

**Assembly Bill No. 2160**

CHAPTER 742

An act to add Section 15814.40 to the Government Code, relating to state buildings.

[Approved by Governor September 29, 2006. Filed with Secretary of State September 29, 2006.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2160, Lieu. State buildings: green building.

Existing law requires that new public buildings be models of energy efficiency and be designed, constructed, and equipped with energy efficiency measures, materials, and devices, subject to specified criteria, and that existing buildings be retrofitted to meet specified standards when renovated or remodeled. In addition, certain executive orders require state agencies to implement certain energy and resource efficiency standards in this regard.

This bill would require the Department of General Services to define a life cycle cost analysis model to be used with respect to certain state building design and construction decisions. It would require the State Energy Resources Conservation and Development Commission, in consultation with specified state entities, to identify and develop appropriate financing and project delivery mechanisms to facilitate state building energy and resource efficient projects, including the use of the life cycle cost analysis model, and, in consultation with the state entities and specified private entities, identify obstacles to private sector commercial energy and resource efficient projects, and identify and recommend financial and other incentives to facilitate private sector commercial building energy and resource efficient projects. The bill would also require the commission to report its findings and recommendations to the Green Action Team established to further the goals of a specified executive order.

*The people of the State of California do enact as follows:*

SECTION 1. Section 15814.40 is added to the Government Code, to read:

15814.40. (a) The Department of General Services shall define a life cycle cost analysis model that shall be used to evaluate the cost-effectiveness of state building design and construction decisions and their impact over a facility's life cycle, no later than July 1, 2007.

(b) (1) The State Energy Resources Conservation and Development Commission, in consultation with the Department of General Services and the Treasurer's office, shall identify and develop appropriate financing and project delivery mechanisms to facilitate state building energy and resource efficient projects. These mechanisms shall include the use of the life cycle cost analysis model as described in subdivision (a), and shall maximize the use of outside financing, including, but not limited to, loan programs, revenue bonds, municipal tax-exempt leases, and other financial instruments supported by project savings, and minimize the use of General Fund moneys for these purposes. In addition, the commission, in consultation with these entities and with representatives from the commercial building construction industry, shall do both of the following:

(A) Identify obstacles to private sector commercial building energy and resource efficient projects.

(B) Identify and recommend financial or other incentives to facilitate private sector commercial building energy and resource efficient projects.

(2) The commission shall report its findings and recommendations made pursuant to paragraph (1) to the Green Action Team by January 1, 2008.

(c) For purposes of this section, the "Green Action Team" means the interagency team established to further the goals of Executive Order S-20-04.