

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2017**

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**HOUSE BILL 786**

Short Title: NC Energy and Water Efficient Schools Act. (Public)

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Sponsors: Representatives Harrison, Fisher, and Carney (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

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Referred to: Rules, Calendar, and Operations of the House, if favorable, Environment, if favorable, Education - K-12

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April 13, 2017

A BILL TO BE ENTITLED

1 AN ACT TO ENACT THE ENERGY-EFFICIENT AND WATER-EFFICIENT SCHOOLS  
2 ACT.  
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4       Whereas, there are no standards or benchmarks setting minimum values required  
5 with respect to school building energy and water-use performance when local school  
6 administrative units plan energy audits or upgrade, renovate, or construct facilities; and

7       Whereas, the lack of standards and benchmarks leads to a failure to provide goals to  
8 meet and a failure to establish a means by which to verify performance among school facility  
9 management and design professionals; and

10       Whereas, K-12 local school administrative units through the United States  
11 collectively spent approximately \$46,000,000,000 annually, adjusted to 2014 values, on  
12 maintenance and operations from 1994 to 2013, representing a 29% increase within the time  
13 period, and this spending included utility costs, including electricity, heating, cooling, water,  
14 telecommunications, refuse, and recycling; building security; and labor, material, and contract  
15 services for custodial, grounds keeping, and maintenance; and

16       Whereas, maintenance and operations spending represents a major component of  
17 annual costs to local school administrative units, averaging 10% of annual operating budgets  
18 from 1994 to 2013; and

19       Whereas, local school administrative units can reduce costs and increase fiscal  
20 efficiency by using integrated teams for designing new buildings, upgrading existing facilities,  
21 and utilizing next-generation renewable energy technology and water conservation technology,  
22 thereby reducing annual utility costs related to water and energy usage; Now, therefore,  
23 The General Assembly of North Carolina enacts:

24       **SECTION 1.** G.S. 115C-521(c) reads as rewritten:

25       "(c) The building of all new school buildings and the repairing of all old school  
26 buildings shall be under the control and direction of, and by contract with, the board of  
27 education for which the building and repairing is done. If a board of education is considering  
28 building a new school building to replace an existing school building, the board shall not invest  
29 any construction money in the new building unless it submits to the State Superintendent and  
30 the State Superintendent submits to the North Carolina Historical Commission an analysis that  
31 compares the costs and feasibility of building the new building and of renovating the existing  
32 building and that clearly indicates the desirability of building the new building. No board of  
33 education shall invest any money in any new building until it has (i) developed plans based  
34 upon a consideration of the State Board's facilities guidelines, (ii) submitted these plans to the



1 State Board for its review and comments, and (iii) reviewed the plans based upon a  
2 consideration of the comments it receives from the State Board. No local board of education  
3 shall contract for more money than is made available for the erection of a new building.  
4 However, this subsection shall not be construed so as to prevent boards of education from  
5 investing any money in buildings that are being constructed pursuant to a continuing contract of  
6 construction as provided for in G.S. 115C-441(c). All contracts for buildings shall be in writing  
7 and all buildings shall be inspected, received, and approved by the local superintendent and the  
8 architect before full payment is made therefor. Nothing in this subsection shall prohibit boards  
9 of education from repairing and altering buildings with the help of janitors and other regular  
10 employees of the board.

11 In the design and construction of new school buildings and in the renovation of existing  
12 school buildings that are required to be designed by an architect or engineer under  
13 G.S. 133-1.1, the local board of education shall participate in the planning and review process  
14 of the Energy Guidelines for School Design and Construction that are developed and  
15 maintained by the Department of Public Instruction and shall adopt local energy-use goals for  
16 building design and operation pursuant to G.S. 115C-524.5 that take into account local  
17 conditions in an effort to reduce the impact of operation costs on local and State budgets. In the  
18 design and construction of new school facilities and in the repair and renovation of existing  
19 school facilities, the local board of education shall consider the placement and design of  
20 windows to use the climate of North Carolina for both light and ventilation in case of power  
21 shortages. A local board shall also consider the installation of solar energy systems in the  
22 school facilities whenever practicable.

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

29 **SECTION 2.** Article 37 of Chapter 115C of the General Statutes is amended by  
30 adding a new section to read:

31 **"§ 115C-524.5. Energy efficiency and renewable energy standards.**

32 (a) Purpose. – The purpose of this section is to establish a database of information  
33 concerning energy and water usage by public schools, to use the database for the purpose of  
34 establishing goals to reduce overall energy and water usage by public schools, and to provide a  
35 mechanism for loans to local school administrative units for projects that will increase energy  
36 and water efficiencies.

37 (b) Database. – On or before January 31 of each year, local school administrative units  
38 and charter schools established pursuant to G.S. 115C-218.5 shall report to the Department of  
39 Public Instruction the amount of energy and water used at each building during the previous  
40 calendar year. Entities required to report under this subsection shall measure and report usage  
41 using a management portfolio tool created by the United States Environmental Protection  
42 Agency and the United States Department of Energy and, if available, bearing the international  
43 Energy Star service mark.

44 (c) Publication. – On or before March 1 of each year, the Department of Public  
45 Instruction shall collate and publish the data reported pursuant to subsection (b) of this section,  
46 categorizing the information in at least the following ways: (i) local school administrative unit  
47 in which the building is located, (ii) age of building, (iii) grade or grades served by the  
48 building, and (iv) size of the building. The publication shall, for each building, also provide the  
49 year of construction, any year in which a major renovation was completed, and any year in  
50 which an energy audit was performed.

1       (d) Benchmarks. – Local school administrative units shall use the publication required  
2 in subsection (c) of this section in the following ways:

3           (1) Using the most recent two years of published data to establish energy and  
4 water efficiency improvement goals for facility operations and maintenance.

5           (2) Using the goals set forth in subdivision (1) of this subsection to set minimum  
6 efficiency requirements for all new construction and major renovations  
7 performed on school facilities.

8       (e) Financing. – To the extent permitted by federal law, a county that has established a  
9 revolving loan fund pursuant to G.S. 153A-455 may use the fund to provide loans to local  
10 school administrative units for qualifying uses. Applications for a loan shall be made on a form  
11 developed by the Department of Public Instruction in conjunction with the counties that have  
12 established the revolving loan fund. The Department of Public Instruction shall work with local  
13 school administrative units in applying for a loan from the revolving loan fund. For purposes of  
14 this section, "qualifying uses" includes acquisitions for new construction and major renovation  
15 projects that meet federal programmatic requirements and the minimum benchmark  
16 requirements of section (d) of this section, energy modeling fees, performance contracting,  
17 infrastructure supporting electric or hybrid-electric buses, and buses powered by electricity or  
18 compressed natural gas."

19       **SECTION 3.** Article 14A of Chapter 115C of the General Statutes is amended by  
20 adding a new section to read:

21 **"§ 115C-218.36. Report on school building energy and water usage.**

22       Each charter school shall submit an annual report on energy and water usage of a school  
23 building to the Department of Public Instruction pursuant to G.S. 115C-524.5."

24       **SECTION 4.** This act is effective when it becomes law and applies beginning with  
25 the 2017-2018 school year.