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COMMITTEE REPORT

March 13, 2014

**H. 3592**

Introduced by Reps. Sandifer and Loftis

S. Printed 3/13/14--S. [SEC 3/14/14 3:46 PM]

Read the first time May 28, 2013.

**THE COMMITTEE ON**

**AGRICULTURE AND NATURAL RESOURCES**

To whom was referred a Bill (H. 3592) to amend Article 8, Chapter 52, Title 48, Code of Laws of South Carolina, 1976, relating to the “Energy Independence and Sustainable Construction Act of 2007”, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ SECTION 1. Article 8, Chapter 52, Title 48 of the 1976 Code is amended by adding:

“Section 48‑52‑825. (A)(1)(a) The board shall automatically adopt by reference the most current editions of the rating systems developed by Green Building Initiative and U.S. Green Building Council’s Leadership in Energy and Environmental Design used for certification pursuant to this article. Upon adoption, the most current edition of the rating system shall be used for certification purposes under this article. Provided, however, that the most current edition of the rating system shall be subject to regulations concerning that edition of the rating system when promulgated pursuant to item (2).

(b) In the event that two rating systems from the same organization have been adopted by reference and are effective concurrently for certification purposes, then either rating system may be utilized to certify projects as required pursuant to this article. The latter of the two rating systems to be adopted by reference pursuant to subsection (A) shall be deemed to be the most current edition of the rating system for purposes of review and regulation pursuant to subsection (B).

(2) The board shall refer new or updated rating systems to the Energy Independence and Sustainable Construction Advisory Committee for consideration pursuant to Section 48‑52‑865(B) immediately upon the release of the new or updated rating system and prior to the rating system’s effective date. After receiving the advisory committee’s recommendations, the board shall promulgate regulations to amend the rating system under consideration to remove specific provisions, provided that the recommended amendments would not so alter the rating system as to render certification under the rating system impossible. If the advisory committee does not make a recommendation within the time period prescribed in Section 48‑52‑865(B)(2) the board, upon consultation with the State Engineer, shall proceed with promulgating regulations as provided in this item.

(B) The regulations promulgated pursuant to subsection (A) must provide that the rating systems provide certification credits for, preference for, and promotes building materials or furnishings, including, but not limited to, wood grown in this State, and masonry, plastics, concrete, steel, textiles, and wood that are manufactured or produced within the State. The regulations promulgated may not place at a disadvantage building materials or furnishings that are manufactured or produced within the State.

Section 48‑52‑827. A major facility project, as defined in Section 48‑52‑810(10), requesting third‑party certification shall not be allowed to seek a rating credit or point for building product disclosure and optimization credit that requires material ingredient reporting; and, the language would apply to any subsequent editions of rating systems developed by the Green Building Initiative, the U.S. Green Building Council’s Leadership in Energy and Environmental Design, or third‑party certification initiatives.”

SECTION 2. Article 8, Chapter 52, Title 48 of the 1976 Code is amended by adding:

“Section 48‑52‑865. (A)(1) There is established the Energy Independence and Sustainable Construction Advisory Committee. The committee shall consist of thirteen members, ten of which shall be appointed by the Governor for terms of four years until their successors are appointed and qualified. The committee shall be composed of the following:

(a) the State Engineer, or his designee, who shall serve as chairman;

(b) the Director of the State Energy Office, or his designee;

(c) the Director of the Department of Health and Environmental Control, or his designee;

(d) one member recommended by the Association of General Contractors;

(e) two members recommended by the Commission on Higher Education, one of which shall be appointed from either a research university or a comprehensive teaching institution and one of which shall be appointed from either a regional two‑year campus of the University of South Carolina or a technical college;

(f) one member recommended by the South Carolina Manufacturer’s Alliance;

(g) one member recommended by the American Chemistry Council;

(h) one member recommended by the South Carolina Chapter of the American Institute of Architects;

(i) one member recommended by the South Carolina Forestry Association;

(j) one member recommended by the South Carolina Council of Engineering and Surveying Societies;

(k) one member recommended by the South Carolina Chapter of the American Society of Heating, Refrigerating and Air Conditioning Engineers; and

(l) one member recommended by the conservation community.

(2) When making appointments to the committee, the Governor shall appoint members that have subject area expertise related to the design, engineering, construction, operation, maintenance, management, energy management, or growing or manufacturing products used in major facility projects certified under this article.

