


Colorado Legislative Council Staff Fiscal Note
FINAL
FISCAL NOTE

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

Date: May 8, 2009
Bill Status: Signed into Law
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		
Cash Fund		
Clean Energy Fund	\$25,000	\$25,000
State Expenditures		
Cash Fund		
Clean Energy Fund	\$25,000	\$25,000
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: The Governor signed the bill into law on May 4, 2009, and unless a referendum petition is filed, the bill will take effect August 5, 2009.		
Appropriation Summary for FY 2009-2010: None required.		
Local Government Impact: None.		

Summary of Legislation

The bill requires homebuilders of each home for which a buyer is under contract to offer prospective buyers the opportunity to have the residence's electrical or plumbing system include one of the following:

- a residential photovoltaic solar generation system or a residential solar thermal system;
- upgrades of wiring or plumbing, or both, planned by the builder to accommodate future installation of such systems;
- a chase or conduit constructed to allow ease of future installation of the necessary wiring or plumbing for such systems.

This offer must be made in accordance with the builder's construction schedule for the residence.

In addition, such homebuilders are required to provide every buyer under contract with a list of solar installers who can assess the home's solar energy generation potential. 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.

Finally, GEO or its designees are directed to offer periodic training sessions on residential photovoltaic solar generation systems or solar thermal system to homebuilders. GEO will cover the cost of these training sessions through a registration fee.

The bill applies to contracts to purchase new single family detached residences, built on or after August 10, 2009. The bill does not apply to unoccupied homes serving as sales inventory or model homes.

State Revenue

Fee Revenue. The bill requires GEO to offer periodic training sessions for homebuilders on residential solar generation and solar thermal systems. GEO is authorized to charge the homebuilders a fee for the sessions in order to cover its costs. It is anticipated that GEO will conduct 10 training sessions annually. GEO would charge a fee of \$50 per participant, which assuming that 50 people attended each session, would result in the collection of \$25,000 in fee revenue annually.

State Expenditures

Governor's Energy Office. GEO will offer 10 training sessions annually at a total cost of \$25,000 to pay for marketing, facility space and training facilitators. This fiscal note assumes that all fee revenue received will be credited to the Clean Energy Fund. Because this fund is continuously appropriated to GEO, no separate appropriation is required.

Departments Contacted

Governor's Office

Local Affairs