

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 282
PROPOSED COMMITTEE SUBSTITUTE H282-PCS50741-TD-53

Short Title: Green School Construction/Loan Fund.

(Public)

Sponsors:

Referred to:

February 25, 2009

A BILL TO BE ENTITLED

AN ACT TO PROMOTE ENERGY EFFICIENCY IN PUBLIC SCHOOL BUILDINGS AND TO ENCOURAGE PUBLIC SCHOOL PARTICIPATION IN THE SUSTAINABLE ENERGY-EFFICIENT BUILDINGS PROGRAM, TO CREATE AND APPROPRIATE FUNDS TO THE GREEN SCHOOL CONSTRUCTION LOAN FUND, AND TO MAKE CONFORMING CHANGES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 115C-47 is amended by adding a new subdivision to read:

"(28b) To Participate in the Sustainable Energy-Efficient Buildings Program. – Local boards may comply with the design and construction requirements established by the Sustainable Energy-Efficient Buildings Program pursuant to Article 8C of Chapter 143 of the General Statutes."

SECTION 2. Article 31 of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ 115C-426.3. Monitor and report utility consumption by local school administrative units.

Each local school administrative unit that participates in the Sustainable Energy-Efficient Buildings Program under Article 8C of Chapter 143 of the General Statutes shall monitor and report utility consumption for purposes of reporting to the Office of State Construction as provided in G.S. 143-135.37."

SECTION 3. G.S. 115C-521 reads as rewritten:

"§ 115C-521. Erection of school buildings.

(a) It shall be the duty of local boards of education to provide classroom facilities adequate to meet the requirements of G.S. 115C-47(10) and 115C-301. Local boards of education shall submit their long-range plans for meeting school facility needs to the State Board of Education by January 1, 1988, and every five years thereafter. In developing these plans, local boards of education shall ~~consider the~~consider:

(1) The costs and feasibility of renovating old school buildings instead of replacing them.

(2) The feasibility and costs of commissioning old school buildings that are renovated for the purpose of reducing energy and water use. This consideration shall employ life-cycle cost analysis as defined in G.S. 143-64.11.



1 (b) It shall be the duty of the boards of education of the several local school
2 administrative school units of the State to make provisions for the public school term by
3 providing adequate school buildings equipped with suitable school furniture and apparatus. The
4 needs and the cost of those buildings, equipment, and apparatus, shall be presented each year
5 when the school budget is submitted to the respective tax-levying authorities. The boards of
6 commissioners shall be given a reasonable time to provide the funds which they, upon
7 investigation, shall find to be necessary for providing their respective units with buildings
8 suitably equipped, and it shall be the duty of the several boards of county commissioners to
9 provide funds for the same.

10 Upon determination by a local board of education that the existing permanent school
11 building does not have sufficient classrooms to house the pupil enrollment anticipated for the
12 school, the local board of education may acquire and use as temporary classrooms for the
13 operation of the school, relocatable or mobile classroom units, whether built on the lot or not,
14 which units and method of use shall meet the approval of the School Planning Division of the
15 State Board of Education, and which units shall comply with all applicable requirements of the
16 North Carolina State Building Code and of the local building and electrical codes applicable to
17 the area in which the school is located. These units shall also be anchored in a manner required
18 to assure their structural safety in severe weather. The acquisition and installation of these units
19 shall be subject in all respects to the provisions of Chapter 143 of the General Statutes. A
20 life-cycle cost analysis as defined in G.S. 143-64.11 shall be conducted for the acquisition and
21 installation of these units. The provisions of Chapter 87, Article 1, of the General Statutes, shall
22 not apply to persons, firms or corporations engaged in the sale or furnishing to local boards of
23 education and the delivery and installation upon school sites of classroom trailers as a single
24 building unit or of relocatable or mobile classrooms delivered in less than four units or sections.

25 ...

26 (e) The State Board of Education shall establish within the Department of Public
27 Instruction a central clearinghouse for access by local boards of education that may want to use
28 a prototype design in the construction of school facilities. The State Board shall compile
29 necessary publications and a computer database to distribute information on prototype designs
30 to local school administrative units. A prototype design of a new school facility that is designed
31 to at least the standards for energy efficiency and water use under G.S. 143-135.37 shall be
32 included in this computer database. All architects and engineers registered in North Carolina
33 may submit plans for inclusion in the computer database and these plans may be accessed by
34 any person. The original architect of record or engineer of record shall retain ownership and
35 liability for a prototype design. The State Board may adopt rules it considers necessary to
36 implement this subsection."

37 **SECTION 4.** G.S. 115C-521(c) reads as rewritten:

38 "(c) The building of all new school buildings and the repairing of all old school
39 buildings shall be under the control and direction of, and by contract with, the board of
40 education for which the building and repairing is done. If a board of education is considering
41 building a new school building to replace an existing school building, the board shall not invest
42 any construction money in the new building unless it submits to the State Superintendent and
43 the State Superintendent submits to the North Carolina Historical Commission an analysis that
44 compares the costs and feasibility of building the new building and of renovating the existing
45 building and that clearly indicates the desirability of building the new building. No board of
46 education shall invest any money in any new building until it has (i) developed plans based
47 upon a consideration of the State Board's facilities ~~guidelines, guidelines~~ and consideration
48 ways to minimize the new building's use of energy and water, (ii) submitted these plans to the
49 State Board for its review and comments, and (iii) reviewed the plans based upon a
50 consideration of the comments it receives from the State Board. No local board of education
51 shall contract for more money than is made available for the erection of a new

1 ~~building~~-building; however, any money obtained as no-interest loans under G.S. 115C-521.2
2 shall be included as available money. However, this subsection shall not be construed so as to
3 prevent boards of education from investing any money in buildings that are being constructed
4 pursuant to a continuing contract of construction as provided for in G.S. 115C-441(c). All
5 contracts for buildings shall be in writing and all buildings shall be inspected, received, and
6 approved by the local superintendent and the architect before full payment is made therefor.
7 Nothing in this subsection shall prohibit boards of education from repairing and altering
8 buildings with the help of janitors and other regular employees of the board.

