

1.1 moves to amend H.F. No. 749 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2022, section 16B.325, is amended to read:

1.4 **16B.325 SUSTAINABLE BUILDING GUIDELINES.**

1.5 Subdivision 1. **Development of sustainable building guidelines.** The Department of
1.6 Administration and the Department of Commerce, with the assistance of other agencies,
1.7 shall develop sustainable building design guidelines for all new state buildings by January
1.8 15, 2003, and for all major renovations of state buildings by February 1, 2009. ~~The primary
1.9 objectives of these guidelines are to ensure that all new state buildings, and major renovations
1.10 of state buildings, initially exceed the state energy code, as established in Minnesota Rules,
1.11 chapter 7676, by at least 30 percent.~~

1.12 Subd. 1a. **Definitions.** (a) For the purposes of this section, the following terms have the
1.13 meanings given.

1.14 (b) "Capital project" or "project" means the acquisition or betterment of buildings or
1.15 other fixed assets and other improvements of a capital nature.

1.16 (c) "CSBR" means the Center for Sustainable Building Research at the University of
1.17 Minnesota.

1.18 (d) "Guidelines" means the sustainable building design guidelines developed under this
1.19 section.

1.20 (e) "Major renovation" means a project that:

1.21 (1) has a renovated area that is at least 10,000 square feet; or

1.22 (2) includes, at a minimum, the replacement of the mechanical, ventilation, or cooling
1.23 system of a building or a section of a building.

2.1 (f) "New building" means a newly constructed structure and additions to existing buildings
2.2 that meet both of the following criteria:

2.3 (1) the addition is heated, whether or not the addition's source of energy is from an
2.4 adjacent building or district heating system; and

2.5 (2) the addition is cooled, whether or not the addition's source of energy is from an
2.6 adjacent building or district cooling system.

2.7 (g) "State agency" means a state agency that is appropriated money from the bond
2.8 proceeds fund or general fund for a project that is subject to the guidelines under this section.

2.9 ~~Subd. 2. **Lowest possible cost; energy conservation.** The guidelines must focus on~~
2.10 ~~achieving the lowest possible lifetime cost for new buildings and major renovations, and~~
2.11 ~~allow for changes in the guidelines that encourage continual energy conservation~~
2.12 ~~improvements in new buildings and major renovations. The guidelines shall define "major~~
2.13 ~~renovations" for purposes of this section. The definition may not allow "major renovations"~~
2.14 ~~to encompass less than 10,000 square feet or to encompass less than the replacement of the~~
2.15 ~~mechanical, ventilation, or cooling system of the building or a section of the building. The~~
2.16 ~~design guidelines must establish sustainability guidelines that include air quality and lighting~~
2.17 ~~standards and that create and maintain a healthy environment and facilitate productivity~~
2.18 ~~improvements; specify ways to reduce material costs; and must consider the long-term~~
2.19 ~~operating costs of the building, including the use of renewable energy sources and distributed~~
2.20 ~~electric energy generation that uses a renewable source or natural gas or a fuel that is as~~
2.21 ~~clean or cleaner than natural gas.~~

2.22 Subd. 2a. **Guidelines; purpose.** (a) The primary objectives of the guidelines are to:

2.23 (1) reduce energy consumption and statewide greenhouse gas emissions, as defined in
2.24 section 216H.01, subdivision 2;

2.25 (2) improve the quality of the environment;

2.26 (3) achieve the lowest possible lifetime cost for new buildings and major renovations;
2.27 and

2.28 (4) encourage design of resilient buildings to adapt to and accommodate projected
2.29 climate-related changes that are reflected in both acute events and chronic trends, including
2.30 but not limited to changes in temperature and precipitation levels.

2.31 (b) The guidelines must consider the following to meet the objectives in paragraph (a):

2.32 (1) the health, well-being, and productivity of building occupants;

- 3.1 (2) material costs and sustainability;
- 3.2 (3) construction and operating costs;
- 3.3 (4) the use of renewable energy sources;
- 3.4 (5) water usage;
- 3.5 (6) diversion of waste from landfills;
- 3.6 (7) air quality and lighting standards;
- 3.7 (8) site design; and
- 3.8 (9) any other factors the commissioner deems relevant.
- 3.9 (c) The guidelines may be revised to encourage continual energy conservation
- 3.10 improvements in new buildings and major renovations.

3.11 Subd. 3. **Development of guidelines; applicability.** (a) In developing the guidelines,

3.12 the departments shall use an open process, including providing the opportunity for public

3.13 comment. The guidelines established under this section are mandatory for all new buildings

3.14 receiving funding from the bond proceeds fund after January 1, 2004, and for all major

3.15 renovations receiving funding from the bond proceeds fund after January 1, 2009. The

3.16 guidelines are also mandatory for all new buildings and major renovations receiving funding

3.17 from the general fund after January 1, 2023.

3.18 (b) The guidelines do not apply to projects that have:

3.19 (1) already completed design at the time money is received from the bond proceeds fund

3.20 or general fund; and

3.21 (2) not received an appropriation from the bond proceeds fund before January 1, 2023.

3.22 ~~Subd. 4. **Guideline revisions.** The commissioners of administration and commerce shall~~

3.23 ~~review the guidelines periodically and as soon as practicable revise the guidelines to~~

3.24 ~~incorporate performance standards developed under section 216B.241, subdivision 9.~~

3.25 Subd. 4a. **Guidelines; annual review.** On or before February 1, 2024, and each year

3.26 thereafter, the commissioner of administration must review and amend the guidelines to

3.27 better meet the goals under subdivision 6. The review must be conducted with the

3.28 commissioner of commerce and in consultation with other stakeholders.

