

## **BILL ANALYSIS**

Senate Research Center  
84R22015 JXC-F

H.B. 1736  
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Natural Resources & Economic Development  
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Engrossed

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

With the increasing inflexibility and number of energy codes, there is concern that housing affordability is suffering and code compliance is becoming more difficult. To further complicate the situation, the cost savings of a property's energy-efficient features are often undervalued in the appraisal process. The increase in the sales price of a property sometimes results in a delayed closing or a lost sale. Interested parties contend that implementing a more intelligent and rational energy code policy would result in significantly better energy code compliance rates and effective price-sensitive applications that benefit all Texans. H.B. 1736 seeks to address these issues.

H.B. 1736 amends current law relating to building energy efficiency performance standards.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 388.003, Health and Safety Code, by amending Subsections (a), (b), (b-2), (b-3), (d), and (i) and adding Subsections (j) and (k), as follows:

(a) Provides that, to achieve energy conservation in single-family residential construction, the energy efficiency chapter of the International Residential Code, as it existed on May 1, 2001, is adopted as the energy code in this state for single-family residential construction. Provides that, on September 1, 2016, the energy efficiency chapter of the International Residential Code, as it existed on May 1, 2015, is adopted as the energy code in this state for single-family residential construction. Authorizes the State Energy Conservation Office (SECO), on or after September 1, 2021, to adopt and substitute for that energy code the latest published edition of the energy efficiency chapter of the International Residential Code, based on written findings on the stringency of the chapter submitted by the laboratory under Subsection (b-3). Provides that the office:

(1) may not adopt an edition under this subsection more often than once every six years; and

(2) by rule shall establish an effective date for an adopted edition that is not earlier than nine months after the date of adoption.

(b) Provides that, to achieve energy conservation in all other residential, commercial, and industrial construction, the International Energy Conservation Code as it existed on May 1, 2001, is adopted as the energy code for use in this state for all other residential, commercial, and industrial construction. Authorizes SECO to adopt and substitute for that energy code the latest published edition of the International Energy Conservation Code, based on written findings on the stringency of the edition submitted by the laboratory under Subsection (b-3). Requires SECO by rule to establish an effective date for an adopted edition that is not earlier than nine months after the date of adoption.

(b-2) Requires SECO by rule to establish a procedure for persons who have an interest in the adoption of energy codes under Subsection (a) or (b), rather than Subsection (b-1), to have an opportunity to comment on the codes under consideration. Requires SECO to consider persons who have an interest in adoption of those codes to include:

(1)-(3) Makes nonsubstantive changes to these subdivisions; and

(4) manufacturers of building materials and products.

(b-3) Requires the laboratory to:

(1) submit to SECO written findings on the stringency of the latest published edition of the International Residential Code energy efficiency provisions only if the date of the edition allows the office to adopt the edition under Subsection (a)(1);

(2) submit to SECO written findings on the stringency of the latest published edition of the International Energy Conservation Code not later than six months after publication of a new edition; and

(3) in developing the findings, consider the comments submitted under Subsection (b-2).

(d) Authorizes a municipality, rather than municipality or county, to establish procedures to adopt local amendments to the International Energy Conservation Code and the energy efficiency chapter of the International Residential Code. Authorizes a municipality located in an area defined by Section 388.002(11) (defines "nonattainment area") or in an affected county, notwithstanding the requirements of Subsection (e) (relating to local amendments resulting in less stringent energy efficiency requirements in nonattainment areas), to establish procedures to adopt local amendments to the energy rating index in an optional compliance path of an energy code adopted under this section.

(i) Requires that an energy rating index in an optional compliance path of an energy code described by Subsection (j) be considered in compliance. Makes no further change to this subsection.

(j) Provides that, for the purposes of this chapter, the Energy Rating Index used to measure compliance for single-family residential construction in an optional compliance path of an edition of the energy efficiency chapter of the International Residential Code that uses an energy rating index is as set forth in this subsection.

(k) Provides that this subsection and Subsection (j) expire September 1, 2025.

Deletes existing text requiring the laboratory to consider the comments submitted under Subsection (b-2) in developing written recommendations under Subsection (b-1).

SECTION 2. Repealer: Section 388.003(b-1) (relating to SECO by rule adopting the equivalent or more stringent editions and substituting them for the energy codes), as added by Chapter 262 (S.B. 12), Acts of the 80th Legislature, Regular Session, 2007; and

Repealer: Section 388.003(b-1) (relating to SECO by rule adopting the equivalent or more stringent editions and substituting them for the energy codes), as added by Chapter 939 (H.B. 3693), Acts of the 80th Legislature, Regular Session, 2007.

SECTION 3. Effective date: upon passage or September 1, 2015.