accelerate energy retrofits and upgrades in state buildings.

## Problem:

- While Oregon does not track energy performance contracts for state buildings, it is
   estimated that only a small number of performance contracts have been carried out for
   public buildings in Oregon (less than 25% as compared to Washington and usually that
   has been limited to the lowest hanging fruit lighting).
- State buildings can lead by example, and demonstrate how increasing resilience and
  efficiency and transitioning to clean energy is feasible, affordable, and beneficial. Oregon
  should follow through with its commitment to contribute to the state's climate goals and
  hold itself to the same standards as private industry for energy efficiency, and carbon
  reduction in buildings.
- While the Department of the Treasury and some others have made significant efforts to design new state buildings with efficiency and resilience in mind, many existing state buildings lag behind industry standards.

## **Solution:**

- Ease the ability of public buildings to fund energy efficiency and retrofit projects, and allow Oregon to adopt statutes/rules to those that have proved impactful in other jurisdictions, driving down climate pollution, improving energy efficiency, and providing resilient public spaces for all Oregonians.
- Reduce barriers to third party financing of public buildings to account for the energy savings of the whole building and throughout the life of energy efficiency upgrade components.
- Align the cost-effectiveness criteria under performance contracting with state statutes, rules, and efficiency and emissions goals.

## **Rebuilding Task Force Background:**

Energy consumption in buildings is responsible for nearly 35 percent of annual Oregon greenhouse gas emissions. The Resilient Efficient Buildings Task Force was created in 2022 by Senate Bill 1518 to identify and evaluate policies related to building codes and building decarbonization for new and existing buildings that would enable the state to meet its greenhouse gas emissions reduction goals while maximizing additional benefits such as increasing energy efficiency, improving climate resilience, improving public health and air

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quality, and reducing the percentage of household income that is spent on energy costs. Co-Chairs Lieber and Marsh identified policy areas that would have significant impact on emissions reductions and community resilience. Those areas will be contained in four bills, SB 668, SB 669, SB 670 and SB 671. Legislative Counsel is still working on initial language.

**Sponsors:** Senator Lieber and Representative Marsh

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