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SENATE BILL 5560

State of Washington 61st Legislature 2009 Regular Session

By Senators Ranker, Swecker, Brown, Hargrove, Pridemore, Marr, Kilmer, Rockefeller, Kauffman, Haugen, Eide, Hobbs, Kohl-Welles, Jarrett, Fraser, Jacobsen, and Murray

Read first time 01/26/09. Referred to Committee on Government Operations & Elections.

- 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; adding a new section to
- 4 chapter 39.35C RCW; and creating a new section.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The legislature finds that in chapter 14, Laws of 2008, the legislature established greenhouse gas emission reduction limits for Washington state, including a reduction of overall
- 9 emissions by 2020 to emission levels in 1990, a reduction by 2035 to 10 levels twenty-five percent below 1990 levels, and by 2050 a further
- reduction below 1990 levels. Based upon estimated 2006 emission levels
- 12 in Washington, this will require a reduction from present emission
- 13 levels of over twenty-five percent in the next eleven years. The
- 14 legislature further finds that state government activities are a
- 15 significant source of emissions, and that state government should meet
- 16 targets for reducing emissions from its buildings, vehicles, and all
- 17 operations that demonstrate that these reductions are achievable, cost-
- 18 effective, and will help to promote innovative energy efficiency
- 19 technologies and practices.

p. 1 SB 5560

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

- (1) All state agencies shall exceed the statewide greenhouse gas emission limits established in RCW 70.235.020 to achieve the following, using the estimates and strategy established in subsections (2) and (3) of this section:
 - (a) By July 1, 2017, reduce emissions to 1990 levels;

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- 8 (b) By 2025, reduce emissions to twenty-five percent below 1990 9 levels; and
 - (c) By 2035, reduce emissions to the greater reduction of fifty percent below 1990 levels, or seventy percent below the expected state government emissions that year.
 - (2) By June 30, 2010, the department, in consultation with the department of community, trade, and economic development and the department of general administration, shall develop estimates of emissions for each state agency, including estimates of the emissions in 1990, current levels of emissions, and projected emissions under a business as usual scenario through 2035. The departments may use data such as totals of building space occupied, electricity purchases and generation, motor vehicle fuel purchases and total mileage driven, and other reasonable sources of data to make these estimates. estimates may be derived from a single methodology using these or other factors, except that for the top ten state agencies in occupied building space and vehicle miles driven the estimates must be based upon the actual and projected operations of those agencies. The estimates may be adjusted and reasonable estimates derived where agencies have been created since 1990 or functions reorganized among state agencies since 1990. The estimates may incorporate projected emission reductions that also affect state agencies under the program authorized in RCW 70.235.020 and other existing policies that will result in emission reductions.
 - (3) By June 30, 2011, the department shall establish a strategy to meet the limits in subsection (1) of this section. The strategy must allocate reductions among all state agencies and set forth the timelines for reductions to assist in meeting these reduction limits. The allocations may reflect changes in state government organization since 1990, including the creation of new state agencies and activities, and the reorganization of existing activities among state

agencies. The strategy may include elements that reward state agencies for exceeding their emission reduction targets and may incorporate a method to trade emission reductions from one agency to another where meeting a reduction target is not practicable. The strategy may allow an agency to obtain up to twenty-five percent of its emission reductions through the purchase of carbon offsets.

- (4) By October 1st of each even-numbered year beginning in 2014, each state agency shall report to the department the actions taken to meet the emission reduction targets under the strategy for the preceding fiscal biennium. The department may authorize the department of general administration to report on behalf of any state agency having fewer than five hundred full-time equivalent employees at any time during the reporting period. The department shall cooperate with the department of general administration and the department of community, trade, and economic development to develop consolidated reporting methodologies that incorporate emission reduction actions taken across all or substantially all state agencies.
- 18 (5) All state agencies shall cooperate in providing information to 19 the department, the department of general administration, and the 20 department of community, trade, and economic development for the 21 purposes of this section.

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

- (1) The department shall develop an emissions calculator to assist state agencies in estimating aggregate emissions as well as in estimating the relative emissions from different ways in carrying out activities. The initial element of this calculator must address state employee travel activities and assist employees in estimating emissions from different methods of travel, including teleconferencing alternatives.
- (2) By October 1, 2010, the department shall report to the appropriate fiscal and policy committees in the senate and house of representatives providing recommendations for budgetary and other incentives for state agencies to reduce emissions from employee travel.

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

p. 3 SB 5560

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

 $((\frac{1}{1}))$ (a) Provide suitable motor vehicle transportation services to any state agency on either a temporary or permanent basis upon requisition from a state agency and upon such demonstration of need as the department may require;

((\(\frac{(2)}{2}\))) (b) Provide motor pools for the use of state agencies located in the Olympia area and such additional motor pools at other locations in the state as may be necessary to provide economic, efficient, and effective motor vehicle transportation services to state agencies. Such additional motor pools may be under either the direct control of the department or under the supervision of another state agency by agreement with the department;

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

((4))) <u>(d)</u> Establish guidelines, procedures, and standards for fleet operations that other state agencies and institutions of higher education may adopt. The guidelines, procedures, and standards shall be consistent with and carry out the objectives of any general policies 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.

Sec. 5. RCW 43.41.130 and 1982 c 163 s 13 are each amended to read 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, the use of state-owned motor vehicles for commuter ride sharing so long as the entire capital depreciation and operational expense of the commuter ride-sharing arrangement is paid by the commuters. Any use other than such defined use shall be considered as personal use.

