

**STATE CONDITIONAL
FISCAL IMPACT**

Drafting Number: LLS 11-0580

Date: February 18, 2011

Prime Sponsor(s): Rep. Gerou

Bill Status: House Local Government

Fiscal Analyst: Jonathan Senft (303-866-3523)

TITLE: CONCERNING THE ESTABLISHMENT OF A GREEN BUILDING INCENTIVE PILOT PROGRAM ADMINISTERED BY THE GOVERNOR'S ENERGY OFFICE TO INCENTIVIZE THE MAKING OF ENERGY EFFICIENCY IMPROVEMENTS TO EXISTING RESIDENCES WITH CURRENT HOME ENERGY RATINGS BELOW MINIMUM STANDARDS FOR PEOPLE WHO PURCHASE HIGHLY EFFICIENT NEW RESIDENTIAL CONSTRUCTION.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue		
State Expenditures Federal Funds	See State Expenditures section.	
FTE Position Change		
Effective Date: August 10, 2011, if the General Assembly adjourns on May 11, 2011, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2011-2012: None.		
Local Government Impact: None.		

Summary of Legislation

This bill creates the Green Building Incentive Pilot Program, to be developed and administered by the Governor's Energy Office (GEO). Under the program, the GEO will award grants to qualified applicants who are preparing to sell their current homes with energy efficiency ratings below minimum standards and purchase highly efficient new residential construction. Grants will be awarded for the purpose of allowing applicants to make energy efficiency improvements to their current residences to increase their marketability.

Applicants are required to submit specified documentation related to the energy requirements for both the existing and the new residences to the GEO, as well as closing documents for the new residence. The GEO is required to maintain a list of qualified contractors able to make the energy efficiency improvements. The bill specifies that federal funds are to be used for all pilot program expenses.

State Expenditures

The bill increases costs to the GEO for administrative costs and making grants to eligible homeowners, and is conditional on the availability of federal funding. Both the size of the program and the administrative costs are dependent on the amount of funding available.

If this program is implemented, the GEO requires 0.5 FTE, at a cost of \$30,000 per year, to cover administrative expenses . This fiscal note assumes that the GEO would award grants ranging from \$10,000 to \$15,000 to eligible homeowners for each retrofit. The number of grants awarded is dependent on the funds available. All expenditures would be covered with federal moneys received by the GEO to initiate the program.

Departments Contacted

Governor's Office

Local Affairs