

# CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 29, 2009  
Date

Honorable David Dewhurst  
President of the Senate

Honorable Joe Straus  
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on House Bill 431 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

<u>J. Hinojosa</u> Senator Hinojosa, Chair.	<u>Edie Lucio III</u> Rep. Lucio, Chair
<u>[Signature]</u> Senator Averitt	<u>[Signature]</u> Rep. Rocha
<u>[Signature]</u> Senator Hagar Nelson	<u>[Signature]</u> Rep. Keffer
<u>[Signature]</u> Senator Watson-Williams	<u>[Signature]</u> Rep. Maldonado
<u>[Signature]</u> On the part of the Senate Senator Whitmire	<u>[Signature]</u> On the part of the House Rep. Otto

**Note to Conference Committee Clerk:**

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

# CONFERENCE COMMITTEE REPORT

3<sup>rd</sup> Printing

H.B. No. 431

A BILL TO BE ENTITLED

1 AN ACT

2 relating to energy efficiency standards for certain buildings and  
3 to high-performance design, construction, and renovation standards  
4 for certain government buildings and facilities.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter I, Chapter 2166, Government Code, is  
7 amended by adding Section 2166.409 to read as follows:

8 Sec. 2166.409. HIGH-PERFORMANCE, SUSTAINABLE DESIGN,  
9 CONSTRUCTION, AND RENOVATION STANDARDS FOR STATE BUILDINGS. (a)  
10 This section applies to the construction of a state building, or the  
11 renovation of a state building the cost of which is more than 50  
12 percent of the value of the building, including a building for  
13 education, assembly, or office occupancy under the charge and  
14 control of the Texas Department of Transportation, the Parks and  
15 Wildlife Department, the Texas Department of Housing and Community  
16 Affairs, the Texas State Affordable Housing Corporation, or the  
17 Veterans' Land Board that is otherwise exempt from this chapter  
18 under Section 2166.003. This section does not apply to a facility  
19 under the charge and control of the Texas Department of Criminal  
20 Justice or the Texas Youth Commission.

21 (b) A building to which this section applies must be  
22 designed and constructed or renovated so that the building achieves  
23 certification under a high-performance building standard approved  
24 by the commission that:

1           (1) is developed and revised through a nationally  
2 recognized consensus-based process or by a municipally owned  
3 utility in this state;

4           (2) provides minimum requirements for energy use,  
5 natural resources use, and indoor air quality;

6           (3) requires substantiating documentation for  
7 certification;

8           (4) requires on-site, third-party, post-construction  
9 review and verification for certification, or a third-party,  
10 post-construction, rigorous review of documentation and  
11 verification for certification; and

12           (5) encourages the use of materials or products  
13 manufactured or produced in this state.

14           (c) The commission shall appoint an advisory committee to  
15 advise the commission in determining which high-performance  
16 building standards to approve for use under Subsection (b). At  
17 least once each year the advisory committee shall review available  
18 high-performance building standards and make recommendations to  
19 the commission. The advisory committee consists of:

20           (1) the director of facilities construction and space  
21 management appointed under Section 2152.104, who serves as the  
22 presiding officer of the committee;

23           (2) seven individuals with experience and expertise in  
24 high-performance buildings or related products, including  
25 experience and expertise in energy efficiency, water efficiency, or  
26 low-impact site development, with one individual selected from each  
27 of the following lists of nominees:

1           (A) a list submitted by the president of the  
2 Texas Society of Architects;

3           (B) a list submitted by the presidents of the  
4 Texas Council of Engineering Companies and Texas Society of  
5 Professional Engineers;

6           (C) a list submitted by the president of the  
7 Associated Builders and Contractors of Texas and the presiding  
8 officer of the executive committee of the Associated General  
9 Contractors, Texas Building Branch;

10          (D) a list submitted by the president of the  
11 Texas chapter of the Urban Land Institute;

12          (E) a list submitted by the president of the  
13 Texas chapter of the American Society of Landscape Architects;

14          (F) a list submitted by the president of the  
15 Texas Chemical Council; and

16          (G) a list of registered interior designers  
17 submitted by the president of the Texas Association of Interior  
18 Design;

19          (3) one individual appointed by the comptroller who  
20 represents the State Energy Conservation Office;

21          (4) one individual representing a state agency that  
22 has a substantial ongoing construction program; and

23          (5) one individual representing the interests of  
24 historically underutilized businesses.

