

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 2, 2011

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

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

IN RE: HB51 by Lucio III (Relating to energy efficiency standards for certain buildings and to high-performance design, construction, and renovation standards for certain government buildings and facilities.), **As Introduced**

There is an indeterminate fiscal impact to the state from the provisions of this bill due to the unknown nature of applicable standards and the level of future state construction and renovation.

The bill would amend the Government Code to establish high-performance sustainable-design standards for the design and construction of new state buildings and renovations for which the cost exceeds 50 percent of the value of the existing facility. These standards would apply to institutions of higher education, public education instructional facilities, and all executive branch agencies, except the Texas Department of Criminal Justice and the Texas Youth Commission.

The Texas Facilities Commission would be responsible for setting applicable high-performance building standards with the assistance of an advisory committee of industry representatives. In addition to the standards set by TFC, newly constructed state buildings would be required to meet energy standards set by the American Society of Heating, Refrigerating and Air-Conditioning Engineers, or the International Energy Conservation Code, and achieve a 15 percent reduction in water use compared to relevant plumbing fixtures identified in the Energy Policy Act of 1992. The requirements of this bill apply only to buildings for which a design services contract is entered into on or after September 1, 2013.

The statewide fiscal impact of the described change in construction and renovation standards for state buildings cannot be determined at this time due to two unknown factors: (1) the specific standards that would be set by TFC and the advisory council; and (2) the amount, and cost, of construction and renovation projects that will be authorized and funded in future fiscal years.

State agencies have reported that changes to building construction to meet current general high-performance standards would increase total construction costs between 2 percent and 9 percent. Some of the standards referenced in the bill are already used in certain state construction projects and would therefore result in no additional costs. Many agencies also responded that reductions in utility expenses resulting from the intended increased building efficiencies would offset some of the increased construction costs.

The Texas Facilities Commission reported the need for an additional senior engineer to coordinate compliance with the requirements of the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies:

303 Facilities Commission, 304 Comptroller of Public Accounts, 305 General Land Office and Veterans' Land Board, 332 Department of Housing and Community Affairs, 405 Department of Public Safety, 529 Health and Human Services Commission, 539 Aging and Disability Services, Department of, 582 Commission on Environmental

Quality, 601 Department of Transportation, 710 Texas A&M University System
Administrative and General Offices, 712 Texas Engineering Experiment Station, 720
The University of Texas System Administration, 758 Texas State University System,
768 Texas Tech University System Administration, 769 University of North Texas
System Administration, 781 Higher Education Coordinating Board, 783 University of
Houston System Administration, 802 Parks and Wildlife Department

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