

# House Bill 2793

Sponsored by COMMITTEE ON ENERGY AND ENVIRONMENT

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Housing and Community Services Department to adopt by rule certain criteria for assignment of energy performance scores for residential buildings.

Requires department to procure certain services related to energy performance scores. Requires person that intends to offer residential building for sale to disclose energy performance score. Requires department to make energy performance scores available in database accessible by public.

Modifies uses of moneys in Clean Energy Deployment Fund. Continuously appropriates half of moneys in fund to department for conducting energy audits.

Creates income tax credit for taxpayer using energy performance assessment services.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to energy use by residential buildings; creating new provisions; amending ORS 470.800;  
3 appropriating money; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) "Residential building" means a structure used, or planned for use, as**  
6 **fewer than five individual residential units.**

7 **(2) In order to allow prospective purchasers of residential property to assess the energy**  
8 **performance of residential buildings and to compare the energy performance with that of**  
9 **similar residential buildings, the Housing and Community Services Department, after con-**  
10 **sultation with the State Department of Energy, shall adopt rules that specify criteria for the**  
11 **assignment of energy performance scores for residential buildings.**

12 **(3) In adopting the rules specified in subsection (2) of this section, the department shall**  
13 **consider, but not be limited to considering, the following:**

14 **(a) Estimated cost per residential building to establish energy performance scores;**

15 **(b) Reliability of energy performance scores in helping to achieve overall energy effi-**  
16 **ciency goals; and**

17 **(c) Simplicity and ease of understanding of energy performance scores.**

18 **SECTION 2. (1) The Housing and Community Services Department shall procure from**  
19 **one or more private contractors the services specified in subsection (2) of this section. Ex-**  
20 **cept as provided in subsection (2)(a)(A) of this section, the department shall compensate the**  
21 **contractor for the services from moneys available in the Clean Energy Deployment Fund**  
22 **established in ORS 470.800 and may not charge owners or prospective purchasers of resi-**  
23 **dential buildings for the services or for any costs related to providing the services.**

24 **(2)(a) Services the department shall procure under subsection (1) of this section and**  
25 **provide to owners of residential buildings include:**

26 **(A) Conducting an energy audit and assigning an energy performance score to each res-**  
27 **idential building that requires an energy performance score under section 3 of this 2013 Act.**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 The department may charge the owner of the residential building for the cost of conducting  
 2 the energy audit and assigning the energy performance score.

3 (B) Conducting an educational program to make the owners of residential buildings aware  
 4 of the owners' obligation to obtain and disclose energy performance scores for residential  
 5 buildings that the owners offer for sale.

6 (C) Advising owners of residential buildings about options for improving the energy per-  
 7 formance scores of the residential buildings with appropriate energy conservation and energy  
 8 efficiency measures and about options available for financing the energy improvements.

9 (b) Services the department shall procure under subsection (1) of this section and provide  
 10 to prospective purchasers of residential buildings include:

11 (A) Estimating the costs of and providing advice concerning financing options that are  
 12 available for energy efficiency and energy conservation improvements for the residential  
 13 building the prospective purchaser is considering for purchase, including energy efficiency  
 14 mortgages and other financing options.

15 (B) Evaluating bids from building contractors for work on energy efficiency and energy  
 16 conservation improvements to the residential building the prospective purchaser is consid-  
 17 ering for purchase, ensuring that the bids conform with the requirements of the financing  
 18 option the prospective purchaser has chosen and advising the prospective purchaser as to  
 19 which set of bids for the energy efficiency and energy conservation improvement work best  
 20 suits the prospective purchaser's needs.

21 (C) Working with the lender that is providing the prospective purchaser with the fi-  
 22 nancing for acquiring the residential building to coordinate the financing for the energy ef-  
 23 ficiency and energy conservation improvements together with the financing for the  
 24 acquisition of the residential building. The department, at the purchaser's request, may have  
 25 the department's contractor complete all necessary documentation.

26 (3) The department shall adopt rules to specify the content of, standards for and any  
 27 other necessary requirements for the services a contractor provides under subsection (2) of  
 28 this section.

29 (4) The department shall make the energy performance scores described in this section  
 30 available in a searchable database that is easily accessible by the public.

