

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: SB 870 - 4**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

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

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Date: April 4, 2023

**Measure Description:**

Directs the Oregon Department of Energy to adopt rules to specify an energy performance standard for covered commercial buildings.

**Government Unit(s) Affected:**

Department of Consumer and Business Services, Department of Administrative Services, Department of Transportation, Department of Education, Department of Energy, Department of Justice, Statewide, Counties, Cities

**Analysis:**

This fiscal impact statement is for the purpose of transmitting the measure from the Senate Committee on Energy and Environment to the Joint Committee on Ways and Means.

The measure directs the Oregon Department of Energy (ODOE), in consultation with the Department of Consumer and Business Services, to adopt rules to specify an energy performance standard for covered commercial buildings by December 31, 2024. The measure includes assessment and reporting requirements for different types of buildings; permits ODOE to impose civil penalties; requires development of a database for certain types of eligible buildings; and permits ODOE to offer incentives for eligible building owner compliance. The measure also sets limits on the amount of incentive payments, though these amounts are not yet specified.

Preliminary estimates from ODOE are that this measure would cost \$3.7 million General Fund in the 2023-25 biennium, and \$2.4 million General Fund in the 2025-27 biennium, which includes seven new positions. These estimates do not include any other state agency costs as a result of this measure; and have not yet been evaluated by the Legislative Fiscal Office, so are subject to change.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.

Further Analysis Required