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

Sec. 6. RCW 43.19.675 and 2001 c 214 s 26 are each amended to read 20 as follows:

For each state-owned facility, the director of general administration, or the agency responsible for the facility if other than the department of general administration, shall conduct an energy audit of that facility. This energy audit may be conducted by contract or by other arrangement, including appropriate agency staff. Performance-based contracting shall be the preferred method for implementing and completing energy audits. For each state-owned facility, the energy consumption surveys shall be completed no later than October 1, ((2001)) 2009, and the walk-through surveys shall be completed no later than July 1, ((2002)) 2010.

- Sec. 7. RCW 43.19.680 and 2001 c 214 s 27 are each amended to read as follows:
- (1) Upon completion of each walk-through survey required by RCW 43.19.675, the director of general administration or the agency responsible for the facility if other than the department of general administration shall implement energy conservation maintenance and

p. 5 SB 5560

operation procedures that may be identified for any state-owned facility. These procedures shall be implemented as soon as possible but not later than twelve months after the walk-through survey.

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- (2) If a walk-through survey has identified potentially costeffective energy conservation measures, the agency responsible for the facility shall undertake an investment grade audit of the facility. Investment grade audits shall be completed no later than December 1, ((2002)) 2010. Installation of cost-effective energy conservation measures recommended in the investment grade audit shall be completed no later than June 30, ((2004)) 2012.
- (3) For each biennium until all measures are installed, the director of general administration shall report to the governor and legislature installation progress, (({and})) and measures planned for installation during the ensuing biennium. This report shall be submitted by December 31, ((2004)) 2010, or at the end of the following year whichever immediately precedes the capital budget adoption, and every two years thereafter until all measures are installed.
- 18 (4) Agencies may contract with energy service companies as 19 authorized by chapter 39.35C RCW for energy audits and implementation 20 of cost-effective energy conservation measures. The department shall 21 provide technically qualified personnel to the responsible agency upon 22 request. The department shall recover a fee for this service.
- 23 **Sec. 8.** RCW 43.41.170 and 1989 c 11 s 15 are each amended to read as follows:
- 25 The office of financial management shall ((ensure that)) require 26 state agencies to perform energy audits as required under RCW 27 43.19.675. To the extent possible through the budget process ((shall 28 allow)), state agencies implementing energy conservation ((to)) 29 measures as identified under RCW 43.19.680 may retain the resulting 30 cost savings for other purposes, including further energy conservation.
- 31 **Sec. 9.** RCW 39.35D.010 and 2005 c 12 s 1 are each amended to read 32 as follows:
- 33 (1) The legislature finds that public buildings can be built and 34 renovated using high-performance methods that save money, improve 35 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 and schools be improved by adopting recognized standards for high-performance public buildings, reducing energy consumption, and allowing flexible methods and choices in how to achieve those standards and reductions. The legislature also intends that public agencies and public school districts shall document costs and savings to monitor this program and ensure that economic, community, and environmental goals are achieved each year, and that an independent performance review be conducted to evaluate this program and determine the extent to which the results intended by this chapter are being met.

NEW SECTION. Sec. 10. A new section is added to chapter 39.35C RCW to read as follows:

- (1) Each state agency must reduce energy consumption to achieve the following, using the estimates and strategy established in subsections (2) and (3) of this section:
- 18 (a) By July 1, 2017, reduce energy consumption by twenty percent 19 below 2011 levels;
- 20 (b) By 2025, reduce energy consumption by thirty-five percent below 21 2011 levels; and
 - (c) By 2035, reduce energy consumption to the greater reduction of fifty percent below 2011 levels or seventy percent below the expected state government energy consumption that year.
 - (2) By June 30, 2010, the department, in consultation with the department of community, trade, and economic development and the department of ecology, shall develop estimates of energy consumption for each state agency, and projected energy consumption under a business as usual scenario through 2035. The departments may use data such as totals of building space occupied, energy purchases and generation, and other reasonable sources of data to make these estimates. The estimates may be derived from a single methodology using these or other factors, except that for the top ten state agencies in occupied building space the estimates must be based upon the actual and projected operations of those agencies. The estimates may incorporate projections under other existing policies that will result in energy consumption reductions.

p. 7 SB 5560

(3) By June 30, 2011, the department shall establish a strategy to meet the limits of subsection (1) of this section. The strategy must allocate reductions among all state agencies and set forth the timelines for reductions to assist in meeting these reduction limits.

- (4) For the biennium ending June 30, 2011, and during the development of the longer-term strategy required under subsection (3) of this section, each state agency shall implement practical and affordable measures to increase energy efficiency. Each state agency shall identify opportunities for increasing efficiency during regular maintenance schedules, replacement of equipment, and in modifying agency activities and service delivery in ways that increase energy efficiency and have a near-term payback on investment.
- (5) By October 1st of each even-numbered year beginning in 2014, each state agency shall report to the department the actions taken to meet the energy consumption reduction targets under the strategy for the preceding fiscal biennium. The department may report on behalf of any state agency having fewer than five hundred full-time equivalent employees at any time during the reporting period. The department shall cooperate with the department of ecology and the department of community, trade, and economic development to develop consolidated reporting methodologies that incorporate energy consumption reduction actions taken across all or substantially all state agencies.
- (6) All state agencies shall cooperate in providing information to the department, the department of ecology, and the department of community, trade, and economic development for the purposes of this section.

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