25          (d) In addition to meeting the requirements of Subsection  
26 (b), a building to which this section applies must be designed and  
27 constructed or renovated so that the building:

1           (1) meets the American Society of Heating,  
2 Refrigeration and Air Conditioning Engineers energy standards in  
3 effect on September 1, 2009, or the International Energy  
4 Conservation Code in effect on September 1, 2009, or an updated  
5 version of those standards or that code adopted by the State Energy  
6 Conservation Office under Subsection (e), if applicable; and

7           (2) achieves a 15 percent reduction in water use when  
8 compared to water use based on plumbing fixtures selected in  
9 accordance with the Energy Policy Act of 1992 (Pub. L. No. 102-486).

10          (e) If the State Energy Conservation Office determines,  
11 based on written recommendations from the Energy Systems Laboratory  
12 at the Texas Engineering Experiment Station of The Texas A&M  
13 University System, that the latest published edition of the  
14 Heating, Refrigeration and Air Conditioning Engineers energy  
15 standards or the International Energy Conservation Code will result  
16 in energy efficiency and air quality that is equivalent to or better  
17 than the energy efficiency and air quality achievable under the  
18 editions described by Subsection (d)(1), the office by rule shall  
19 adopt the equivalent or more stringent editions and substitute them  
20 for the standards or code described by Subsection (d)(1). The rule,  
21 if adopted, must establish an effective date for the new standards  
22 or code but not earlier than nine months after the date of adoption.  
23 The laboratory shall make its recommendations not later than six  
24 months after the date of publication of the new editions.

25          (f) A contract between the commission and a private design  
26 professional relating to services in connection with the  
27 construction or renovation of a building to which this section

1 applies must provide that, for billing purposes, any service  
2 provided by the private design professional that is necessary to  
3 satisfy the requirements of Subsection (b) or (d) is considered an  
4 additional service rather than a basic service.

5 SECTION 2. Subtitle G, Title 10, Government Code, is  
6 amended by adding Chapter 2311 to read as follows:

7 CHAPTER 2311. ENERGY SECURITY TECHNOLOGIES FOR CRITICAL  
8 GOVERNMENTAL FACILITIES

9 Sec. 2311.001. DEFINITIONS. In this chapter:

10 (1) "Combined heating and power system" means a system  
11 that:

12 (A) is located on the site of a facility;

13 (B) is the primary source of both electricity and  
14 thermal energy for the facility;

15 (C) can provide all of the electricity needed to  
16 power the facility's critical emergency operations for at least 14  
17 days; and

18 (D) has an overall efficiency of energy use that  
19 exceeds 60 percent.

20 (2) "Critical governmental facility" means a building  
21 owned by the state or a political subdivision of the state that is  
22 expected to:

23 (A) be continuously occupied;

24 (B) maintain operations for at least 6,000 hours  
25 each year;

26 (C) have a peak electricity demand exceeding 500  
27 kilowatts; and

1           (D) serve a critical public health or public  
2 safety function during a natural disaster or other emergency  
3 situation that may result in a widespread power outage, including  
4 a:

- 5                   (i) command and control center;
- 6                   (ii) shelter;
- 7                   (iii) prison or jail;
- 8                   (iv) police or fire station;
- 9                   (v) communications or data center;
- 10                  (vi) water or wastewater facility;
- 11                  (vii) hazardous waste storage facility;
- 12                  (viii) biological research facility;
- 13                  (ix) hospital; or
- 14                  (x) food preparation or food storage  
15 facility.