3.29 Subd. 5. **Guideline administration and oversight.** (a) The commissioner of

3.30 administration, in consultation with the commissioner of commerce, shall contract with

3.31 CSBR to administer the guidelines. At a minimum, CSBR must:

4.1 (1) offer training on an annual basis to state agencies, project team members, and other
4.2 entities involved in designing projects subject to the guidelines on how projects may meet
4.3 the guideline requirements;

4.4 (2) develop procedures for compliance with the guidelines, in accordance with the criteria
4.5 under subdivision 7;

4.6 (3) periodically conduct postconstruction performance evaluations on projects to evaluate
4.7 the effectiveness of the guidelines in meeting the goals under subdivision 6;

4.8 (4) determine whether project designs comply with the guidelines;

4.9 (5) administer a tracking system for all projects subject to the guidelines;

4.10 (6) develop measurable goals for the guidelines based in accordance with subdivision
4.11 6;

4.12 (7) offer technical assistance to state agencies, project team members, and other entities
4.13 with responsibility for managing and designing projects subject to the guidelines;

4.14 (8) provide a report on or before December 1 annually to the commissioner of
4.15 administration on the following:

4.16 (i) the current status of all projects subject to the guidelines and the projects' compliance
4.17 with the guidelines; and

4.18 (ii) an analysis of the effects of the guidelines on the goals under subdivision 6; and

4.19 (9) perform any other duties required by the commissioner of administration to administer
4.20 the guidelines.

4.21 (b) State agencies, project team members, and other entities that are responsible for
4.22 managing or designing projects subject to the guidelines must provide any compliance data
4.23 requested by CSBR that CSBR deems necessary to fulfill the duties described under this
4.24 subdivision.

4.25 (c) The commissioner of administration is responsible for ensuring that the oversight
4.26 duties under this subdivision are fulfilled.

4.27 Subd. 6. **Measurable goals.** CSBR, in collaboration with the commissioner of
4.28 administration and the commissioner of commerce, must develop measurable goals for the
4.29 guidelines based on the objectives and considerations described in subdivision 2a. The
4.30 commissioner of administration must provide final approval of the goals under this
4.31 subdivision.

5.1 Subd. 7. **Procedures.** (a) The commissioner of administration must develop procedures
5.2 to administer the guidelines. The commissioner of administration may delegate guideline
5.3 administration responsibilities to state agencies. The procedures under this subdivision must
5.4 specify the administrative activities for which state agencies are responsible.

5.5 (b) The procedures must include:

5.6 (1) criteria to identify whether a project is subject to the guidelines;

5.7 (2) information on project team member roles and guideline administration requirements
5.8 for each role;

5.9 (3) a process to notify projects subject to the guidelines of the guideline requirements;

5.10 (4) a guideline-related data submission process coordinated by the commissioner of
5.11 administration;

5.12 (5) activities and a timeline to monitor project compliance with the guidelines; and

5.13 (6) record-keeping requirements and related retention schedules for materials related to
5.14 guideline compliance.

5.15 Subd. 8. **Guidelines waivers.** (a) The commissioner of administration, in consultation
5.16 with the commissioner of commerce and other stakeholders, must develop a process to
5.17 review and approve waivers to the guidelines.

5.18 (b) A waiver under this subdivision is only permitted due to technological limitations
5.19 or when the project's intended use conflicts with the guidelines.

5.20 (c) A waiver request for a project owned by a state agency must be reviewed and approved
5.21 by the commissioner of administration. If the waiver request is for a project owned by the
5.22 Department of Administration, the waiver request must be approved by the commissioner
5.23 of management and budget.

5.24 Subd. 9. **Report.** The commissioner of administration must report to the legislature by
5.25 February 1 of each year. The report must include:

5.26 (1) information on the current status of all projects subject to the guidelines and the
5.27 projects' compliance with the guidelines;

5.28 (2) an analysis of the effects of the guidelines on the measurable goals under subdivision
5.29 6; and

5.30 (3) any other information the commissioner of administration deems relevant.

5.31 **EFFECTIVE DATE.** This section is effective July 1, 2023.

6.1 Sec. 2. **APPROPRIATION; DEPARTMENT OF ADMINISTRATION.**

6.2 \$1,475,000 in fiscal year 2024 and \$1,157,000 in fiscal year 2025 are appropriated to
6.3 the commissioner of administration to develop, oversee, and administer the sustainable
6.4 building guidelines under Minnesota Statutes, section 16B.325, in consultation with the
6.5 commissioner of commerce and the Center for Sustainable Building Research at the
6.6 University of Minnesota. This appropriation includes money for the commissioner of
6.7 administration to contract with the Center for Sustainable Building Research at the University
6.8 of Minnesota to administer the guidelines. The base for this appropriation is \$967,000 in
6.9 fiscal year 2026 and thereafter.

6.10 **EFFECTIVE DATE.** This section is effective July 1, 2023.

6.11 Sec. 3. **APPROPRIATION; COMMISSIONER OF COMMERCE.**

6.12 \$37,000 in fiscal year 2024 and \$37,000 in fiscal year 2025 are appropriated to the
6.13 commissioner of commerce to provide oversight, reporting, and technical assistance for the
6.14 sustainable building guidelines under Minnesota Statutes, section 16B.325. The base for
6.15 this appropriation is \$37,000 in fiscal year 2026 and thereafter.

6.16 **EFFECTIVE DATE.** This section is effective July 1, 2023."

6.17 Amend the title accordingly