

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 7, 2007

TO: Honorable Bill Callegari, Chair, House Committee on Government Reform

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB658 by Seliger (Relating to an energy-efficient building accreditation program.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for SB658, As Engrossed: an impact of \$0 through the biennium ending August 31, 2009.

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
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable Revenue Gain from <i>GENERAL REVENUE FUND</i> 1
2008	(\$250,000)	\$250,000
2009	(\$250,000)	\$250,000
2010	(\$250,000)	\$250,000
2011	(\$250,000)	\$250,000
2012	(\$250,000)	\$250,000

Fiscal Year	Change in Number of State Employees from FY 2007
2008	2.0
2009	2.0
2010	2.0
2011	2.0
2012	2.0

Fiscal Analysis

The bill would amend the Property Code to authorize the Texas Residential Construction Commission (TRCC), in consultation with the Energy Systems Laboratory at the Texas Engineering Experiment Station (TEES) of the Texas A&M University System, the Texas Commission on Environmental Quality, and an advisory committee appointed by TRCC, to establish an energy-efficient building accreditation program. If the program were implemented, TRCC and TEES would be required to update the program on or before December 1 of each even-numbered year and create a checklist system to produce an energy-efficient building scorecard to help home buyers compare homes and qualify for energy-efficient mortgages under the National Housing Act and help communities qualify for emissions reduction credits by adopting codes that meet or exceed certain standards established in the Health and Safety Code. The bill would authorize TRCC to establish a public information program regarding energy-efficient building ratings. If the program were implemented, TEES would be required to establish a system to measure the reduction in energy and emissions produced under the program and report those savings to TRCC. The bill would authorize TRCC to set a certification fee sufficient to cover the cost of administering the program.

The bill would take effect September 1, 2007.

Methodology

Based on the analysis of TRCC, it is assumed the commission would require one Program Specialist II position (1.0 FTE; \$47,382/year) to promote the program with home owners, builders, sellers, buyers, and others regarding energy-efficient building ratings; and one Administrative Assistant III position (1.0 FTE; \$33,416/year) to track accreditations and produce the scorecard. Employee benefits costs associated with the two new positions are estimated to be \$22,858 each year (28.29% of salaries). It is assumed the costs for consumable supplies, travel, rent, information technology, and other operating costs would be \$146,344 each year.

It is assumed TRCC would assess a certification fee that would generate revenue sufficient to recover any costs associated with implementing the provisions of the bill.

Technology

Technology costs associated with the implementation of the bill are estimated to be \$36,844 each year for leasing of computer equipment, software, and technical support.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 370 Residential Construction Commission, 582 Commission on Environmental Quality, 710 Texas A&M University System Administrative and General Offices, 712 Texas Engineering Experiment Station

LBB Staff: JOB, JRO, MN, MW, TG