

Multiple Agency Fiscal Note Summary

Bill Number: 1433 E 3S HB	Title: Energy labeling/residential
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	No fiscal impact					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	.2	57,578	57,578	57,578	.0	0	0	0	.0	0	0	0
Total \$	0.2	57,578	57,578	57,578	0.0	0	0	0	0.0	0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Val Terre, OFM	Phone: (360) 280-3973	Date Published: Final 2/21/2024
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Individual State Agency Fiscal Note

Bill Number: 1433 E 3S HB	Title: Energy labeling/residential	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.4	0.2	0.0	0.0
Account					
General Fund-State 001-1	0	57,578	57,578	0	0
Total \$	0	57,578	57,578	0	0

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Kim Cushing	Phone: (360) 786-7421	Date: 02/11/2024
Agency Preparation: Joseph Piper	Phone: 360-725-3042	Date: 02/21/2024
Agency Approval: Joseph Piper	Phone: 360-725-3042	Date: 02/21/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/21/2024

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

The third substitute of this bill allows local governments to adopt home energy scoring requirements in their laws when a home is listed for sale. The home energy score must align with DOE scoring methodology and the energy scorer must be a qualified home energy auditor.

Section 3 states that by November 30, 2024, the department of Commerce shall develop, maintain, and make available a standardized format for home energy performance reports prepared pursuant to section 2 of this act.

The role of Commerce in rulemaking and managing energy scoring reports from local governments statewide has been removed in the third substitute.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

None.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Section 3: By November 30, 2024, the department shall develop, maintain, and make available a standardized format for home energy performance reports prepared pursuant to section 2 of this act.

This section requires Commerce to create a home energy score template that complies with DOE Energy Score requirements and make it publicly available. DOE home energy score templates exist, and Commerce will likely leverage existing tools. This assumption has been built into the fiscal note estimation of staff time.

To complete this work, the department estimates the following will be needed in FY 25:

0.4 FTE COM 2 Commerce Specialist 2 (835 hours) in FY 25 for the design and development of the state home energy score template based on existing Department of Energy scoring tools.

Salaries and Benefits

FY 25: \$40,448

Goods and Services, Equipment and Travel

FY 25: \$3,823

Intra-Agency Reimbursements

FY 25: \$13,307

Total Costs

FY 25: \$57,578

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	0	57,578	57,578	0	0
Total \$			0	57,578	57,578	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.4	0.2		
A-Salaries and Wages		29,169	29,169		
B-Employee Benefits		11,279	11,279		
C-Professional Service Contracts					
E-Goods and Other Services		3,823	3,823		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		13,307	13,307		
9-					
Total \$	0	57,578	57,578	0	0

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Commerce Specialist 2	70,799		0.4	0.2		
Total FTEs			0.4	0.2		0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

None.

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1433 E 3S HB

Title: Energy labeling/residential

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities:
- Counties:
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option: Cities and counties have the option to require owners of single-family residences to obtain and provide a home energy performance report before listing the property for sale.
- Key variables cannot be estimated with certainty at this time: How many local governments would adopt the local option.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 669-3002	Date: 02/13/2024
Leg. Committee Contact: Kim Cushing	Phone: (360) 786-7421	Date: 02/11/2024
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/13/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/13/2024

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This note is on 1433 E3S HB and compares it to 1433 3S HB.

CHANGES BETWEEN THIS VERSION AND THE PRIOR VERSION OF THE BILL:

Sec. 2 is amended to add a new subsection (3) which would prohibit cities and counties from requiring a home energy performance report until an analysis of the financial impacts to low-income home sellers is performed and a home energy performance report assistance program is adopted.

These changes do not impact the fiscal impacts discussed below.

This legislation would take effect 90 days after adjournment of the session in which the bill is passed.

SUMMARY OF CURRENT BILL:

This legislation would allow cities and counties to require owners of single-family homes to obtain and provide a home energy performance report before a residence is listed for sale. If cities and counties choose the local option, they will be required to complete an analysis of the financial impact on low-income home sellers and adopt a program to provide financial assistance.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

This bill would not impact local government expenditures due to the local option.

This bill presents a local option for cities and counties to require owners of single-family residences to obtain and provide home energy reports before listing a residence for sale. It is unknown how many jurisdictions would choose to require these reports, or how much it would cost to implement.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

This bill would not impact local government revenues.