

CONDITIONAL FISCAL IMPACT

Drafting Number: LLS 09-0269
Prime Sponsor(s): Rep. Merrifield
 Sen. Carroll M.

Date: January 28, 2009
Bill Status: House Transportation & Energy
Fiscal Analyst: Marc Carey (303-866-4102)

TITLE: CONCERNING MEASURES TO ENCOURAGE THE CONSTRUCTION OF NEW HOMES THAT MAKE COST-EFFECTIVE USE OF SOLAR ENERGY.

Fiscal Impact Summary	FY 2009-2010	FY 2010-2011
State Revenue	\$0	\$0
State Expenditures General Fund	Conditional Costs	
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: 90 days after adjournment (August 4, 2009 if adjournment is May 6, 2009) unless a referendum petition is filed.		
Appropriation Summary for FY 2009-2010: See State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

The bill requires commercial homebuilders to offer prospective buyers of each home for which a buyer is under contract at least 30 days before installation of the electrical system:

- the option of having the home include, or be prewired for, a solar photovoltaic installation; and
- a list of solar installers who can assess the home's solar energy generation potential.

In addition, the bill requires the Governor's Energy Office (GEO) to maintain a publicly available, master list of Colorado solar installers. GEO is allowed to establish qualifications of businesses to be included on this list.

State Expenditures

Department of Local Affairs, Division of Housing. The division will incur personal services costs of \$15,862 and 0.3 FTE in FY 2009-10 and FY 2010-11, conditional on the factory-built housing industry choosing to incorporate the solar prewire option in all plans that it reviews. The bill only requires home builders to provide buyers with an option for prewiring. Should the industry not standardize operations, and instead provide prewiring only at the buyer's request, costs will be less.

These costs are related to additional time for plan review and inspection operations by the division's manufactured housing staff. Cost estimates are based on the following assumptions:

- the factory built housing industry will choose to incorporate solar rewiring into all their plans to standardize their operations;
- plan reviews for factory-built homes will take 15 minutes longer to ensure designs are code compliant, and the number of plans reviewed will be similar to last year;
- inspections will take 5 minutes longer to verify that the prewire installation complies with the approved plans, and the number of inspections will be similar to last year; and
- the division will need to work with the factory-built industry and solar installation companies to agree on appropriate rewiring standards.

Departments Contacted

Governor's Office

Local Affairs