

REFERENCE TITLE: public facilities; environmental policies

State of Arizona
Senate
Fifty-sixth Legislature
Second Regular Session
2024

SB 1227

Introduced by
Senators Mendez: Alston, Gabaldón, Gonzales, Miranda, Sundareshan;
Representatives Aguilar, Crews

AN ACT

AMENDING TITLE 15, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-120.05; AMENDING SECTION 34-451, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 10, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-1513; RELATING TO PUBLIC FACILITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 15, chapter 1, article 1, Arizona Revised
3 Statutes, is amended by adding section 15-120.05, to read:

4 15-120.05. Green cleaning policy; environmentally sensitive
5 cleaning products; exception; guidelines

6 A. ON OR BEFORE DECEMBER 31, 2025, EACH SCHOOL DISTRICT AND CHARTER
7 SCHOOL SHALL ADOPT A GREEN CLEANING POLICY AND SHALL PURCHASE AND USE
8 ENVIRONMENTALLY SENSITIVE CLEANING PRODUCTS. A SCHOOL DISTRICT OR CHARTER
9 SCHOOL MAY DEplete ITS EXISTING CLEANING PRODUCTS BEFORE PURCHASING AND
10 USING ENVIRONMENTALLY SENSITIVE CLEANING PRODUCTS.

11 B. IF ADOPTING A GREEN CLEANING POLICY IS NOT ECONOMICALLY
12 FEASIBLE, THE SCHOOL DISTRICT OR CHARTER SCHOOL, UNTIL IT BECOMES
13 ECONOMICALLY FEASIBLE, SHALL ANNUALLY NOTIFY THE DEPARTMENT OF EDUCATION
14 IN WRITING, ON A FORM PROVIDED BY THE DEPARTMENT, THAT DEVELOPING AND
15 IMPLEMENTING A GREEN CLEANING POLICY IS NOT ECONOMICALLY
16 FEASIBLE. ADOPTING A GREEN CLEANING POLICY IS NOT ECONOMICALLY FEASIBLE
17 IF DOING SO WOULD RESULT IN ANY INCREASE IN THE CLEANING COSTS OF THE
18 SCHOOL DISTRICT OR CHARTER SCHOOL.

19 C. THE DEPARTMENT OF EDUCATION SHALL DETERMINE GREEN CLEANING
20 PRODUCTS GUIDELINES AND SPECIFICATIONS AFTER CONSULTING WITH THE
21 DEPARTMENT OF ENVIRONMENTAL QUALITY. AFTER DETERMINING THE GUIDELINES AND
22 SPECIFICATIONS, THE DEPARTMENT OF EDUCATION SHALL PROVIDE EACH SCHOOL
23 DISTRICT AND CHARTER SCHOOL WITH A WRITTEN COPY OF THE GUIDELINES AND
24 SPECIFICATIONS.

25 Sec. 2. Section 34-451, Arizona Revised Statutes, is amended to
26 read:

27 34-451. Energy conservation standards for public buildings:
28 annual report; conformance with federal standards

29 A. The governor's ~~energy~~ office, in consultation with persons
30 responsible for building systems, shall adopt and publish energy
31 conservation standards for construction of all new capital projects as
32 defined in section 41-790, including buildings designed and constructed by
33 school districts, community college districts and universities. These
34 standards shall be consistent with the recommended energy conservation
35 standards of the American society of heating, refrigerating and air
36 conditioning engineers and the international energy conservation code.

37 B. The standards shall be adopted to achieve energy conservation
38 and shall allow for design flexibility.

39 C. The following state agencies shall reduce energy use in public
40 buildings that they administer by ~~ten per cent~~ TWENTY PERCENT per square
41 foot of floor area on or before July 1, 2030, ~~2008 and by fifteen per cent~~
42 ~~per square foot of floor area on or before July 1, 2011~~ using July 1, 2001
43 through June 30, 2002 as the baseline year:

- 44 1. The department of administration for its building systems.
- 45 2. The Arizona board of regents for its building systems.

1 3. The department of transportation for its building systems.

2 D. The governor's ~~energy~~ office shall provide technical assistance
3 to the state agencies prescribed in subsection C of this section. On or
4 before July 1 of each year, the ~~energy~~ GOVERNOR'S office shall measure
5 compliance with subsection C of this section, compile the results of that
6 monitoring and report to the speaker of the house of representatives and
7 the president of the senate as to the progress of attaining the goals
8 prescribed in subsection C of this section. The ~~energy~~ GOVERNOR'S office
9 shall include in its report an explanation of the reasons for any failure
10 to achieve energy reductions in specific building systems as prescribed in
11 subsection C of this section.

