The Florida Senate PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT (This document is based on the provisions contained in the legislation as of the latest date listed below.)

	Prepa	ared By: Envir	onmental Pres	servation and Con	servation Com	mittee	
BILL:	CS/CS/S	CS/CS/SB 2136					
INTRODU		Environmental Preservation & Conservation Committee, Education Pre-K - 12, and Senator Constantine					
SUBJECT:	Green S	chools Pilot Pi	roject/Educa	tion			
DATE: April 1		, 2007	REVISED:	<u> </u>		<u> </u>	
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I. Summary:

The committee substitute establishes the Green Schools Pilot Project for three selected school districts to build at least one school to comply with the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED®) silver-level or higher building certification standards, or the Green Globes two-globe rating or better building certification standards. The committee substitute requires the Department of Education (DOE), in consultation with the Florida Energy Office, to establish an application process for the pilot project. The committee substitute provides selection criteria and requires the State Board of Education (SBE) to select three school districts to participate in the pilot project.

Each participating school district must commit to building at least one green school. For Fiscal Year 2007-2008, the committee substitute appropriates \$3.5 million from the Public Education Capital Outlay and Debt Service Trust Fund to the DOE to cover the additional costs associated with building a green school that meets the LEED or Green Globe certification standards.

This committee substitute creates section 1013.441 of the Florida Statutes.

II. Present Situation:

Current law requires the SBE to adopt rules authorizing state and local officials to cooperate in establishing and maintaining educational facilities.¹ The law also encourages school districts, community colleges, and state universities to implement energy conservation measures for reducing energy consumption and costs.² These entities are encouraged to improve facilities' indoor air quality and improve energy efficiency and may contract with energy performance contractors to assist in meeting these goals.³ Educational facilities must be constructed using low energy use designs, solar energy, or waste heat recovery systems.⁴

The U.S. Green Building Council (USGBC) is a national nonprofit building industry organization that promotes environmentally friendly building practices. The USGBC consists of 7,500 member organizations and 75 regional chapters. The core purpose of the organization is to transform the way buildings and communities are designed, built and operated, enabling an environmentally and socially responsible, healthy, and prosperous environment that improves the quality of life.⁵ There are four USGBC chapters in Florida.⁶

The LEED building rating system was developed by the USGBC. According to the organization, it is the nationally accepted benchmark for the design, construction, and operation of high performance green buildings.⁷ The rating system measures a building's environmental performance in five categories:

- Sustainable site development;
- Water savings;
- Energy efficiency;
- Materials selection, and
- Indoor environmental quality.

Each category consists of various subtopics. Each subtopic is assigned a point value. A building is rated based on its total number of points and assigned one of four progressive certification levels: "certified," "silver," "gold," and "platinum."⁸ The LEED for Schools rating system addresses issues such as classroom acoustics, master planning, and mold prevention in K-12 schools.⁹

¹ s. 1013.02, F.S.; Rule 6A-2.0010, F.A.C., provides for the state uniform building code for public educational facilities construction. See also <u>http://www.firn.edu/doe/edfacil/sref.htm</u>.

² s. 1013.23, F.S.

 $^{^{3}}$ Id.

⁴ s. 1013.44, F.S.

 ⁵ U.S. Green Building Council, About USGBC available at <u>http://www.usgbc.org/DisplayPage.aspx?CategoryID=1</u>.
⁶ U.S. Green Building Council, Chapters available at

http://www.usgbc.org/Chapters/ChapterList.aspx?CMSPageID=&190&CategoryID=24&.

⁷ U.S. Green Building Council, Leadership in Energy and Environmental Design *available at* <u>http://www.usgbc.org/DisplayPage.aspx?CategoryID=19</u>.

⁸ <u>http://www.usgbc.org/DisplayPage.aspx?CMSPageID=227</u>

⁹ <u>http://www.usgbc.org/DisplayPage.aspx?CMSPageID=1586</u> and see LEED for Schools for New Construction and Renovation *available at* <u>http://www.usgbc.org/ShowFile.aspx?DocumentID=1753</u>

The Green Building InitiativeTM (GBI) was originally conceived as a way to bring green building into the mainstream by helping local Home Builder Associations (HBAs) develop green building programs modeled after the National Association of Home Builders' (NAHB) Model Green Home Building Guidelines.¹⁰ This initiative has its roots in Canada.

In 2004, the Green Building Initiative (GBI) acquired the rights to distribute Green Globes in the United States. The GBI has committed to continually refining the system to ensure that it reflects changing opinions and ongoing advances in research and technology, and, in so doing, to involve multiple stakeholders in an open and transparent process.

