

HF831 - 3E - Energy Code Adoption, New Commercial Buildings

Chief Author: **Jamie Long**
 Committee: **Climate And Energy Finance And Policy**
 Date Completed: **2/23/2022 11:51:54 AM**
 Agency: **Labor and Industry Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill amends MS 326B.106, Subdivision 1.

A municipality may adopt the most recently published new model commercial energy code, ASHRAE 90.1, until such time that a more energy efficient code is adopted by the commissioner.

Municipalities may not amend or otherwise change any provision of the most recent ASHRAE 90.1 standard except that they are required to adopt amendments to the previous version of ASHRAE90.1 in the current commercial energy code adopted by the commissioner.

Assumptions

New commercial energy codes such as ASHRAE 90.1 are published every three years.

The State of Minnesota is required by federal law to adopt the most recent commercial energy code when the US Department of Energy (DOE) has decided that a new code (or standard) is more energy efficient than the previous edition. (3256B.106 Subd.1 (d)). The Department adopts new codes through the State’s Administrative Procedure’s Act. Completing this process can take a year or more.

This bill would enable a municipality to adopt new editions of the commercial energy code, specifically ASHRAE 90.1, before the State is able to adopt it through rulemaking. The local adoption or piloting of the new code would no longer apply once the State completes the adoption of the new code or standard.

Although the department may experience increased communications when a new commercial energy code is published, there is no additional cost to the Department of Labor & Industry.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

Adoption of a new commercial energy code is voluntary and at the discretion of the municipality to incur those adoption costs.

References/Sources

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