

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: SB 109

House of Origin ☐ Introduced ☐ Substitute ☒ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Petersen

3. Committee: General Laws and Technology

4. Title: Green Public Buildings Act

5. Summary/Purpose: Requires executive branch agencies and institutions entering the design phase for construction of a new building greater than 5,000 gross square feet in size, or renovating such a building where the cost of renovation exceeds 50 percent of the value of the building, to conform to the LEED Silver or Green Globes two globe standard or standards at least as stringent. Exemptions from the requirement may be granted by the Director of the Department of General Services upon a finding of special circumstances that make construction or renovation to the standards impracticable.

6. Fiscal impact estimates are indeterminate.

7. Budget amendment necessary: No

8. Fiscal implications:

Application of the Leadership in Energy and Environmental Design (LEED) standard is estimated to impact annual capital project costs at an increased cost of one to three percent per project. Additional administrative costs to manage and implement the LEED process and to manage appeals are likely to require additional personnel at the Department of General Services. Examples of additional costs that standards impose can include purchase of high efficiency water fixtures, more efficient insulation and building materials, and ventilation equipment.

Similar standards for renovated or newly constructed state owned buildings currently exist or are included in the 2009 Introduced Budget (Virginia Energy Conservation and Environmental Standards (VEES). Requirement that projects meet LEED may impact the ability of state agencies to acquire materials and products at the optimal pricing level.

The revised legislation permits LEED or Green Globes standard or standards at least as stringent.

9. Specific agency or political subdivisions affected: Executive branch agencies, Department of General Services

10. Technical amendment necessary: No

11. Other comments: None

Date: 02/17/2010

cc: Secretary of Administration