(B)(1) The committee shall:

(a) review and analyze all rating systems referred to it by the board pursuant to Section 48‑52‑825;

(b) closely monitor the development of new rating systems, or updates to existing rating systems, to expedite review and analysis of the new or updated rating systems pursuant to subitem (a);

(c) review and analyze rating systems in use concerning the rating systems’ effectiveness in meeting the goals set forth in Section 48‑52‑820;

(d) make recommendations to the State Engineer concerning the promulgation of regulations concerning rating systems referred to it by the board pursuant to Section 48‑52‑825;

(e) report to the board concerning the effectiveness of current rating systems in meeting the goals set forth in Section 48‑52‑820; and

(f) develop and implement a methodology by which the cost‑benefit ratio of the rating systems may be measured so that the State may consider the return on its investment for projects subject to this chapter.

(2) The committee shall make recommendations to the board concerning the promulgation of regulations relating to rating systems referred to it by the board pursuant to Section 48‑52‑825 no later than thirty days after the referral. The thirty day review time shall commence on the day of referral.

(C)(1) The committee shall meet as soon as practicable after being referred new rating systems pursuant to Section 48‑52‑820.

(2) Except as provided in subitem (1), the committee shall meet quarterly, or more frequently as necessary upon the call of the chair or a majority of the membership.

(3) Seven members constitutes a quorum to transact committee business.

(D) Vacancies on the committee shall be filled in the manner of the original appointment.

(E) Members of the committee shall not receive per diem, mileage, and subsistence as provided by law for members of boards, commissions, and committees.”

SECTION 3. Section 48‑52‑810(1) of the 1976 Code is amended to read:

“(1) ‘Board’ means the State ~~Budget and Control Board~~ Fiscal Accountability Authority’s governing board.”

SECTION 4. Section 48-52-830(A)(2) is amended to read:

“(2) In obtaining certification as receiving two globes using the Green Globes Rating System, a major facility project must earn at least twenty percent of the available points for energy performance under ‘C.1.1 Energy Consumption’. In obtaining certification as meeting the LEED Silver standard, a major facility project must earn at least forty percent of the available points for energy performance under ‘EA Credit ~~1~~: Optimize Energy Performance’. The State Engineer's Office may waive the requirements of this item for a proposed major facility project should it determine that the costs of meeting this item are not economically feasible. The State Engineer's Office shall notify the board of the reason for the issuance of a waiver.”

SECTION 5. SECTION 3 takes effect July 1, 2015. All other provisions contained in this act take effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

DANIEL B. VERDIN III for Committee.

**A** **BILL**

TO AMEND ARTICLE 8, CHAPTER 52, TITLE 48, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE “ENERGY INDEPENDENCE AND SUSTAINABLE CONSTRUCTION ACT OF 2007”, SO AS TO DELETE CERTAIN DEFINITIONS, TO CHANGE CERTIFICATION STANDARDS WITH WHICH MAJOR FACILITY PROJECTS MUST COMPLY, TO ELIMINATE REFERENCE TO THE LEED AND GREEN GLOBES CERTIFICATION RATING SYSTEMS, AND TO MAKE TECHNICAL CORRECTIONS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 48-52-830 of the 1976 Code is amended to read:

“Section 48-52-830. (A)(1) All major facility projects in this State, as defined in Section 48‑52‑810(10)(i), must be designed, constructed, and at least certified as receiving two globes using the Green Globes Rating System in place as of January 1, 2013 or receiving the LEED Silver standard in place as of January 1, 2013. All major facility projects in this State, as defined in Section 48‑52‑810(10)(a)(ii) or (iii), must be analyzed using a life cycle cost analysis comparing the cost and benefits of designing, constructing, maintaining, and operating the facility at the LEED Silver standard or two globes standard, or better, with certification; normal industry and regulatory standards as applicable; or some standard between the two that causes the project to be designed and constructed in a manner that achieves the lowest thirty‑year life cycle cost.

(2) In obtaining certification as receiving two globes using the Green Globes Rating System, a major facility project must earn at least twenty percent of the available points for energy performance under ‘C.1.1 Energy Consumption’. In obtaining certification as meeting the LEED Silver standard, a major facility project must earn at least forty percent of the available points for energy performance under ‘EA Credit 1: Optimize Energy Performance’. The State Engineer’s Office may waive the requirements of this item for a proposed major facility project should it determine that the costs of meeting this item are not economically feasible. The State Engineer’s Office shall notify the board of the reason for the issuance of a waiver.

(B) Notwithstanding another provision of law, the board may ~~petition the General Assembly to require all major facility projects be certified to a high‑performance~~ utilize the Green Globes Rating System in place as of January 1, 2013, or the LEED Silver standard in place as of January 1, 2013 as a building rating system standard ~~in addition to or instead of the systems provided in this chapter. However, any alternate rating system adopted by the General Assembly must be no less stringent than the systems provided in this chapter~~ for purposes of this article.

(C) The board shall administer and enforce the provisions in this article. Also, the board may adopt rules and promulgate regulations to comply with the goals set forth in Section 48‑52‑820.”

SECTION 2. This act takes effect upon approval by the Governor.

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