16           Sec. 2311.002. COMBINED HEATING AND POWER SYSTEMS. When  
17 constructing or extensively renovating a critical governmental  
18 facility or replacing major heating, ventilation, and  
19 air-conditioning equipment for a critical governmental facility,  
20 the entity with charge and control of the facility shall evaluate  
21 whether equipping the facility with a combined heating and power  
22 system would result in expected energy savings that would exceed  
23 the expected costs of purchasing, operating, and maintaining the  
24 system over a 20-year period. Notwithstanding Chapter 2302, the  
25 entity may equip the facility with a combined heating and power  
26 system if the expected energy savings exceed the expected costs.

27           SECTION 3. The heading to Chapter 46, Education Code, is

1 amended to read as follows:

2 CHAPTER 46. [~~ASSISTANCE WITH~~] INSTRUCTIONAL FACILITIES AND  
3 ASSISTANCE WITH PAYMENT OF EXISTING DEBT

4 SECTION 4. Chapter 46, Education Code, is amended by adding  
5 Subchapter D to read as follows:

6 SUBCHAPTER D. STANDARDS FOR INSTRUCTIONAL FACILITIES

7 Sec. 46.101. DEFINITION. In this subchapter,  
8 "instructional facility" has the meaning assigned by Section  
9 46.001.

10 Sec. 46.102. ENERGY EFFICIENCY AND CONSERVATION STANDARDS  
11 FOR INSTRUCTIONAL FACILITIES. (a) In this section, "energy  
12 office" means the State Energy Conservation Office.

13 (b) The energy office shall adopt energy efficiency and  
14 conservation standards for the design, construction, and major  
15 renovation of instructional facilities that school districts may  
16 adopt or use to achieve long-term savings in energy and water costs  
17 through innovative building techniques.

18 (c) The standards adopted under Subsection (b) must match  
19 high-performance building certification standards that:

20 (1) are developed and revised through a  
21 consensus-based process or by a municipally owned utility in this  
22 state;

23 (2) provide minimum requirements for energy use,  
24 natural resources use, and indoor air quality;

25 (3) require substantiating documentation for  
26 certification;

27 (4) employ third-party, post-construction review and



1 verification for certification; and

2 (5) the energy office determines are nationally  
3 recognized in the building industry, such as:

4 (A) the Texas Collaborative for High Performance  
5 Schools (TX-CHPS) Criteria;

6 (B) the Green Building Initiative's Green Globes  
7 program;

8 (C) the Leadership in Energy and Environmental  
9 Design (LEED) Green Building Rating System; or

10 (D) the Austin Energy Green Building Program.

11 (d) The energy office may update the standards adopted under  
12 this section not more frequently than once every three years.

13 (e) The energy office shall prepare an analysis of the  
14 typical initial building costs and projected energy and other  
15 savings associated with the implementation of the standards adopted  
16 by the energy office under this section. The office shall publish  
17 the analysis and make copies available to all school districts in  
18 this state.

19 (f) The energy office shall adopt rules necessary to  
20 administer this section.

21 Sec. 46.103. STATE AND FEDERAL FUNDS. The energy office  
22 shall, to the extent possible, assist school districts to obtain  
23 state and federal funding for implementing the standards adopted  
24 under this subchapter.

25 SECTION 5. Subchapter B, Chapter 55, Education Code, is  
26 amended by adding Section 55.115 to read as follows:

27 Sec. 55.115. HIGH-PERFORMANCE, SUSTAINABLE DESIGN,

1 CONSTRUCTION, AND RENOVATION STANDARDS FOR CERTAIN FACILITIES. (a)

2 This section applies to the construction of an institution of  
3 higher education building, structure, or other facility, or the  
4 renovation of a building, structure, or other facility the cost of  
5 which is more than 50 percent of the value of the building,  
6 structure, or other facility, any part of the construction or  
7 renovation of which is financed by revenue bonds issued under this  
8 subchapter.

