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FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/2006

SPONSOR Carraro LAST UPDATED _____ HB _____

SHORT TITLE Require State Building Energy Conservation SB SM 5

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

General Services Division (GSD)

Energy, Minerals and Natural resources Department (EMNRD)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

SM 5 requests the Governor to issue an Executive Order requiring certain energy conservation measures.

FISCAL IMPLICATIONS

There are potential savings for agencies that have implemented few of these energy conservation initiatives. The Building Services Division (GSD/BSD) of the General Services Department (GSD) has implemented most of these practices, no additional cost savings is expected for GSD/GSD/BSD.

SIGNIFICANT ISSUES

GSD

An Executive Order 2006-001, signed on January 16, 2006, requires energy efficiency standards (based on the U.S. Green Building Council (USGBC) Leadership in Energy and Environmental

Design (LEED) rating system) in all state-funded buildings. GSD/BSD has implemented most of these standards, and many are required by the Governor's Performance Review.

Achieving the full benefit of such an executive order will require detailed guidance and staff training, beyond simply ordering that energy conservation measures are implemented. Otherwise, the results will be mixed. Even in buildings where occupants are already conscientious there is room for improvement, e.g., lights left on in corridors and restrooms, and printers left on. Particular individuals must be assigned responsibility to see that actions are carried out. Some state buildings have all the lights left on all night and weekend. Building temperatures are typically not well controlled even when an effort is made. It must be made a higher priority to be successfully maintained. Accountability is essential.

ENMRD

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OTHER SUBSTANTIVE ISSUES

Senate Memorial 5 does not specify if those buildings that are not under the Governor's direct control would be included (e.g. judicial and legislative branches, land commissioner, universities, public schools).

Enforcement issues are not addressed in SM 5.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Requirements of existing Executive Orders cover most, if not all, of the recommendations made in SM 5.

POSSIBLE QUESTIONS

Add clarifications that state buildings not under the Governor, including legislative and judicial branches, public schools and higher education, are covered by using language similar to Executive Order 2006-001 (all state-funded buildings).

BMC/yr