31 **SECTION 3.** (1) A person that intends to offer a residential building for sale shall first  
 32 obtain from the Housing and Community Services Department an energy performance score  
 33 for the residential building in accordance with section 2 of this 2013 Act and, when offering  
 34 the residential building for sale, shall disclose in the real estate listing for the residential  
 35 building the energy performance score and the estimated cost of energy utility use for the  
 36 residential building.

37 (2)(a) The Housing and Community Services Department may impose on a person that  
 38 violates subsection (1) of this section a civil penalty in an amount that does not exceed \$250.  
 39 The department shall impose the civil penalty in accordance with ORS 183.745.

40 (b) All penalties recovered by the department for violations of subsection (1) of this sec-  
 41 tion shall be paid into the Clean Energy Deployment Fund established in ORS 470.800.

42 **SECTION 4.** ORS 470.800 is amended to read:

43 470.800. (1) The Clean Energy Deployment Fund is established in the State Treasury, separate  
 44 and distinct from the General Fund. Interest earned by the Clean Energy Deployment Fund shall  
 45 be credited to the Clean Energy Deployment Fund. **Except for the moneys in the Renewable**

1 **Energy Development Subaccount established in ORS 470.805, half of the** moneys in the fund are  
2 continuously appropriated to the State Department of Energy for use as provided in ORS 470.810  
3 **and half of the moneys are continuously appropriated to the Housing and Community Ser-**  
4 **VICES Department for use as provided in section 2 of this 2013 Act.**

5 (2) The [department] **State Department of Energy and the Housing and Community Services**  
6 **Department** may accept grants, donations, contributions or gifts from any source for deposit in the  
7 Clean Energy Deployment Fund.

8 (3) **The Clean Energy Deployment Fund consists of:**

9 (a) **Moneys accepted by the State Department of Energy and the Housing and Community**  
10 **Services Department pursuant to subsection (2) of this section.**

11 (b) **Penalties imposed under section 3 of this 2013 Act.**

12 **SECTION 5.** Section 6 of this 2013 Act is added to and made a part of ORS chapter 315.

13 **SECTION 6.** (1) As used in this section, “residential building” has the meaning given that  
14 term in section 1 of this 2013 Act.

15 (2) **A credit against taxes that are otherwise due under ORS chapter 316 or, if the tax-**  
16 **payer is a corporation, under ORS chapter 317 or 318 is allowed to a taxpayer who uses the**  
17 **services specified in section 2 of this 2013 Act in a real estate transaction involving a resi-**  
18 **dential building during the tax year.**

19 (3) **The amount of the credit allowed under this section shall be as follows:**

20 (a) **\$\_\_\_\_\_ per transaction for a purchaser of real property.**

21 (b) **\$\_\_\_\_\_ per transaction for a seller of real property.**

22 (4) **Prior to claiming the credit allowed under this section, a taxpayer is required to re-**  
23 **ceive written certification of eligibility from the Housing and Community Services Depart-**  
24 **ment.**

25 (5) **The credit allowed under this section may not exceed the tax liability of the taxpayer.**

26 (6) **A nonresident shall be allowed the credit under this section. The credit shall be**  
27 **computed in the same manner and be subject to the same limitations as the credit granted**  
28 **to a resident. However, the credit shall be prorated using the proportion provided in ORS**  
29 **316.117.**

30 (7) **If a change in the taxable year of the taxpayer occurs as described in ORS 314.085,**  
31 **or if the Department of Revenue terminates the taxpayer’s taxable year under ORS 314.440,**  
32 **the credit allowed by this section shall be prorated or computed in a manner consistent with**  
33 **ORS 314.085.**

34 (8) **If a change in the status of a taxpayer from resident to nonresident or from nonres-**  
35 **ident to resident occurs, the credit allowed by this section shall be determined in a manner**  
36 **consistent with ORS 316.117.**

37 (9) **The Housing and Community Services Department shall adopt rules for the purposes**  
38 **of this section, including policies and procedures for certifying taxpayers as eligible for the**  
39 **credit allowed under this section as provided in subsection (4) of this section.**

40 **SECTION 7.** This 2013 Act takes effect on the 91st day after the date on which the 2013  
41 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.  
42