

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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HOUSE BILL 282  
Committee Substitute Favorable 6/18/09

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.

(b) It shall be the duty of the boards of education of the several local school administrative school units of the State to make provisions for the public school term by providing adequate school buildings equipped with suitable school furniture and apparatus. The needs and the cost of those buildings, equipment, and apparatus, shall be presented each year



1 when the school budget is submitted to the respective tax-levying authorities. The boards of  
2 commissioners shall be given a reasonable time to provide the funds which they, upon  
3 investigation, shall find to be necessary for providing their respective units with buildings  
4 suitably equipped, and it shall be the duty of the several boards of county commissioners to  
5 provide funds for the same.

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

21 ...

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

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

34 "(c) The building of all new school buildings and the repairing of all old school  
35 buildings shall be under the control and direction of, and by contract with, the board of  
36 education for which the building and repairing is done. If a board of education is considering  
37 building a new school building to replace an existing school building, the board shall not invest  
38 any construction money in the new building unless it submits to the State Superintendent and  
39 the State Superintendent submits to the North Carolina Historical Commission an analysis that  
40 compares the costs and feasibility of building the new building and of renovating the existing  
41 building and that clearly indicates the desirability of building the new building. No board of  
42 education shall invest any money in any new building until it has (i) developed plans based  
43 upon a consideration of the State Board's facilities ~~guidelines~~, guidelines and consideration of  
44 ways to minimize the new building's use of energy and water, (ii) submitted these plans to the  
45 State Board for its review and comments, and (iii) reviewed the plans based upon a  
46 consideration of the comments it receives from the State Board. No local board of education  
47 shall contract for more money than is made available for the erection of a new  
48 building-building; however, any money obtained as no-interest loans under G.S. 115C-521.2  
49 shall be included as available money. However, this subsection shall not be construed so as to  
50 prevent boards of education from investing any money in buildings that are being constructed  
51 pursuant to a continuing contract of construction as provided for in G.S. 115C-441(c). All

1 contracts for buildings shall be in writing and all buildings shall be inspected, received, and  
2 approved by the local superintendent and the architect before full payment is made therefor.  
3 Nothing in this subsection shall prohibit boards of education from repairing and altering  
4 buildings with the help of janitors and other regular employees of the board.

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

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

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

28 **"§ 115C-521.2. Green School Construction Loan Fund.**

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

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

- 38 (1) When the project is a major facility construction or renovation project, as  
39 defined in G.S. 143-135.36, for all or part of the incremental cost of  
40 designing and constructing a new or renovated school building or its water  
41 system to at least the standards for energy efficiency and the standards for  
42 water use under G.S. 143-135.37, to be calculated by comparing the total  
43 cost of the project to the cost of substantially the same project using  
44 conventional design and construction.
- 45 (2) For all or part of the cost of commissioning a school building for the purpose  
46 of reducing the building's use of energy or water, including installing an  
47 alternative energy system, when the commissioning under this subdivision is  
48 not suitable for a guaranteed energy savings contract under Part 2 of Article  
49 3B of Chapter 143 of the General Statutes.
- 50 (3) For all or part of the cost of installing in a school building one or more  
51 energy conservation measures, as defined in G.S. 143-64.17, when these

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

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

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

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

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

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

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