9       (b) A building, structure, or other facility to which this  
10 section applies must be designed and constructed or renovated so  
11 that the building, structure, or other facility complies with  
12 high-performance building standards, approved by the board of  
13 regents of the institution, that provide minimum requirements for  
14 energy use, natural resources use, and indoor air quality. In  
15 approving high-performance building standards, a board of regents  
16 shall consider the standards approved by the Texas Facilities  
17 Commission under Section 2166.409, Government Code, and may solicit  
18 and consider recommendations from the advisory committee appointed  
19 under that section.

20       (c) In addition to meeting the requirements of Subsection  
21 (b), a building, structure, or other facility to which this section  
22 applies must be designed and constructed or renovated to comply  
23 with the applicable energy and water conservation design standards  
24 established by the State Energy Conservation Office under Section  
25 447.004, Government Code.

26   
27 

1 (h) Within the boundaries of an airport operated by a joint  
2 board created under Subchapter D, Chapter 22, Transportation Code,  
3 the constituent agencies of which are populous home-rule  
4 municipalities, the powers of a municipality under this section are  
5 exclusively the powers of the joint board.

6 (i) A building certified by a national, state, or local  
7 accredited energy efficiency program and determined by the  
8 laboratory to be in compliance with the energy efficiency  
9 requirements of this section may, at the option of the  
10 municipality, be considered in compliance. The United States  
11 Environmental Protection Agency's Energy Star Program  
12 certification of energy code equivalency shall be considered in  
13 compliance.

14 SECTION 6. Not later than July 1, 2010, the State Energy  
15 Conservation Office shall adopt rules establishing energy  
16 efficiency, conservation, and indoor air quality standards for the  
17 design, construction, and renovation of public school  
18 instructional facilities as required by Section 46.102, Education  
19 Code, as added by this Act.

20  
21 2109.409, Government Code, as added by this Act, apply only to  
22 institution of higher education building structure, or other  
23 facility or a state building for which the contract for design  
24 services is entered into on or after September 1, 2011.

25 This Act takes effect September 1, 2009.

1 apply must be designed and constructed or renovated to  
2 with the applicable energy and water conservation design standards  
3 established by the State Energy Conservation Office under Section  
4

5 SECTION 7. Section 55.115, Education Code, and Section  
6 2166.409, Government Code, as added by this Act, apply only to an  
7 institution of higher education building, structure, or other  
8 facility or a state building for which the contract for design  
9 services is entered into on or after September 1, 2011.

10 SECTION 8. This Act does not make an appropriation. A  
11 provision in this Act that creates a new governmental program,  
12 creates a new entitlement, or imposes a new duty on a governmental  
13 entity is not mandatory during a fiscal period for which the  
14 legislature has not made a specific appropriation to implement the  
15 provision.

16 SECTION 9. This Act takes effect September 1, 2009.

**House Bill 431**  
**Senate Amendments**  
**Section-by-Section Analysis**

HOUSE VERSION	SENATE VERSION	CONFERENCE
No equivalent provision.	SECTION __. Adds Section 447.015, Government Code, ALLOCATION OF FEDERAL QUALIFIED ENERGY CONSERVATION BONDS.	Same as House version.
No equivalent provision.	SECTION __. Amends Section 2158.301, Government Code, as added by Chapter 939 (H.B. 3693), Acts of the 80th Legislature, Regular Session, 2007, relating to energy conservation: appliances, printers, and photocopy machines.	Same as House version.
No equivalent provision.	SECTION __. Adds Subchapter G, Government Code, LANDSCAPING EQUIPMENT.	Same as House version.
SECTION 1. Adds Section 2166.409, Government Code, HIGH-PERFORMANCE, SUSTAINABLE DESIGN, CONSTRUCTION, AND RENOVATION STANDARDS FOR STATE BUILDINGS.	SECTION 1. Same as House version.	SECTION 1. Same as House version.
No equivalent provision.	SECTION __. Adds Chapter 2311, Government Code, ENERGY SECURITY TECHNOLOGIES FOR CRITICAL GOVERNMENTAL FACILITIES.	SECTION 2. Same as Senate Version.
No equivalent provision.	No equivalent provision.	SECTION 3. The heading to Chapter 46, Education Code, is amended to read as follows: CHAPTER 46. [ <del>ASSISTANCE</del> — <del>WITH</del> ] INSTRUCTIONAL FACILITIES AND <u>ASSISTANCE WITH</u> PAYMENT OF EXISTING DEBT
No equivalent provision.	No equivalent provision.	SECTION 4. Chapter 46, Education Code, is amended by adding

