



Colorado Legislative Council Staff Fiscal Note
**STATE and LOCAL
 FINAL FISCAL IMPACT**

Drafting Number: LLS 07-0229
Prime Sponsor(s): Rep. Levy
 Sen. Gordon

Date: June 7, 2007
Bill Status: Signed into Law
Fiscal Analyst: Brad Denning (303-866-4777)

TITLE: CONCERNING THE REQUIREMENT THAT CERTAIN LOCAL GOVERNMENTS ADOPT AN ENERGY EFFICIENCY CODE IN CONNECTION WITH THE CONSTRUCTION OF CERTAIN BUILDINGS.

Fiscal Impact Summary	FY 2007-2008	FY 2008-2009
State Revenue	\$0	\$0
State Expenditures	Potential Reallocation of Current Grants	
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: The bill was signed by the Governor and became law on May 3, 2007.		
Appropriation Summary for FY 2007-2008: None required.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

The bill requires every board of county commissioners and every municipal governing board with a building code to adopt and enforce a building energy code that meets or exceeds the 2003 International Energy Conservation Code standard, or any successor edition or other code approved by the Governor's Office of Energy Management and Conservation (OEMC), within one year of this bill's effective date. The energy code applies to the construction, renovation, and additions to all commercial and residential buildings. The bill exempts certain buildings from the energy code.

The OEMC is required to provide information that explains the requirements and compliance methods of the energy code to builders, designers, engineers, and architects. OEMC must also provide technical assistance to local governments regarding the function and enforcement of the code.

State Expenditures

Governor's Office of Energy Management and Conservation. The OEMC currently supports statewide efforts to create greater energy efficiency through the use of public/private partnerships and the testing of emerging technologies. This bill requires the OEMC to do the following:

- ensure that information explaining energy code requirements and compliance methods is available to builders, designers, engineers, and architects; and
- provide technical assistance to local governments concerning the implementation and enforcement of the energy code.

The OEMC currently provides information on the international energy code to builders, designers, engineers, and architects. The OEMC will conduct regional technical assistance training sessions for local governments on the implementation and enforcement of the energy code. The cost of these sessions is estimated at \$10,000 in FY 2007-08 and \$7,500 in FY 2008-09. The OEMC will contract for all-day training sessions at a cost of \$2,500 per session (4 sessions in year one and 3 in year two). The fiscal note assumes that these costs can be met within the existing budget for OEMC. The FY 2005-06 OEMC budget was \$28.6 million. The OEMC operates, for the most part, on federal grants which the Governor's Office has discretionary authority over.

Local Government Impact

The bill requires municipalities and counties with a building code to modify their codes to meet the energy efficiency standards of the 2003 International Energy Conservation Code or other code approved by the OEMC. There may be administrative costs to modify these codes. These costs are not quantified.

Departments Contacted

Governor's Office

Local Affairs