

Department of Planning and Budget
2021 Special Session I - Fiscal Impact Statement

1. Bill Number: HB2227

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Kory

3. Committee: Passed both Houses.

4. Title: Uniform Statewide Building Code; amendments; energy efficiency and conservation.

5. Summary: Requires the Board of Housing and Community Development to adopt amendments to the Uniform Statewide Building Code within one year of publication of a new version of the International Code Council's International Energy Conservation Code (IECC) to address changes related to energy efficiency and conservation. The bill requires the Board to adopt Building Code standards that are at least as stringent as those contained in the new version of the IECC. In conducting its review, the Board shall assess the public health, safety, and welfare benefits of adopting standards that are at least as stringent as those contained in the IECC, including potential energy savings and air quality benefits over time compared to the cost of initial construction.

6. Budget Amendment Necessary: Yes, to Item of HB1800/SB1100.

7. Fiscal Impact Estimates: Final.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2021			
2022	\$250,000	1	General Fund
2023	\$250,000	1	General Fund
2024	\$250,000	1	General Fund
2025	\$250,000	1	General Fund
2026	\$250,000	1	General Fund
2027	\$250,000	1	General Fund

8. Fiscal Implications: The bill states that the Board shall assess the public health, safety, and welfare benefits of adopting standards that are at least as stringent as those contained in the IECC, including potential energy savings and air quality benefits over time compared to the cost of initial construction. According to the Department of Housing and Community Development (DHCD), the agency does not have the staff expertise or resources to handle this additional ongoing assessment. DHCD anticipates the need to hire a consultant to conduct evaluation and analysis of potential energy savings and air quality benefits over time compared to the cost of initial construction and the health, safety and welfare components of

adopting stringent energy codes. The cost associated with this is estimated at \$150,000 annually. In addition, the agency anticipates the need of one FTE at a cost of \$100,000 for salary, benefits, and operating costs to coordinate with the consultant, process data, and assist with the adoption of regulations. DHCD anticipates these costs to be ongoing, as each code change cycle lasts approximately 18 months to 24 months.

9. Specific Agency or Political Subdivisions Affected: Department of Housing and Community Development.

10. Technical Amendment Necessary: No.

11. Other Comments: None.