

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2496 - A

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Includes battery storage in definition of "green energy technology." Defines "total contract price." Permits contracting agency, as alternative to including green energy technology in construction, reconstruction or major renovation of public building, to make expenditure to improve energy use efficiency in public building.

Government Unit(s) Affected:

Department of Energy (DOE), Department of Environmental Quality (DEQ), Statewide

Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Analysis:

The measure would provide a contracting agency the option to improve energy efficiency in a public building instead of using "green energy technology" in any construction, reconstruction, or major renovation of the public building. It would require a contracting agency to show results of an analysis of total solar resource fraction that applies to site on which the contracting agency intends to construct green energy technology, using solar energy for space or water heating or electricity generation. The measure would be limited only to new public improvement projects with a total contract price of \$5 million or more, or to major renovations that exceed 50 percent of the value of the public building. The measure would take effect 91 days after the Legislative Assembly adjourns *sine die* and would become operative on January 1, 2020.

Department of Environmental Quality

The Department of Environmental Quality (DEQ) has no capital building projects underway, nor does it anticipate any in the coming biennia. DEQ does not anticipate adopting any new rules or taking any other administrative action prior to the measure's operative date. The measure would have no fiscal impact on DEQ.

Department of Energy

The Department of Energy (DOE) would need to adopt new administrative rules to implement the measure. DOE would also need to update its reporting database (and associated Information Technology) within its Planning and Innovation Division, Energy Efficiency and Conservation Section. DOE anticipates that more projects would be captured in the database, due to the additional compliance check proposed through the measure's building permit process. The measure would have a minimal fiscal impact to DOE.

Statewide

Most state agencies rent their facilities from the Department of Administrative Services; thus, they would not be impacted by the measure.

For agencies that own and operate their own facilities, the measure could impact any number of large capital improvement or capital construction projects on state-owned buildings. The impact would depend, however, on

how many public improvement projects, if any, a contracting agency expects to undertake in subsequent biennia, as well as the total contract price of a public improvement project and the value of a given public building. Because of these uncertain variables, the fiscal impact of the measure is indeterminate.