

SENATE AMENDMENTS

2nd Printing

By: Lucio III, Cook, et al.

H.B. No. 51

A BILL TO BE ENTITLED

AN ACT

1
2 relating to energy efficiency standards for certain buildings and
3 to high-performance design, construction, and renovation standards
4 for certain buildings and facilities of institutions of higher
5 education.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Subchapter B, Chapter 55, Education Code, is
8 amended by adding Section 55.115 to read as follows:

9 Sec. 55.115. HIGH-PERFORMANCE, SUSTAINABLE DESIGN,
10 CONSTRUCTION, AND RENOVATION STANDARDS FOR CERTAIN FACILITIES. (a)
11 This section applies to the construction of an institution of
12 higher education building, structure, or other facility, or the
13 renovation of a building, structure, or other facility the cost of
14 which is more than \$2 million, or, if less than \$2 million, more
15 than 50 percent of the value of the building, structure, or other
16 facility, if any part of the construction or renovation is financed
17 by revenue bonds issued under this subchapter.

18 (b) A building, structure, or other facility to which this
19 section applies must be designed and constructed or renovated so
20 that the building, structure, or other facility complies with
21 high-performance building standards, approved by the board of
22 regents of the institution, that provide minimum requirements for
23 energy use, natural resources use, and indoor air quality. In
24 approving high-performance building standards, a board of regents

1 shall consider the high-performance building evaluation system
2 approved by the State Energy Conservation Office under Section
3 447.004, Government Code, and may solicit and consider
4 recommendations from the advisory committee appointed under that
5 section.

6 SECTION 2. Section 447.004, Government Code, is amended by
7 amending Subsection (b) and adding Subsections (b-1), (b-2), and
8 (b-3) to read as follows:

9 (b) The standards established under Subsection (a) must:

10 (1) include performance and procedural standards for
11 the maximum energy and water conservation allowed by the latest and
12 most cost-effective technology that is consistent with the
13 requirements of public health, safety, and economic resources;

14 (2) be stated in terms of energy and water consumption
15 levels that:

16 (A) meet the American Society of Heating,
17 Refrigerating and Air-Conditioning Engineers energy standards in
18 effect on September 1, 2011, or the International Energy
19 Conservation Code in effect on September 1, 2011, or an updated
20 version of those standards or that code adopted by the State Energy
21 Conservation Office, if applicable; and

22 (B) achieve a 15 percent reduction in water use
23 when compared to water use based on plumbing fixtures selected in
24 accordance with the Energy Policy Act of 1992 (Pub. L. No. 102-486);
25 or

26 (ii) compliance with water conservation
27 standards published by the office;

1 (3) consider the various types of building uses; and

2 (4) allow for design flexibility, including allowing
3 for certification under any high-performance design evaluation
4 system approved by the office.

5 (b-1) A building to which this section applies must be
6 designed and constructed or renovated so that the building achieves
7 certification under any high-performance design evaluation system
8 approved by the state energy conservation office that:

9 (1) is developed and revised through a nationally
10 recognized consensus-based process or by a municipally owned
11 utility in this state;

12 (2) provides minimum requirements for energy use,
13 natural resources use, and indoor air quality;

14 (3) requires substantiating documentation for
15 certification;

16 (4) requires on-site, third-party, post-construction
17 review and verification for certification, or a third-party,
18 post-construction, rigorous review of documentation and
19 verification for certification; and

20 (5) encourages the use of materials or products
21 manufactured or produced in this state.

22 (b-2) The state energy conservation office shall appoint an
23 advisory committee to advise the office in selecting one or more
24 high-performance building design evaluation systems to approve for
25 use under Subsection (b-1). At least once every two years, the
26 advisory committee shall review available high-performance
27 building standards and make recommendations to the office. The

1 advisory committee consists of:

2 (1) one individual appointed by the comptroller who
3 represents the state energy conservation office and who serves as
4 the presiding officer of the committee;

5 (2) seven individuals with experience and expertise in
6 high-performance buildings or related products, including
7 experience and expertise in energy efficiency, water efficiency, or
8 low-impact site development, with one individual selected from each
9 of the following lists of nominees:

10 (A) a list submitted by the president of the
11 Texas Society of Architects;

12 (B) a list submitted by the presidents of the
13 Texas Council of Engineering Companies and Texas Society of
14 Professional Engineers;

15 (C) a list submitted by the president of the
16 Associated Builders and Contractors of Texas and the presiding
17 officer of the executive committee of the Associated General
18 Contractors, Texas Building Branch;

19 (D) a list submitted by the president of the
20 Texas chapter of the American Society of Landscape Architects;

21 (E) a list submitted by the president of the
22 Texas Chemical Council;

23 (F) a list submitted by the Texas State Building
24 and Construction Trades Council; and

25 (G) a list submitted by the president of the
26 Texas chapter of the Urban Land Institute;

27 (3) the director of facilities construction and space

1 management appointed under Section 2152.104;

2 (4) one individual representing the Energy Systems
3 Laboratory of the Texas Engineering Experiment Station of The Texas
4 A&M University System;

5 (5) one individual representing a state agency that
6 has a substantial ongoing construction program; and

7 (6) one individual representing the interests of
8 historically underutilized businesses.

