

BILL ANALYSIS

C.S.H.B. 2919
By: Raney
Energy Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that energy-efficient buildings are vital in the effort to reduce both energy usage and utility costs. The parties assert that incorporating proven, cutting-edge energy efficiency techniques from the private sector into state-owned buildings will decrease the state's utility burden and allow taxpayer funds from the savings to be redirected to other state services, such as education and health care. C.S.H.B. 2919 seeks to address this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2919 amends the Government Code to require the Energy Systems Laboratory at the Texas A&M Engineering Experiment Station, in consultation with the Texas Facilities Commission and the State Energy Conservation Office (SECO), to establish and implement a pilot program in which SECO makes or guarantees loans used to finance improvements that will increase the energy efficiency of state-owned buildings and in which the savings in utility costs resulting from such improvements generate a 30 percent return on the costs of the improvements. The bill requires such a loan made or guaranteed to have an amortization period twice as long as the projected period in which the loan could be repaid with utility cost savings attributable to such improvements. The bill restricts the appropriation of money attributable to utility cost savings resulting from improvements made to a building under the program to the governmental entity that owns the building in which the utility cost savings occur. The bill's provisions expire August 31, 2020.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2919 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Subchapter I, Chapter 2166, Government Code, is amended by adding Section 2166.410 to read as follows:

Sec. 2166.410. ENERGY EFFICIENCY PILOT PROGRAM. (a) The Energy Systems Laboratory at the Texas A&M Engineering Experiment Station, in consultation with the commission and the State Energy Conservation Office, shall establish and implement a pilot program in which:

(1) the State Energy Conservation Office makes or guarantees loans used to finance improvements that will increase the energy efficiency of state-owned buildings maintained by the commission; and

(2) the savings in utility costs resulting from the improvements made under Subdivision (1) generate a 30 percent return on the costs of the improvements.

(b) A loan made or guaranteed under this section must have an amortization period twice as long as the projected period in which the loan could be repaid with utility cost savings attributable to the improvements made under this section.

(c) Money attributable to utility cost savings resulting from the program may only be appropriated to the commission.

(d) This section expires August 31, 2020.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subchapter I, Chapter 2166, Government Code, is amended by adding Section 2166.410 to read as follows:

Sec. 2166.410. ENERGY EFFICIENCY PILOT PROGRAM. (a) The Energy Systems Laboratory at the Texas A&M Engineering Experiment Station, in consultation with the commission and the State Energy Conservation Office, shall establish and implement a pilot program in which:

(1) the State Energy Conservation Office makes or guarantees loans used to finance improvements that will increase the energy efficiency of state-owned buildings; and

(2) the savings in utility costs resulting from the improvements made under Subdivision (1) generate a 30 percent return on the costs of the improvements.

(b) A loan made or guaranteed under this section must have an amortization period twice as long as the projected period in which the loan could be repaid with utility cost savings attributable to the improvements made under this section.

(c) Money attributable to utility cost savings resulting from improvements made to a building under the program may be appropriated only to the governmental entity that owns the building in which the utility cost savings occur.

(d) This section expires August 31, 2020.

SECTION 2. Same as introduced version.