

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 14, 2003

TO: Honorable Dennis Bonnen, Chair, House Committee on Environmental Regulation

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2454 by Chisum (Relating to home and building construction energy conservation standards and programs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2454, As Introduced: a negative impact of (\$295,000) through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$185,000)
2005	(\$110,000)
2006	(\$110,000)
2007	(\$110,000)
2008	(\$110,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2004	(\$185,000)
2005	(\$110,000)
2006	(\$110,000)
2007	(\$110,000)
2008	(\$110,000)

Fiscal Analysis

The bill would amend the Health and Safety Code by allowing a municipality or county to establish local building codes that meet or exceed the green building standards relating to a state green building program.

Methodology

The Energy Systems Lab at Texas A&M University is required to analyze the local energy efficiency measures and report its findings to local governments. It must also submit an annual report to Texas Commission on Environmental Quality (TCEQ) describing the energy efficient building codes and quantify the energy savings and emission reductions from these programs. It is assumed that the Lab at A&M could absorb costs related to these responsibilities within existing resources.

TCEQ is required to submit the energy savings to the EPA and revise the State Implementation Plan (SIP) to reflect the associated emission reductions. In addition, the agency would conduct rulemaking, policy development, and outreach. The agency projects that these requirements could be absorbed within existing resources.

The General Land Office (GLO) would be required to implement the green building program no later than January 1, 2004. The GLO would be required to set standards, establish an accreditation program, develop a checklist for a green building scorecard and provide a public information system on green building ratings. For these additional responsibilities, it is estimated that the agency would require three additional full time-equivalent positions, consisting of Information Specialists at an estimated cost of \$100,000 each fiscal year. In addition, \$10,000 per year is included for costs related to phones, supplies and other operating expenses. An accreditation fee of \$100,000 as a one-time cost in year one is also anticipated by the agency.

Technology

There would be no significant impact to technology resources.

Local Government Impact

No significant fiscal impact is anticipated to units of local government.

The bill requires counties to have green building performance standards forms available for builders upon request and for the county to forward the completed form to the Energy Systems Lab at Texas A&M University. Municipalities would be required to have highly reflective roofing materials on buildings being remodeled or built. Local governments could incur additional expenses depending on their implementation of green building and urban heat island mitigation standards.

Source Agencies: 305 General Land Office and Veterans' Land Board, 582 Commission on Environmental Quality, 712 Texas Engineering Experiment Station
LBB Staff: JK, CL, MS, KG