

S.F. No. 2156 – Environmental Procurement Task Force (as proposed to be amended by SCS2156A10 delete-everything amendment)

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Date: March 22, 2023

Section 1 [Construction Materials; Environmental Analysis; §16B.312] establishes requirements that certain materials and products are used in the construction of buildings funded in whole or in part with state bond proceeds. Effective the day following final enactment.

Subdivision 1 defines terms.

Subdivision 2 requires the commissioner of administration to gather input from task forces and other stakeholders to establish a public maximum acceptable global warming potential for each eligible material used in an eligible project by specified dates, depending on the material. Requires the commissioner to establish a maximum acceptable global warming potential for each eligible material, after considering specified information. The commissioner must set maximum global warming potentials for specific products that serve as examples of the same eligible material. Three years after establishing the maximum global warming potential for an eligible material, the commissioner may lower the maximum global warming potential of eligible materials and specific products if the commissioner determines that the industry average has declined.

Subdivision 3 requires the commissioners of transportation and administration to establish processes for incorporating the maximum allowable global warming potential of eligible materials into their bidding process based upon the recommendations of the Environmental Procurement Task Force.

Subdivision 4 requires the commissioners of administration and transportation to establish a pilot program by July 1, 2024, to obtain estimates from vendors on the lifecycle greenhouse gas emissions of select products. The pilot program must encourage, but not require, a vendor to submit specified data for each selected product that represents 90 percent of the total cost of the materials or components that compose the selected product. The commissioners of administration and transportation must each post a database on their

website containing the data reported to them in a manner that does not identify the product manufacturer.

Subdivision 5 requires the commissioner of administration to establish a process and administrative procedures that allow manufacturers of eligible materials to petition the commissioner for a waiver from the procurement process requirements in **subdivision 3** based on technical considerations or financial hardship.

Subdivision 6 creates the Environmental Standards Procurement Task Force. Requires the task force to examine issues surrounding implementation of a program requiring vendors of certain construction materials purchased to:

- submit environmental product declarations that assess the lifecycle environmental impacts;
- meet greenhouse gas emission reduction standards established by the commissioner of administration;

Subdivision 6 also requires the task force to examine:

- which construction materials should be subjected to program requirements;
- what factors should be considered for greenhouse gas emission reduction targets in material production and manufacturing processes;
- a schedule for the development of standards for specific materials and to include those standards into the purchasing process;
- financial incentives for vendors developing products;
- the provision of grants to defer vendor costs;
- how to coordinate with federal programs; and
- how the issues set forth in this subdivision interact with other state agencies and policies.

Subdivision 6 requires the task force to make recommendations to the commissioners of transportation and administration on how to implement the requirements of **section 1** and specifies factors to be made in the recommendations. Specifies the members of the task force. Requires a legislative report on the task force's recommendations. Sets the meeting schedule and assigns the Department of Administration administrative responsibilities. Sunsets the task force on January 1, 2029.

Section 2 [Appropriation] appropriates \$300,000 to the commissioner of transportation and \$200,000 to the commissioner of administration in fiscal year 2024 to administer the provisions of **section 1**.