9 (b-3) A contract between a state agency and a private design
10 professional relating to services in connection with the
11 construction or renovation of a building to which this section
12 applies must provide that, for billing purposes, any service
13 provided by the private design professional that is necessary to
14 satisfy the certification requirements of Subsection (b-1) is
15 considered an additional service rather than a basic service.

16 SECTION 3. Section 388.003, Health and Safety Code, is
17 amended by amending Subsections (c) and (e) and adding Subsection
18 (c-1) to read as follows:

19 (c) A municipality shall establish procedures:

20 (1) for the administration and enforcement of the
21 codes; ~~and~~

22 (2) to ensure that code-certified inspectors shall
23 perform inspections and enforce the code in the inspectors'
24 jurisdictions; and

25 (3) to track and report to the State Energy
26 Conservation Office on implementation of the codes.

27 (c-1) A report under Subsection (c)(3) must include a

1 description of the measures taken to enforce the most recently
2 adopted version of the International Energy Conservation Code and
3 an assessment of the rate of compliance.

4 (e) Local amendments may not result in less stringent energy
5 efficiency requirements in nonattainment areas and in affected
6 counties than the energy efficiency chapter of the International
7 Residential Code or International Energy Conservation Code. Local
8 amendments must comply with the National Appliance Energy
9 Conservation Act of 1987 (42 U.S.C. Sections 6291-6309), as
10 amended. The laboratory, at the request of a municipality or
11 county, shall determine the relative impact of proposed local
12 amendments to an energy code, including whether proposed amendments
13 are substantially equal to or less stringent than the unamended
14 code. For the purpose of establishing uniform requirements
15 throughout a region, and on request of a council of governments, a
16 county, or a municipality, the laboratory may recommend a
17 climatically appropriate modification or a climate zone
18 designation for a county or group of counties that is different from
19 the climate zone designation in the unamended code. The laboratory
20 shall:

21 (1) report its findings to the council, county, or
22 municipality, including an estimate of any energy savings potential
23 above the unamended [base] code. [~~from local amendments, and~~]

24 (2) annually submit a report to the commission:

25 (A) identifying the municipalities and counties
26 whose codes are more stringent than the unamended code, and whose
27 codes are equally stringent or less stringent than the unamended

1 code; and

2 (B) quantifying energy savings and emissions
3 reductions from this program.

4 SECTION 4. Section 388.007, Health and Safety Code, is
5 amended by amending Subsection (c) and adding Subsection (d) to
6 read as follows:

7 (c) The laboratory may provide local jurisdictions with
8 technical assistance concerning implementation and enforcement of
9 the International Energy Conservation Code and the energy
10 efficiency chapter of the International Residential Code,
11 including local amendments to those codes.

12 (d) The laboratory may conduct outreach to the real estate
13 industry, including real estate agents, home builders, remodelers,
14 appraisers, and financial institutions, on the value of energy code
15 compliance and verified, above-code, high-performance
16 construction.

17 SECTION 5. Section 55.115, Education Code, as added by this
18 Act, and Section 447.004, Government Code, as amended by this Act,
19 apply only to an institution of higher education building,
20 structure, or other facility or a state building for which the
21 contract for design services is entered into on or after September
22 1, 2013.

23 SECTION 6. This Act takes effect September 1, 2011.

ADOPTED

MAY 25 2011

Leta Spaul
Secretary of the Senate

By: *J. J. Aring*
Substitute the following for H.B. No. 51:

H.B. No. 51

By: *Slynn*

C.S. H.B. No. 51

A BILL TO BE ENTITLED

AN ACT

1
2 relating to energy efficiency standards for certain buildings and
3 to high-performance design, construction, and renovation standards
4 for certain buildings and facilities of institutions of higher
5 education.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Subchapter B, Chapter 55, Education Code, is
8 amended by adding Section 55.115 to read as follows:

9 Sec. 55.115. HIGH-PERFORMANCE, SUSTAINABLE DESIGN,
10 CONSTRUCTION, AND RENOVATION STANDARDS FOR CERTAIN FACILITIES. (a)
11 This section applies to the construction of an institution of
12 higher education building, structure, or other facility, or the
13 renovation of a building, structure, or other facility the cost of
14 which is more than \$2 million, or, if less than \$2 million, more
15 than 50 percent of the value of the building, structure, or other
16 facility, if any part of the construction or renovation is financed
17 by revenue bonds issued under this subchapter.