9 In the design and construction of new school buildings and in the renovation of existing
10 school buildings that are required to be designed by an architect or engineer under
11 G.S. 133-1.1, the local board of education shall participate in the planning and review process
12 of the Energy Guidelines for School Design and Construction that are developed and
13 maintained by the Department of Public Instruction and shall adopt ~~local~~-energy-use goals for
14 building design and operation that take into account local conditions in an effort to reduce the
15 impact of operation costs on local and State budgets. In the design and construction of new
16 school facilities and in the repair and renovation of existing school facilities, the local board of
17 education shall consider the placement and design of windows and other building features to
18 use the climate of North Carolina for both light and ventilation in case of ~~power~~-energy
19 shortages. A local board shall also consider the installation of solar energy systems or other
20 alternative energy systems in the school facilities whenever practicable. A local board of
21 education is encouraged to participate in the Sustainable Energy-Efficient Buildings Program
22 for major facility construction or renovation projects, as defined in G.S. 143-135.36, involving
23 school buildings under Article 8C of Chapter 143 of the General Statutes.

24 In the case of any school buildings erected, repaired, or equipped with any money loaned or
25 granted by the State to any local school administrative unit, no board of education shall invest
26 any money until it has (i) developed plans based upon a consideration of the State Board's
27 facilities guidelines, (ii) submitted these plans to the State Board for its review and comments,
28 and (iii) reviewed the plans based upon a consideration of the comments it receives from the
29 State Board."

30 **SECTION 5.** Article 37 of Chapter 115C of the General Statutes is amended by
31 adding a new section to read:

32 "**§ 115C-521.2. Green School Construction Loan Fund.**

33 (a) The Green School Construction Loan Fund is created under the control and
34 direction of the Department of Public Instruction. This Loan Fund shall be a nonreverting
35 revolving loan fund consisting of any moneys appropriated to it by the General Assembly,
36 other moneys paid to it as gifts or grants, or any moneys repaid or recovered on behalf of the
37 Loan Fund. The Loan Fund shall be credited with interest earned from the Loan Fund by the
38 State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3.

39 (b) The Loan Fund shall be used to provide no-interest loans to local school
40 administrative units for any of the following purposes, with priority given to projects that will
41 have the greatest impact on reducing the use of energy and water:

42 (1) When the project is a major facility construction or renovation project, as
43 defined in G.S. 143-135.36, for all or part of the incremental cost of
44 designing and constructing a new or renovated school building or its water
45 system to at least the standards for energy efficiency and the standards for
46 water use under G.S. 143-135.37, to be calculated by comparing the total
47 cost of the project to the cost of substantially the same project using
48 conventional design and construction.

49 (2) For all or part of the cost of commissioning a school building for the purpose
50 of reducing the building's use of energy or water, including installing an
51 alternative energy system, when the commissioning under this subdivision is

1 not suitable for a guaranteed energy savings contract under Part 2 of Article
2 3B of Chapter 143 of the General Statutes.

3 (3) For all or part of the cost of installing in a school building one or more
4 energy conservation measures, as defined in G.S. 143-64.17, when these
5 energy conservation measures are not suitable for a guaranteed energy
6 savings contract under Part 2 of Article 3B of Chapter 143 of the General
7 Statutes.

8 (4) For all or part of the cost of installing in a school building an alternative
9 energy system to replace a conventional energy system when the installation
10 of the alternative energy system is not suitable for a guaranteed energy
11 savings contract under Part 2 of Article 3B of Chapter 143 of the General
12 Statutes.

13 (c) After consulting with the State Energy Office of the Department of Administration,
14 the Department of Public Instruction shall adopt rules to administer the Loan Fund; to establish
15 criteria for the prioritization of loans; to establish maximum loan amounts; to establish
16 application and award criteria and schedules; and to otherwise implement this section."

17 **SECTION 6.** G.S. 143-135.39(e)(3) reads as rewritten:

18 "(3) Identification of any impacts on employee productivity and, where
19 applicable, student performance, from using energy-efficiency and water use
20 standards."

21 **SECTION 7.** Two million dollars (\$2,000,000) of the American Recovery and
22 Reinvestment Act of 2009 (ARRA), P.L. 111-5, funds appropriated in the Appropriations Act
23 of 2009 to the State Energy Office are transferred to the Green School Construction Loan Fund,
24 established pursuant to G.S. 115C-521.2, as enacted by Section 5 of this act.

25 **SECTION 8.** Sections 4, 5, and 7 of this act become effective July 1, 2009. The
26 remainder of this act becomes effective January 1, 2010.