12 E. All state agencies shall procure energy efficient products that
13 are certified by the United States department of energy or the United
14 States environmental protection agency as energy star or that are
15 certified under the federal energy management program in all categories
16 that are available unless the products are shown not to be cost-effective
17 on a ~~life-cycle~~ LIFE-CYCLE cost basis.

18 F. ON OR BEFORE JULY 1, 2029, EACH STATE AGENCY, UNIVERSITY, SCHOOL
19 DISTRICT AND COMMUNITY COLLEGE DISTRICT SHALL PURCHASE AT LEAST TEN
20 PERCENT OF ITS ENERGY REQUIREMENTS IN PUBLIC BUILDINGS THAT IT ADMINISTERS
21 FROM GREEN SOURCES. FOR THE PURPOSES OF THIS SUBSECTION, "GREEN SOURCES"
22 MEANS RENEWABLE AND NONPOLLUTING ENERGY SOURCES AND INCLUDES SOLAR, WIND,
23 LANDFILL GAS AND LOW-IMPACT HYDROELECTRIC GENERATION.

24 G. ON OR BEFORE JULY 1, 2029, EACH EXISTING STATE BUILDING THAT IS
25 MORE THAN FIFTY THOUSAND SQUARE FEET SHALL CONFORM TO THE LEADERSHIP IN
26 ENERGY AND ENVIRONMENTAL DESIGN EXISTING BUILDINGS STANDARDS, INCLUDING
27 THE GREEN BUILDING RATING SYSTEM DEVELOPED BY THE UNITED STATES GREEN
28 BUILDING COUNCIL, IN A MANNER PRESCRIBED BY THE GOVERNOR'S OFFICE. THE
29 GOVERNOR'S OFFICE SHALL MONITOR THE UNITED STATES GREEN BUILDING COUNCIL
30 FOR CHANGES TO THE RATING SYSTEM THAT IMPACT EXISTING STATE BUILDINGS.

31 H. EACH NEW OR LEASED STATE BUILDING SHALL CONFORM TO THE
32 LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN GREEN BUILDING RATING SYSTEM
33 DEVELOPED BY THE UNITED STATES GREEN BUILDING COUNCIL IN A MANNER
34 PRESCRIBED BY THE GOVERNOR'S OFFICE. THE GOVERNOR'S OFFICE SHALL MONITOR
35 THE UNITED STATES GREEN BUILDING COUNCIL FOR CHANGES TO THE RATING SYSTEM
36 THAT IMPACT STATE BUILDINGS.

37 Sec. 3. Title 41, chapter 10, article 1, Arizona Revised Statutes,
38 is amended by adding section 41-1513, to read:

39 41-1513. Energy and water efficiency fund for public
40 facilities; loans; repayment

41 A. THE ENERGY AND WATER EFFICIENCY FUND FOR PUBLIC FACILITIES IS
42 ESTABLISHED TO BE ADMINISTERED BY THE AUTHORITY. THE FUND CONSISTS OF
43 MONIES APPROPRIATED BY THE LEGISLATURE, EARNINGS FROM THE FUND, GIFTS OR
44 GRANTS DONATED TO THE FUND AND MONIES AUTHORIZED PURSUANT TO THIS SECTION.

1 MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION AND SHALL BE
2 USED AS PRESCRIBED BY THIS SECTION.

3 B. ON NOTICE FROM THE CHIEF EXECUTIVE OFFICER, THE STATE TREASURER
4 MAY INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313.
5 THE STATE TREASURER SHALL CREDIT MONIES EARNED FROM INVESTMENTS TO THE
6 FUND.