18 (b) A building, structure, or other facility to which this
19 section applies must be designed and constructed or renovated so
20 that the building, structure, or other facility complies with
21 high-performance building standards, approved by the board of
22 regents of the institution, that provide minimum requirements for
23 energy use, natural resources use, and indoor air quality. In
24 approving high-performance building standards, a board of regents

1 shall consider, but is not subject to, the high-performance
2 building evaluation system approved by the state energy
3 conservation office under Section 447.004, Government Code, and may
4 solicit and consider recommendations from the advisory committee
5 appointed under that section.

6 (c) A building, structure, or other facility to which this
7 section applies must be designed and constructed or renovated to
8 comply with the applicable energy and water conservation design
9 standards established by the state energy conservation office under
10 Section 447.004, Government Code.

11 (d) This section does not apply to an institution of higher
12 education that constructs or renovates a building, structure, or
13 other facility if the institution:

14 (1) determines that compliance with the standards
15 described by Subsection (b) is impractical;

16 (2) notifies the state energy conservation office of
17 the determination; and

18 (3) provides documentation supporting the
19 determination under Subdivision (1) to the state energy
20 conservation office.

21 SECTION 2. Section 447.004, Government Code, is amended by
22 amending Subsection (b) and adding Subsections (b-1), (b-2), and
23 (b-3) to read as follows:

24 (b) The standards established under Subsection (a) must:

25 (1) include performance and procedural standards for
26 the maximum energy and water conservation allowed by the latest and
27 most cost-effective technology that is consistent with the

1 requirements of public health, safety, and economic resources;

2 (2) be stated in terms of energy and water consumption
3 levels that meet energy standards adopted by the state energy
4 conservation office and that:

5 (A) achieve a 15 percent reduction in water use
6 when compared to water use based on plumbing fixtures selected in
7 accordance with the Energy Policy Act of 1992 (Pub. L. No. 102-486);
8 or

9 (B) comply with water conservation standards
10 published by the state energy conservation office;

11 (3) consider the various types of building uses; and

12 (4) allow for design flexibility, including allowing
13 for certification under any high-performance design evaluation
14 system approved by the state energy conservation office.

15 (b-1) A building to which this section applies must be
16 designed and constructed or renovated so that the building achieves
17 certification under any high-performance design evaluation system
18 approved by the state energy conservation office that:

19 (1) is developed and revised through a nationally
20 recognized consensus-based process or by a municipally owned
21 utility in this state;

22 (2) provides minimum requirements for energy use,
23 natural resources use, and indoor air quality;

24 (3) requires substantiating documentation for
25 certification;

26 (4) requires on-site, third-party, post-construction
27 review and verification for certification, or a third-party,

1 post-construction, rigorous review of documentation and
2 verification for certification; and

3 (5) encourages the use of materials or products
4 manufactured or produced in this state.

5 (b-2) The state energy conservation office shall appoint an
6 advisory committee to advise the office in selecting one or more
7 high-performance building design evaluation systems to approve for
8 use under Subsection (b-1). At least once every two years, the
9 advisory committee shall review available high-performance
10 building standards and make recommendations to the office. The
11 advisory committee consists of:

12 (1) one individual appointed by the comptroller who
13 represents the state energy conservation office and who serves as
14 the presiding officer of the committee;

15 (2) eight individuals with experience and expertise in
16 high-performance buildings or related products, including
17 experience and expertise in energy efficiency, water efficiency, or
18 low-impact site development, with one individual selected from each
19 of the following lists of nominees:

20 (A) a list submitted by the president of the
21 Texas Society of Architects;

22 (B) a list submitted by the presidents of the
23 Texas Council of Engineering Companies and Texas Society of
24 Professional Engineers;

25 (C) a list submitted by the president of the
26 Associated Builders and Contractors of Texas and the presiding
27 officer of the executive committee of the Associated General