**House Bill 431**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Subchapter D to read as follows:

SUBCHAPTER D. STANDARDS FOR  
INSTRUCTIONAL FACILITIES

Sec. 46.101. DEFINITION. In this subchapter,  
"instructional facility" has the meaning assigned by  
Section  
46.001.

Sec. 46.102. ENERGY EFFICIENCY AND  
CONSERVATION STANDARDS  
FOR INSTRUCTIONAL FACILITIES. (a) In this  
section, "energy

office" means the State Energy Conservation Office.

(b) The energy office shall 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) The standards adopted under Subsection (b) must  
match

high-performance building certification standards that:

(1) are developed and revised through a  
consensus-based process or by a municipally owned  
utility in this  
state;

(2) provide minimum requirements for energy use,  
natural resources use, and indoor air quality;

**House Bill 431**  
**Senate Amendments**  
**Section-by-Section Analysis**

HOUSE VERSION

SENATE VERSION

CONFERENCE

- (3) require substantiating documentation for certification;
  - (4) employ third-party, post-construction review and verification for certification; and
  - (5) the energy office determines are nationally recognized in the building industry, such as:
    - (A) the Texas Collaborative for High Performance Schools (TX-CHPS) Criteria;
    - (B) the Green Building Initiative 's Green Globes program;
    - (C) the Leadership in Energy and Environmental Design (LEED) Green Building Rating System; or
    - (D) the Austin Energy Green Building Program.
  - (d) The energy office may update the standards adopted under this section not more frequently than once every three years.
  - (e) The energy office shall prepare an analysis of the typical initial building costs and projected energy and other savings associated with the implementation of the standards adopted by the energy office under this section. The office shall publish the analysis and make copies available to all school districts in this state.
  - (f) The energy office shall adopt rules necessary to administer this section.
- Sec. 46.103. STATE AND FEDERAL FUNDS. The

**House Bill 431**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

SECTION 2. Adds Section 55.115, Education Code, HIGH-PERFORMANCE, SUSTAINABLE DESIGN, CONSTRUCTION, AND RENOVATION STANDARDS FOR CERTAIN FACILITIES.

SECTION 2. Same as House version.

energy office shall, to the extent possible, assist school districts to obtain state and federal funding for implementing the standards adopted under this subchapter.

SECTION 5. Same as House version.

No equivalent provision.

SECTION \_\_. Adds Subchapter M, Chapter 2166, Government Code, BUILDING ACCESSORIES.

Same as House version.

No equivalent provision.

SECTION \_\_. Adds Section 2305.0321, Government Code, PILOT REVOLVING LOAN PROGRAM FOR SOLAR ENERGY FOR SCHOOL BUILDINGS.

Same as House version.

No equivalent provision.

SECTION \_\_. Repeals Section 2158.301, Government Code, as added by Chapter 262 (S.B. 12), Acts of the 80th Legislature, Regular Session, 2007.

Same as House version.

No equivalent provision.

No equivalent provision.

