

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: SB634

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Surovell

3. Committee: Finance and Appropriations

4. Title: Alternative and efficient energies; subsidies and rebates.

5. Summary: Establishes the Energy Efficiency Subsidy Program to fund grants to subsidize residential energy efficiency measures. Additionally, the bill directs the Department of Taxation to coordinate with the Department of Environmental Quality, the Department of Mines, Minerals and Energy, and the Department of Motor Vehicles to determine the best method, administrator, and metrics, if any, to incorporate an electric vehicle rebate program into the Energy Efficiency Subsidies Program as created by this bill. Additionally, the provisions of this bill shall not become effective unless an appropriation effectuating the purposes of this bill is included in a general appropriation act passed in 2020 by the General Assembly that becomes law

6. Budget Amendment Necessary: See item 8, below.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: This bill establishes the Energy Efficiency Subsidy Fund and Program, for the purposes of funding grants to subsidize residential energy efficiency measures. A budget amendment of an indeterminate amount would be needed to capitalize the Fund.

This bill would increase the administrative responsibilities of DMME. As part of its implementation and administrative responsibilities, DMME will administer the program for the purposes of funding grants to subsidize residential energy efficiency measures, including constructing energy efficiency property and conducting energy audits, and develop a grant application process. The Fund is based on an indeterminate appropriation, gifts, donations, grants, bequest, and other funds received on its behalf; the bill does not establish that the Fund may be used for the implementation and administration of the Fund and program. Depending on the size and scale of the program, DMME anticipates that an additional classified position may be required to administer the Fund and program but is indeterminate at this time.

The second enactment of the amended bill tasks the Department of Taxation, Department of Environmental Quality, Department of Mines, Minerals and Energy, and Department of Motor Vehicles, with working together to determine the necessary criteria to incorporate an electric vehicle rebate program into the Energy Efficiency Subsidy Program.

The Department of Motor Vehicles does not anticipate a fiscal impact from the bill.

Also, the third enactment provides that the provisions of this bill will not become effective unless an appropriation effectuating the purposes of this act is included in a general appropriation act passed in 2020 by the General Assembly that becomes law.

The fiscal impact to the Department of Taxation and Department of Environmental Quality is unknown.

9. Specific Agency or Political Subdivisions Affected: Department of Mines, Minerals and Energy; Department of Taxation; Department of Environmental Quality; Department of Motor Vehicles.

10. Technical Amendment Necessary: No.

11. Other Comments: None.