1 Contractors, Texas Building Branch;
2 (D) a list submitted by the president of the
3 Texas chapter of the American Society of Landscape Architects;
4 (E) a list submitted by the president of the
5 Texas Chemical Council;
6 (F) a list submitted by the Texas State Building
7 and Construction Trades Council;
8 (G) a list submitted by the president of the
9 Texas chapter of the Urban Land Institute; and
10 (H) a list submitted by the chair of the Brick
11 Industry Association;
12 (3) the director of facilities construction and space
13 management appointed under Section 2152.104;
14 (4) one individual representing the Energy Systems
15 Laboratory of the Texas Engineering Experiment Station of The Texas
16 A&M University System;
17 (5) one individual representing a state agency that
18 has a substantial ongoing construction program; and
19 (6) one individual representing the interests of
20 historically underutilized businesses.
21 (b-3) A contract between a state agency and a private design
22 professional relating to services in connection with the
23 construction or renovation of a building to which this section
24 applies must provide that, for billing purposes, any service
25 provided by the private design professional that is necessary to
26 satisfy the certification requirements of Subsection (b-1) is
27 considered an additional service rather than a basic service. A

1 governmental entity may not disallow the allocation of federal
2 deductions to eligible design professionals authorized by the
3 Energy Policy Act of 2005 (Pub. L. No. 109-58).

4 SECTION 3. Sections 388.003(c) and (e), Health and Safety
5 Code, are amended to read as follows:

6 (c) A municipality shall establish procedures:

7 (1) for the administration and enforcement of the
8 codes; ~~and~~

9 (2) to ensure that code-certified inspectors shall
10 perform inspections and enforce the code in the inspectors'
11 jurisdictions; and

12 (3) to track and report to the state energy
13 conservation office on implementation of the codes.

14 (e) Local amendments may not result in less stringent energy
15 efficiency requirements in nonattainment areas and in affected
16 counties than the energy efficiency chapter of the International
17 Residential Code or International Energy Conservation Code. Local
18 amendments must comply with the National Appliance Energy
19 Conservation Act of 1987 (42 U.S.C. Sections 6291-6309), as
20 amended. The laboratory, at the request of a municipality or
21 county, shall determine the relative impact of proposed local
22 amendments to an energy code, including whether proposed amendments
23 are substantially equal to or less stringent than the unamended
24 code. For the purpose of establishing uniform requirements
25 throughout a region, and on request of a council of governments, a
26 county, or a municipality, the laboratory may recommend a
27 climatically appropriate modification or a climate zone

1 designation for a county or group of counties that is different from
2 the climate zone designation in the unamended code. The laboratory
3 shall:

4 (1) report its findings to the council, county, or
5 municipality, including an estimate of any energy savings potential
6 above the unamended [~~base~~] code from local amendments; and

7 (2) annually submit a report to the commission:

8 (A) identifying the municipalities and counties
9 whose codes are more stringent than the unamended code, and whose
10 codes are equally stringent or less stringent than the unamended
11 code; and

12 (B) quantifying energy savings and emissions
13 reductions from this program for consideration in the state
14 implementation plan for emissions reduction credit.

15 SECTION 4. Section 388.007, Health and Safety Code, is
16 amended by amending Subsection (c) and adding Subsection (d) to
17 read as follows:

18 (c) The laboratory may provide local jurisdictions with
19 technical assistance concerning implementation and enforcement of
20 the International Energy Conservation Code and the energy
21 efficiency chapter of the International Residential Code,
22 including local amendments to those codes.

23 (d) The laboratory may conduct outreach to the real estate
24 industry, including real estate agents, home builders, remodelers,
25 appraisers, and financial institutions, on the value of energy code
26 compliance and verified, above-code, high-performance
27 construction.

1 SECTION 5. Section 55.115, Education Code, as added by this
2 Act, and Section 447.004, Government Code, as amended by this Act,
3 apply only to an institution of higher education building,
4 structure, or other facility or a state building for which the
5 contract for design services is entered into on or after September
6 1, 2013.

7 SECTION 6. This Act takes effect September 1, 2011.

Floor Amendment No. 1

By J. J. Aring
ADOPTED

MAY 25 2011

Atay Law
Secretary of Education

1 Amend C.S.H.B. 51 as follows:

2 In SECTION 1 of the bill, strike Subsections (c) and (d) of
3 added Section 55.115, Education Code and substitute the
4 following:

5 (c) Except as provided by this section, a building,
6 structure, or other facility to which this section applies must
7 be designed and constructed or renovated to comply with the
8 applicable energy and water conservation design standards
9 established by the state energy conservation office under
10 Section 447.004, Government Code, unless the institution
11 constructing the building determines that compliance with those
12 standards is impractical and notifies the state energy
13 conservation office of the determination and provides to the
14 office documentation supporting the determination.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 25, 2011

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

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 buildings and facilities of institutions of higher education.), **As Passed 2nd House**

There is an indeterminate fiscal cost to the state from the provisions of the bill.

