### BILL ANALYSIS

Senate Research Center

H.B. 2783 By: Anchia et al. (Averitt) Natural Resources 5/20/2009 Engrossed

#### AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Building energy codes provide the cheapest, most cost-effective strategy for helping meet future energy needs while accommodating economic and population growth. The 2009 International Energy Conservation Code (IECC) is a national, consensus-based model code that provides a level playing field for builders and a common foundation for manufacturers and suppliers. The 2009 IECC is expected to result in significant energy savings and related emissions reductions, estimated at 12 to 15 percent annual improvement for an average home, with higher reductions in air conditioning electrical use. In the past three years, a growing number of cities, including Dallas, Houston, and Austin, and many smaller cities have adopted more recent model codes than the current state minimum and, most importantly, have amended those codes to increase required energy savings to satisfy policy interests and public expectation, resulting in a patchwork of unique requirements.

This bill updates the Health and Safety Code to be in line with the updated International Energy Conservation Code for single-family and duplex residential construction and all other residential, commercial, and industrial construction. The bill adopts the updated code provisions beginning January 1, 2012.

H.B. 2783 amends current law relating to the adoption of energy efficient building standards and energy efficiency and conservation standards for instructional facilities.

#### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the State Energy Conservation Office (SECO) is modified in SECTION 1 (Section 388.003, Health and Safety Code) of this bill.

Rulemaking authority is expressly granted to SECO in SECTION 3 (Section 46.102, Education Code) of this bill.

#### SECTION BY SECTION ANALYSIS

SECTION 1. Reenacts Section 388.003, Health and Safety Code, as amended by Chapters 262 (S.B. 12) and 939 (H.B. 3693), Acts of the 80th Legislature, Regular Session, 2007, and amends it, as follows:

Sec. 388.003. ADOPTION OF BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS. (a) Provides that to achieve energy conservation in single-family and duplex residential construction, the energy efficiency provisions, rather than chapter, of the International Residential Code (IRC), as it existed on May 1, 2001, is adopted as the energy code in this state for single-family and duplex residential construction. Provides that beginning January 1, 2012, the energy efficiency provisions of IRC, as it existed on May 1, 2009, is adopted as the energy code in this state for single-family code in this state for single-family and duplex residential construction.

(a-1) Provides that for purposes of energy code compliance under the limited statutory warranties and building and performance standards under Section 430.001, Property Code, and inspections of new residential construction required under Subtitle F, Title 16, Property Code, Subsection (a) of this section controls for single-family and duplex residential construction located in unincorporated areas not in the extraterritorial jurisdiction of a municipality. Provides that to the

extent of any conflict between this subsection and any other law, including Section 430.001, Property Code, this subsection prevails.

(b) Provides that beginning January 1, 2012, the International Energy Conservation Code (IECC), as it existed on May 1, 2009, is adopted as the energy code in this state for all other residential, commercial, and industrial construction.

(b-1) Authorizes the State Energy Conservation Office (SECO) by rule, if SECO determines, based on written recommendations from the laboratory, that the latest published IRC, rather than the latest published edition of IRC, energy efficiency provisions or the latest published edition of IECC will result in residential or commercial sector energy efficiency and air quality impact overall that is equivalent to or better than the energy efficiency and air quality achievable under the editions adopted under Subsection (a) or (b), to adopt the equivalent or more stringent editions and substitute them for the energy codes described by Subsection (a) or (b).

(b-2) and (b-3) Makes no changes to these subsections.

(c) Requires a municipality to establish procedures for the administration and enforcement of the codes and to ensure that code-certified inspectors or approved energy efficiency program verifiers are required to perform inspections and enforce the code in the inspectors' jurisdictions.

(d) Authorizes a municipality or county to establish procedures to adopt local amendments to IECC and the energy efficiency provisions, rather than chapter, of IRC.

(e) Prohibits local amendments from resulting in less stringent overall energy efficiency requirements, rather than less stringent energy efficiency requirements in nonattainment areas and in affected counties, than the energy efficiency chapter of IRC or IECC. Deletes existing text authorizing the laboratory, for the purpose of establishing uniform requirements throughout a region, and on request of a council of governments, a county, or a municipality, to recommend a climatically appropriate modification or a climate zone designation for a county or group of counties that is different from the climate zone designation in the unamended code.

(f) Requires each municipality, and each county that has established procedures under Subsection (d), to periodically review and consider revisions made by the International Code Council to IECC and the energy efficiency chapter of IRC adopted after May 1, 2009, rather than 2001.

(g)-(i) Makes no changes to these subsections.

SECTION 2. Amends the heading to Chapter 46, Education Code, to read as follows:

# CHAPTER 46. INSTRUCTIONAL FACILITIES AND ASSISTANCE WITH PAYMENT OF EXISTING DEBT

SECTION 3. Amends Chapter 46, Education Code, by adding Subchapter D, as follows:

### SUBCHAPTER D. STANDARDS FOR INSTRUCTIONAL FACILITIES

Sec. 46.101. DEFINITION. Defines "instructional facility."

# Sec. 46.102. ENERGY EFFICIENCY AND CONSERVATION STANDARDS FOR INSTRUCTIONAL FACILITIES. (a) Defines "energy office."

(b) Requires SECO to adopt energy efficiency and conservation standards for the design, construction, and major renovation of instructional facilities that school

districts may adopt or use to achieve long-term savings in energy and water costs through innovative building techniques.

(c) Requires that standards adopted under Subsection (b) match certain high-performance building certification standards.

(d) Authorizes SECO to update the standards adopted under this section not more frequently than once every three years.

(e) Requires SECO to prepare an analysis of the typical initial building costs and projected energy and other savings associated with the implementation of the standards adopted by SECO under this section. Requires that SECO publish the analysis and make copies available to all school districts in this state.

(f) Requires SECO to adopt rules necessary to administer this section.

Sec. 46.103. STATE AND FEDERAL FUNDS. Requires SECO, to the extent possible, to assist school districts to obtain state and federal funding for implementing the standards adopted under this subchapter.

SECTION 4. Requires SECO, not later than July 1, 2010, to adopt rules establishing energy efficiency, conservation, and indoor air quality standards for the design, construction, and renovation of public school instructional facilities as required by Section 46.102, Education Code, as added by this Act.

SECTION 5. Effective date: September 1, 2009.