SECTION 6. Not later than July 1, 2010, the STATE Energy Conservation Office shall 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



**House Bill 431**  
**Senate Amendments**  
**Section-by-Section Analysis**

HOUSE VERSION

SECTION 3. Provides that Section 55.115, Education Code, and Section 2166.409, Government Code, as added by this Act, apply only to an institution of higher education building, structure, or other facility or a state building for which the contract for design services is entered into on or after September 1, 2011.

No equivalent provision.

SECTION 4. This Act takes effect September 1, 2009.

SENATE VERSION

SECTION 3. Same as House version.

SECTION \_\_\_\_. This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

SECTION 4. Same as House version.

CONFERENCE

this act.

SECTION 7. Same as House version.

SECTION 8. Same as Senate version, except specifies that this Act does not make an appropriation and that certain provisions are not mandatory during a fiscal period for which the legislature has not made a specific appropriation to implement the provision.

SECTION 9. Same as House version.

**LEGISLATIVE BUDGET BOARD**

Austin, Texas

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

May 30, 2009

**TO:** Honorable David Dewhurst, Lieutenant Governor, Senate  
Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE:** HB431 by Lucio III (Relating to energy efficiency standards for certain buildings and to high-performance design, construction, and renovation standards for certain government buildings and facilities.), **Conference Committee Report**

**No significant fiscal implication to the State is anticipated during the 2010-11 biennium. There would be costs associated with implementation of the high-performance building portions of the bill beginning in fiscal year 2012.**

**Due to the potential for more efficient use of energy, water, and other resources, there would be an indeterminate amount of savings during the life of a high-performance building.**

The bill would amend the Government Code to establish standards for all new state building construction or renovations that cost more than 50 percent of the value of state owned buildings, including education facilities other than institutions of higher education. The bill exempts the Texas Department of Criminal Justice (TDCJ) and the Texas Youth Commission (TYC) from these standards. The projects would have to be designed, constructed, or renovated so that the building:

- achieves certification under high-performance building standards that are developed and revised through a consensus-based process;
- provides minimum requirements for energy use, natural resource use, and indoor air quality;
- requires substantiating documentation for certification;
- employs third-party, post-construction review and verification for certification, or a third-party post-construction, rigorous review of documentation and verification for certification;
- encourages the use of products manufactured in this state;
- meets nationally recognized energy efficiency and air quality building standards or an updated version of those standards as adopted by the State Energy Conservation Office (SECO); and
- achieves a 15 percent reduction in water use when compared to water use in accordance with the Energy Policy Act of 1992.

The bill would create an advisory committee that would, at least annually, advise the Texas Facilities Commission (TFC) in determining which high-performance building standards to approve for use. The committee would be comprised of personnel from various public and private entities. It is assumed the operation of this committee would have no significant fiscal impact to the state.

The bill would also amend the Education Code to establish standards applying to institutions of higher education (IHE) for all new building construction or renovations that cost more than 50 percent of the value of state owned buildings for which any part of the construction or renovation is financed by revenue bonds. The bill would require projects to comply with high-performance building standards approved by an IHE's board of regents. In approving high-performance building standards, a board of regents would be required to consider the high-performance standards approved by the TFC and would be authorized to solicit and consider recommendations from the TFC's advisory committee. IHEs would be required to comply with applicable energy and water conservation design standards currently established by SECO under Government Code 447.004.

Multiple IHEs indicated that their projects are currently meeting either SECO's standards, high-performance certifications or other minimum requirements for energy use, air quality and natural resources use. Therefore this bill would not have a fiscal impact on IHEs unless an institution's board of regents decides to increase standards on certain projects to attain certifications.

Recent industry studies conclude that the additional upfront construction costs to support green design ranges from 0 to 2 percent. Several of the state agencies contacted indicated that additional upfront construction costs to support green design ranges from 0 to 8 percent. Based on this, it is assumed that the average cost increase is 2 percent.

