

BILL ANALYSIS

Senate Research Center
85R14769 JTS-F

C.S.S.B. 1382
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Business & Commerce
5/4/2017
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, local governmental entities and schools can enter into a performance contract to install more efficient systems or equipment that will result in long-term savings in energy, water, or other costs. Under these contracts, local governments can obtain financing to fund construction based on a guarantee of future savings. Interested parties assert that future cost savings from maintenance and ongoing operations should be considered in implementing performance contracting. This will allow local governments to save more money over time by investing in cost-saving efficiency measures. (Original Author's / Sponsor's Statement of Intent)

C.S.S.B. 1382 amends current law relating to energy savings performance contracts.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 44.901(a) and (f-1), Education Code, as follows:

(a) Redefines "energy savings performance contract."

(f-1) Deletes existing text prohibiting the board from using money borrowed from this state to pay the provider of the energy or water conservation measures.

SECTION 2. Amends Sections 51.927(a) and (g-1), Education Code, as follows:

(a) Redefines "energy savings performance contract."

(g-1) Deletes existing text prohibiting the board from using money borrowed from this state to pay the provider of the energy or water conservation measures.

SECTION 3. Amends Sections 2166.406(a) and (f-1), Government Code, as follows:

(a) Redefines "energy savings performance contract."

(f-1) Deletes existing text prohibiting the state agency from using money borrowed from this state to pay the provider of the energy or water conservation measures.

SECTION 4. Amends Sections 302.001(1), (3), and (4), Local Government Code, to redefine "baseline," "energy savings," and "energy savings performance contract."

SECTION 5. Amends Section 302.004(a-1), Local Government Code, to delete existing text prohibiting the governing body of a local government from using money borrowed from this state to pay the provider of the energy or water conservation measures.

SECTION 6. Effective date: upon passage or September 1, 2017.