## Department of Planning and Budget 2022 Fiscal Impact Statement

1.	Bill Number	r: SB290					
	House of Orig	in 🗌	Introduced	$\boxtimes$	Substitute		Engrossed
	<b>Second House</b>		In Committee		Substitute		Enrolled
2.	Patron:	Favola					
3.	Committee:	mittee: General Laws and Technology					
1.	Title:	Solar-ready roof requirements for state agencies and localities; energy-positive building design.					

- 5. Summary: Requires any executive branch agency or institution and any locality entering the design phase on or after January 1, 2023 for the construction of a new building greater than 5,000 gross square feet in size, or the renovation of a building where the cost of the renovation exceeds 50 percent of the value of the building, to ensure that such building includes a solar-ready, cool, or energy-efficient roof, defined in the bill as a roof with (i) the structural capability to accept the increased load from solar panels, proper sizing of the electrical panel, installation of conduit and wire from the roof to the electrical panel, use of solar-appropriate roof membranes and other roofing materials, and clustering of vents and non-solar equipment to maximize available space for solar panels, (ii) if the governing body of the locality determines that solar panels are impractical or not cost-effective, roofing materials with the ENERGY STAR label that meet maximum solar reflectance and reliability criteria along with a minimum of R-38 insulation; or (iii) a ballasted EPDM roof system with a minimum of R-38 insulation. The bill also requires new public school buildings and facilities, and improvements and renovations to existing public school buildings and facilities where the cost of the renovation exceeds 50 percent of the value of the building be designed and constructed to meet net-zero energy consumption standards. The local governing body may grant an exemption from such standards pursuant to finding that special circumstances make the construction or renovation to the standards impracticable or if the building has been declared a historic landmark by the Board of Historic Resources.
- 6. Budget Amendment Necessary: No.
- 7. **Fiscal Impact Estimates:** There is an indeterminate fiscal impact on future construction costs. See Item 8.
- **8. Fiscal Implications:** The fiscal impacts of this bill are indeterminate. The bill requires that new buildings greater than 5,000 square feet in size constructed by the state and certain renovated state-owned buildings have a solar-ready, cool, or energy-efficient roof, as defined in the bill. These requirements are likely to affect the cost of construction and renovations, but would be dependent on the specific buildings and situation surrounding their construction or renovation. If it is assumed that buildings constructed or renovated pursuant to these requirements would subsequently be outfitted with solar panels or similar equipment, there

would likely be some operational energy savings, however, any potential savings is indeterminate and would need to be evaluated during the planning phase of construction.

- **9. Specific Agency or Political Subdivisions Affected:** Department of General Services, institutions of higher education, and local public bodies.
- **10. Technical Amendment Necessary:** Yes §2.2-1183 applies directly to executive branch agencies or institutions, but the amendments on line 26 grant authority to "the governing body of the locality" to determine if solar panels are impractical or not cost-effective. Other paragraphs in this section give the authority to grant exemptions to the Director of the Department of General Services.

Line 26, after "(ii)", strike "if the governing body of the locality" and insert "if the Director of the Department".

**11. Other Comments:** This bill is similar to HB471.

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