Applying the 2 percent average cost increase to the reported cost for new construction and repair/renovation for state agencies, except for IHEs, TDCJ, and TYC, as provided by the Bond Review Board's (BRB) State of Texas Capital Expenditure Plan for Fiscal Years (FY) 2010-2011, it is estimated that additional General Revenue of approximately \$500,000 for FY2012 and \$500,000 for FY2013 and beyond would be required.

The provisions of the bill that refer to high-performance buildings would apply only to a facility or building for which the contract for design services is entered into on or after September 1, 2011. Therefore, fiscal impacts relating to construction or renovations would occur in the 2010-11 biennium.

It is assumed that a building that supports green design will have energy, water, and other savings during the life of the building.

The bill would also amend the Government Code to require state and local governmental entities, when constructing or renovating a critical governmental facility (CGF) or replacing major heating, ventilation, and air-conditioning equipment for a CGF, to evaluate whether equipping the CGF with a combined heating and power system would result in expected energy savings that would exceed the expected costs of purchasing, operating, and maintaining the system over a 20-year period.

The entity may equip the facility with a combined heating and power system if the expected energy savings would exceed the expected costs.

It is assumed the requirements of the bill would have a minimal cost to perform the evaluation, and that this cost would be absorbed by the agency as part of the cost of a planned CGF construction or renovation project.

If it is determined that it would be cost effective to utilize a combined heating and power system, then there would be initial costs that would be offset by future savings.

### **Local Government Impact**

One local entity reported the cost for a consultant to perform the evaluation of a combined heating and power system is an estimated \$10,000 per facility. The costs to local governmental entities to obtain an evaluation of a facility's system could be significant depending on the number of critical governmental facilities that require an evaluation.

No significant fiscal implications are anticipated for school districts. The bill would provide an opportunity for school districts to obtain loans to install solar panels and associated energy efficiency improvements. It is assumed that school districts would take into consideration any potential costs and savings in determining whether to participate in the program.

The bill would amend the Education Code to require SECO to adopt energy efficiency and conservation standards for design, construction, and major renovations of schools that school district could adopt or use to achieve long-term savings in energy and water costs, and assist school districts in obtaining state and federal funds to implement the standards by July 1, 2010. The fiscal impact to school districts could be significant to comply with the provision, but would vary depending on the energy efficiency standards currently being followed, and the amount of state and federal funding a school district received.

No other significant fiscal implication to units of local government are anticipated.


**Source Agencies:** 303 Facilities Commission, 304 Comptroller of Public Accounts, 305 General Land Office and Veterans' Land Board, 308 State Auditor's Office, 332 Department of Housing and Community Affairs, 352 Bond Review Board, 405 Department of Public Safety, 529 Health and Human Services Commission, 582 Commission on Environmental Quality, 601 Department of Transportation, 694 Youth Commission, 696 Department of Criminal Justice, 720 The University of Texas System Administration, 758 Texas State University System, 771 School for the Blind and Visually Impaired, 772 School for the Deaf, 781 Higher Education Coordinating Board, 783 University of Houston System Administration, 802 Parks and Wildlife Department, 809 Preservation Board

**LBB Staff:** JOB, PJK, KK, SD, KJG, MM, SZ, TP, JM, JSp

## Certification of Compliance with Rule 13, Section 6(b), House Rules of Procedure

Rule 13, Section 6(b), House Rules of Procedure, requires that a copy of a conference committee report signed by a majority of each committee of the conference must be furnished to each member of the committee in person or if unable to deliver in person by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Section 10(a) of this rule. The paper copies of the report submitted to the chief clerk under Section 10(b) of this rule must contain a certificate that the requirement of this subsection has been satisfied, and that certificate must be attached to the printed copy of the report furnished to each member under Section 10(d) of this rule. Failure to comply with this subsection is not a sustainable point of order under this rule.

I certify that a copy of the conference committee report on H. B. 431 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Section 10(b), Rule 13, House Rules of Procedure.

  
(name)

5/30/09  
(date)