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S.B. 482: FLOOR ANALYSIS

Senate Bill 482 (as reported by the Committee of the Whole)

Sponsor: Senator Wayne Kuipers

Committee: Education

CONTENT

The bill would amend the Revised School Code to permit the board of a school district, intermediate school district, or local act school district to contract with a qualified provider for energy conservation improvements to school facilities. A board could require the qualified provider to furnish a bond that guaranteed energy cost savings for a specified period of time.

The Code permits a school board to provide for energy conservation improvements to school facilities, and provides that these improvements may be paid for from the district's operating funds, from the proceeds of bonds or notes, or from the savings that result from the improvements. The bill would retain these provisions, but specifies that a district could contract with a qualified provider for energy conservation improvements. The bill would define "qualified provider" as an individual or a business entity that was experienced in performing design, analysis, and installation of energy conservation improvements and facility energy management measures, and that would provide these services under the contract with a guarantee or on a performance basis.

Further, the bill states that energy conservation improvements could include, but would not be limited to, the following: building envelope improvements; heating and cooling upgrades; lighting retrofits; installing or upgrading an energy management system; motor, pump, or fan replacements; domestic water use reductions; and upgrading other energy consuming equipment or appliances.

The Code requires that a school board submit a report to the Michigan Public Service Commission on a form provided by the Commission within 60 days of completing the energy improvements and each year for five years after the improvements are completed. The bill instead would require that a school board report to the State Treasurer.

MCL 380.1274a Legislative Analyst: Claire Layman

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 10-21-03 Fiscal Analyst: Joe Carrasco