

Senate Floor Amendment 3 to HB 318

ADOPTED

Senator Dixon of the 45th offered the following amendment #3:

1 *Amend the substitute to HB 318 (LC 49 1351S) by inserting after "applicability;" on line 17*
2 *the following:*

3 to amend Code Section 20-2-506 of the Official Code of Georgia Annotated, relating to
4 definitions and authority to enter into multiyear lease, purchase, or lease purchase contracts,
5 so as to revise definitions;

6 *By replacing line 279 with the following:*

7 Code Section 20-2-506 of the Official Code of Georgia Annotated, relating to definitions and
8 authority to enter into multiyear lease, purchase, or lease purchase contracts, is amended by
9 revising subsections (a) and (b) as follows:

10 "(a) As used in this Code section, the term:

11 (1) 'Energy cost savings measure' means a facility alteration, a training program
12 incidental to the contract, or an equipment purchase to be used in building a retrofit,
13 addition, or renovation or in new construction which reduces energy or water
14 consumption, wastewater production, or operating costs, or is designed to generate
15 revenue, and includes, but is not limited to, any one of the following:

16 (A) Insulating the building structure or structures within the building, including
17 caulking or weather-stripping;

18 (B) Installing storm windows or doors, multiglazed windows or doors, heat absorbing
19 or heat reflective glazed and coated window or door systems, or other window or door
20 systems designed to reduce energy consumption;

- 21 (C) Installing automated or computerized energy control systems;
- 22 (D) Modifying or replacing heating, ventilating, or air-conditioning systems;
- 23 (E) Replacing or modifying lighting fixtures to increase the energy efficiency of the
24 lighting system;
- 25 (F) Improving indoor air quality to conform to the applicable state or local building
26 code requirements;
- 27 (G) Installing energy recovery systems;
- 28 (H) Installing cogeneration systems that produce steam or forms of energy such as heat
29 and electricity for use primarily within a building or complex of buildings;
- 30 (I) Life safety measures that provide long-term operating cost reductions and are in
31 compliance with state and local codes, and building operation programs that reduce
32 operating costs; and
- 33 (J) Any other measure not otherwise defined in this Code section which is designed to
34 reduce energy or water consumption, reduce wastewater production, avoid capital costs,
35 or achieve similar efficiency gains by the county, independent, or area school system.
- 36 (2) 'Guaranteed energy ~~saving~~ savings performance contract' means a contract for the
37 implementation of one or more energy cost savings measures providing that all payments
38 except obligations on termination of the contract before its expiration are to be made over
39 time and the energy cost savings are guaranteed to the extent necessary to make payments
40 for the contract.
- 41 (b) Except as otherwise provided in this Code section, each county, independent, or area
42 school system in this state shall be authorized to enter into multiyear lease, purchase, or
43 lease purchase contracts of all kinds for the acquisition of goods, materials, real and
44 personal property, services, and supplies, provided that any such contract shall contain
45 provisions for the following:
- 46 (1) The contract shall terminate absolutely and without further obligation on the part of
47 the school system at the close of the calendar year in which it was executed and at the

48 close of each succeeding calendar year for which it may be renewed as provided in this
49 Code section;

50 (2) The contract may provide for automatic renewal unless positive action is taken by the
51 school system to terminate such contract, and the nature of such action shall be
52 determined by the school system and specified in the contract;

53 (3) The contract shall state the total obligation of the school system for the calendar year
54 of execution and shall further state the total obligation which will be incurred in each
55 calendar year renewal term, if renewed;

56 (4) The total combined annual payments for contracts under this Code section and
57 contracts of such school system under Article IX, Section III, Paragraph I of the
58 Constitution in any calendar year, excluding guaranteed energy savings performance
59 contracts, shall not exceed an amount equal to 7.5 percent of the total local revenue
60 collected for maintenance and operation of the school system in the most recently
61 completed fiscal year; provided, however, that the foregoing limitation shall not apply to
62 contracts with other public educational entities, including school systems in this state, for
63 the education of students; and

64 (5) For each guaranteed energy savings performance contract, a school system shall
65 document the historical energy cost of each structure affected for a period of at least one
66 year prior to the date of the contract and shall document the monthly energy cost and
67 monthly energy savings of each affected structure for the life of the contract."

68 **SECTION 9.**

69 All laws and parts of laws in conflict with this Act are repealed.