7 C. THE AUTHORITY SHALL ESTABLISH A PROGRAM TO BENEFIT STATE
8 AGENCIES, UNIVERSITIES, CITIES, TOWNS, COUNTIES AND POLITICAL
9 SUBDIVISIONS, BUT NOT SPECIAL DISTRICTS, BY PROVIDING LOANS TO FINANCE
10 ENERGY AND WATER EFFICIENCY MEASURES FOR PUBLIC FACILITIES. THE AUTHORITY
11 SHALL MAKE THE SUM OF \$10,000,000 AVAILABLE FROM THE ARIZONA COMMERCE
12 AUTHORITY FUND ESTABLISHED BY SECTION 41-1506 TO PROVIDE APPROVED LOANS
13 PURSUANT TO THIS SECTION. THE AUTHORITY SHALL ALLOCATE AT LEAST
14 \$10,000,000, INCLUDING LOAN COMMITMENTS AND CASH ON HAND, TO THE PROGRAM
15 AND SHALL ADMINISTER THE MONIES UNDER ITS CONTROL IN A MANNER THAT ENSURES
16 THAT MONIES AVAILABLE TO THE PROGRAM EQUAL OR EXCEED \$5,000,000 AT ALL
17 TIMES.

18 D. THE AUTHORITY SHALL DETERMINE THE TERMS UNDER WHICH IT MAY MAKE
19 A LOAN PURSUANT TO THIS SECTION AND SHALL PRESCRIBE THE INTEREST RATE FOR
20 A LOAN AT THE LOWEST RATE THE AUTHORITY DETERMINES IS SUFFICIENT TO
21 RECOVER THE COST OF ADMINISTERING THE LOAN PROGRAM.

22 E. AN ENTITY THAT RECEIVES A LOAN UNDER THIS SECTION SHALL REPAY
23 THE PRINCIPAL OF AND INTEREST ON THE LOAN FROM THE VALUE OF ENERGY OR
24 WATER SAVINGS THAT ACCRUES AS THE RESULT OF THE ENERGY AND WATER
25 EFFICIENCY MEASURES IMPLEMENTED WITH THE BORROWED MONIES. AN ENTITY THAT
26 RECEIVES A LOAN UNDER THIS SECTION SHALL REPAY THE LOAN FROM THE AMOUNT
27 BUDGETED FOR THE ENTITY'S ENERGY AND WATER COSTS. UNTIL THE LOAN IS
28 REPAYED, THE LEGISLATURE MAY NOT REDUCE THE AMOUNT BUDGETED FOR THOSE
29 ENERGY AND WATER COSTS TO REFLECT THE VALUE OF ENERGY AND WATER SAVINGS
30 THAT ACCRUE AS A RESULT OF THE ENERGY AND WATER EFFICIENCY MEASURES
31 IMPLEMENTED WITH THE BORROWED MONIES.

32 Sec. 4. Green public schools task force; membership; duties;
33 report; delayed repeal

34 A. The green public schools task force is established consisting of
35 the following members:

36 1. Two members of the senate who are appointed by the president of
37 the senate and who represent different political parties.

38 2. Two members of the house of representatives who are appointed by
39 the speaker of the house of representatives and who represent different
40 political parties.

41 3. The chief executive officer of the Arizona commerce authority or
42 the chief executive officer's designee.

43 4. The director of the division of school facilities or the
44 director's designee.

- 1 5. The superintendent of public instruction or the superintendent's
2 designee.
- 3 6. A member of a nonprofit organization that is dedicated to
4 sustainable building design and construction. The governor shall appoint
5 this member.
- 6 7. One representative of a statewide organization of school
7 district governing board members. The president of the senate shall
8 appoint this member.
- 9 8. One representative of a statewide organization of school
10 district administrators. The speaker of the house of representatives
11 shall appoint this member.
- 12 9. A member of the public. The governor shall appoint this member.
- 13 B. The task force shall:
- 14 1. Identify the procedures and methods to retrofit public schools
15 in this state to conform to the leadership in energy and environmental
16 design building standards.
- 17 2. Recommend a model green cleaning policy for public schools in
18 this state.
- 19 3. Make recommendations relating to establishing and financing a
20 system to ensure that existing public schools are retrofitted and new
21 public schools are constructed in a manner that promotes energy efficiency
22 and sustainability.
- 23 4. Submit to the governor, the president of the senate and the
24 speaker of the house of representatives a report of its findings and
25 recommendations on or before November 1, 2025. The task force shall
26 provide a copy of its report to the secretary of state.
- 27 C. Task force members are not eligible to receive compensation, but
28 members appointed pursuant to subsection A, paragraphs 6, 7, 8 and 9 of
29 this section are eligible for reimbursement of expenses under title 38,
30 chapter 4, article 2, Arizona Revised Statutes.
- 31 D. This section is repealed from and after December 31, 2025.