In 2005, GBI became the first green building organization to be accredited as a standards developer by the American National Standards Institute (ANSI), and began the process of establishing Green Globes as an official ANSI standard.¹¹

The Green Globes ratings range from one Green Globe to four Green Globes. The ratings are based on a questionnaire completed by the person seeking the rating. However, buildings cannot be promoted as having achieved a Green Globes rating until the information submitted has been verified by a qualified third party.¹² Four Globes is the highest rating and is reserved for select building designs which serve as national or world leaders in energy and environmental performance.

III. Effect of Proposed Changes:

The committee substitute establishes the Green Schools Pilot Project for three selected school districts to incorporate the Leadership in Energy and Environmental Design (LEED) silver-level or the Green Globes two-globe rating or better building-certification standards into every new educational building construction project and, when feasible, every educational building reconstruction project. LEED building certification standards are defined by the U.S. Green Building Council and the Green Globes certification standards are defined by the Green Building Initiative. The committee substitute defines "additional costs" for the purposes of building green schools.

The DOE, in consultation with the Florida Energy Office,¹³ is required to establish an application process for the pilot project by August 1, 2007. The committee substitute requires the State Board of Education to select three school districts for participation in the pilot project by January 1, 2008. One school district must be selected from each of the following:

- A county with a population of one million or more residents;
- A county with a population 250,000 to 999,999 residents; and
- A county with a population of less than 250,000 residents.

¹⁰ http://www.thegbi.org/gbi/originandstatus.asp

¹¹ http://www.thegbi.org/greenglobes/history.asp

¹² http://www.thegbi.org/greenglobes/verifiedrating.asp

¹³ The Florida Energy Office is located within the Department of Environmental Protection. See

http://www.dep.state.fl.us/energy/about.htm, http://www.dep.state.fl.us/energy/reports/files/energy_leadership_report.pdf, and ss. 526.144(5) and 570.954(3), F.S.

To the extent feasible, selected school districts must represent geographically different regions of the state.

Each of the three participating school districts must, at a minimum:

- Demonstrate that it implements sound financial management practices by producing documentation that indicates that the school district for the preceding 3 years has not had material weaknesses or instances of material noncompliance noted in its annual audits required under s. 218.39, F.S.
- Engage in a design that has demonstrated knowledge and experience in high-performance green building construction.
- Commit to building at least one complete school to LEED silver-level or Green Globes two-globe or better building-certification standards. A school built to such building-certification standards shall be designated as a "Green School."

From funds appropriated for the Green Schools Pilot Program, the department shall distribute to each participating school district an amount sufficient to fund the additional costs required to build one complete school to LEED silver-level or Green Globes two-globe or better building-certification standards. If funds are insufficient to fund all of the additional costs, the department shall make distributions on a pro rata basis. If funds remain after distribution, the funds may be distributed to build other new schools or to renovate existing schools to the green standards.

Participating school districts must annually report to the department the expenditure of funds received and must return any funds found by the Auditor General to have been improperly expended.

Participating school districts must report to the President of the Senate, the Speaker of the House of Representatives, and the Commissioner of Education on the effects Green Schools have had on student performance and health, operational costs, energy consumption, and the environment in the district. The report must be submitted by July 1 of the year after a Green School has been in full operation for 3 years.

For FY 2007-2008, the committee substitute appropriates \$3.5 million in nonrecurring funds from the Public Education Capital Outlay and Debt Service Trust Fund to the Department of Education to fund this pilot program.

The effective date of the committee substitute is July 1, 2007.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

Β. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. **Economic Impact and Fiscal Note:**

A. Tax/Fee Issues:

None.

Β. **Private Sector Impact:**

None.

C. Government Sector Impact:

> The committee substitute provides for three school districts to participate in the pilot project. For Fiscal Year 2007-2008, the committee substitute appropriates \$3.5 million from the Public Education Capital Outlay and Debt Service Trust Fund to the DOE to cover the additional costs associated with building a green school that meets LEED silver-level or higher building certification standards or the Green Globes two-globe rating or better.

Initial construction costs for green schools may be higher than the costs to build schools using traditional methods.¹⁴ However, a green school's increased energy efficiency and reduced energy consumption may result in long term operational cost savings to school districts.15

VI. **Technical Deficiencies:**

None.

VII. **Related Issues:**

None.

This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

¹⁴ See Gregory Kats, Capital-E, Greening America's Schools: Costs and Benefits, October 2006, available at <u>http://www.cap-</u> e.com/publications/default.cfm See also Gregory Kats, Capital-E, The Costs and Financial Benefits of Green Buildings, A Report to California's Sustainable Building Task Force, October 2003, available at http://www.cape.com/ewebeditpro/items/O59F3259.pdf.

VIII. Summary of Amendments:

None.

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