

## **CCS HCS SCS SB 1181, 1100, 1262 & 1263 – ENERGY AND ENVIRONMENT**

This bill changes the laws regarding environmental regulations and energy efficiency and conservation practices. In its main provisions, the bill:

(1) Requires 10% of the funds appropriated to the Facilities Maintenance Reserve Fund to be used for energy projects with a 15-year or less payback period;

(2) Requires the Department of Natural Resources, by January 1, 2009, to revise the minimum energy efficiency standards for state buildings over 5,000 square feet to be at least as stringent as the latest version of the International Energy Conservation Code 2006. State buildings must meet the new standards on or after July 1, 2009. The Office of Administration will determine whether the energy efficiency standard is met and may exempt buildings based on safety or when the cost of compliance is expected to exceed the energy cost savings;

(3) Allows low-interest loans through the Linked Deposit Loan Program for eligible alternative energy operations producing and selling fuel or power from alternative energy sources including solar, hydroelectric, wind, and qualified biomass;

(4) Authorizes, beginning January 1, 2009, an income tax deduction administered by the department for the cost of home energy audits or the cost of implementing any audit recommendations. The deduction is limited to \$1,000 per year for an individual taxpayer or taxpayers filing combined returns, up to a maximum of \$2,000. The department may develop and implement home energy auditor requirements and training;

(5) Establishes the Show Me Green Sales Tax Holiday annually beginning in 2009. Purchases of Energy Star certified appliances will be exempt from state sales tax from April 19 through April 25. Political subdivisions may opt in at their discretion;

(6) Requires representatives from the departments of Labor and Industrial Relations, Elementary and Secondary Education, Agriculture, Economic Development, and Natural Resources to meet at least twice a year to collaborate to secure grants. The Department of Natural Resources will coordinate the inter-agency group, and the group will annually report on the grants secured to the Governor and General Assembly;

(7) Requires the Missouri Energy Task Force to reconvene at least annually to review progress made toward meeting the recommendations of its final report and issue an annual status report to the Governor and General Assembly by December 31;

(8) Designates the Energy Center of the Department of Natural Resources as a coordinator for energy sustainability activities in the state. The center will provide advice to state agencies, local governments, and individuals on energy conservation and energy incentives;

(9) Allows the department to implement a unified permit schedule process for applicants who need multiple permits for a similar activity or project. The department may waive otherwise applicable procedural requirements for permits and establish a schedule for issuing permits to an applicant. Considerations for determining the timing of the unified permit schedule are specified in the bill. Public comment periods and

substantive legal requirements cannot be waived by the department to facilitate the new scheduling process;

(10) Establishes, subject to appropriations, professorships in energy efficiency at public state universities. The professorships will be administered by the Department of Higher Education in coordination with the Department of Natural Resources. The Studies in Energy Conservation Fund is created and will be used for administrative expenses to implement this provision;

(11) Authorizes the counties of Clay and Jefferson to adopt regulations for electrical wiring and installation and the licensing of individuals to make those counties consistent with the authority granted to all other first and second classification counties;

(12) Allows electric retail suppliers to recover costs associated with renewable mandates including solar rebates and caps retail rate increases caused by renewable mandates at 1% per year;

(13) Exempts electrical corporations that achieve at least 15% renewable energy capacity as a proportion of their total owned fossil-fired generating capacity by January 20, 2009, from all non-federal solar renewable energy standard requirements and from customer solar system incentive requirements;

(14) Creates minimum energy standards for certain appliances and goods sold in the state. The Department of Natural Resources and the Office of the Attorney General may prevent the sale of certain products that do not meet Energy Star certification requirements or that do not meet minimum energy standards established in federal law. The membership and powers of the newly established Appliance Energy Efficiency Advisory Group which will enforce these minimum energy standards are specified in the bill, and the department may audit appliances and products to determine compliance; and

(15) Requires, beginning 180 days after August 28, 2008, the Department of Elementary and Secondary Education, in consultation with the Department of Health and Senior Services and other interested parties, to establish annual guidelines for green cleaning programs and environmentally sensitive cleaning and maintenance product specifications for elementary and secondary schools. Guidelines will be updated on an annual basis and must be posted on the Department of Elementary and Secondary Education's web site.