The bill would establish high-performance sustainable-design standards for the construction or renovation of state buildings, including those of institutions of higher education. The State Energy Conservation Office (SECO) would be responsible for setting, with the assistance of an advisory commission, applicable design and construction standards. Minimum standards would be set to achieve a 15 percent reduction in water use compared to relevant plumbing fixtures identified in the Energy Policy Act of 1992. The bill would exempt institutions of higher education that take certain actions.

The statewide fiscal impact of the bill's provisions cannot be determined at this time due to unknown factors, including: (1) the full scope of the standards that would be set by SECO and the advisory council; and (2) the number and estimated costs of construction and renovation projects that would be authorized, planned, and funded in future fiscal years.

State agencies report that changes to current building construction standards necessary to meet existing general high-performance standards would increase total construction costs between 2 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. Several 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.

The requirements of the bill would apply only to buildings for which a design services contract is entered into on or after September 1, 2013. The bill would take effect September 1, 2011.

Local Government Impact

Local municipalities could see increased costs from the bill's provisions requiring tracking and reporting of related activities to the State Conservation Office. This analysis assumes that any costs associated with implementing the bill's provisions could be met with existing resources.

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, 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

LBB Staff: JOB, KY, SZ, JI

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 19, 2011

TO: Honorable Troy Fraser, Chair, Senate Committee on Natural Resources

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 buildings and facilities of institutions of higher education.), **Committee Report 2nd House, Substituted**

There is an indeterminate fiscal cost to the state from the provisions of the bill.

The bill would establish high-performance sustainable-design standards for the construction or renovation of state buildings, including those of institutions of higher education. The State Energy Conservation Office (SECO) would be responsible for setting, with the assistance of an advisory commission, applicable design and construction standards. Minimum standards would be set to achieve a 15 percent reduction in water use compared to relevant plumbing fixtures identified in the Energy Policy Act of 1992. The bill would exempt institutions of higher education that take certain actions.

The statewide fiscal impact of the bill's provisions cannot be determined at this time due to unknown factors, including: (1) the full scope of the standards that would be set by SECO and the advisory council; and (2) the number and estimated costs of construction and renovation projects that would be authorized, planned, and funded in future fiscal years.

State agencies report that changes to current building construction standards necessary to meet existing general high-performance standards would increase total construction costs between 2 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. Several 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.

The requirements of the bill would apply only to buildings for which a design services contract is entered into on or after September 1, 2013. The bill would take effect September 1, 2011.

Local Government Impact

Local municipalities could see increased costs from the bill's provisions requiring tracking and reporting of related activities to the State Conservation Office. This analysis assumes that any costs associated with implementing the bill's provisions could be met with existing resources.

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, 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

LBB Staff: JOB, KY, SZ, JI

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 18, 2011

TO: Honorable Troy Fraser, Chair, Senate Committee on Natural Resources

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 buildings and facilities of institutions of higher education.), **As Engrossed**

There is an indeterminate fiscal cost to the state from the provisions of the bill.

The bill would establish high-performance sustainable-design standards for the construction or renovation of state buildings, including those of institutions of higher education. The State Energy Conservation Office (SECO) would be responsible for setting, with the assistance of an advisory commission, applicable design and construction standards. Minimum standards would be set to meet those of the American Society of Heating, Refrigerating and Air-Conditioning and would achieve a 15 percent reduction in water use compared to relevant plumbing fixtures identified in the Energy Policy Act of 1992.

The statewide fiscal impact of the bill's provisions cannot be determined at this time due to unknown factors, including: (1) the full scope of the standards that would be set by SECO and the advisory council; and (2) the number and estimated costs of construction and renovation projects that would be authorized, planned, and funded in future fiscal years.

State agencies report that changes to current building construction standards necessary to meet existing general high-performance standards would increase total construction costs between 2 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. Several 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.

The requirements of the bill would apply only to buildings for which a design services contract is entered into on or after September 1, 2013. The bill would take effect September 1, 2011.

Local Government Impact

Local municipalities could see increased costs from the bill's provisions requiring tracking and reporting of related activities to the State Conservation Office. This analysis assumes that any costs associated with implementing the bill's provisions could be met with existing resources.

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, 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

LBB Staff: JOB, SZ, JI, KY

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

LBB Staff: JOB, KJG, JI, KY, PJK