

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: SB79H1

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Favola

3. Committee: Appropriations

4. Title: Infrastructure for renewable energy systems for certain government buildings.; net-zero energy consumption building design for schools.

5. Summary: Requires any executive branch agency or institution and any locality entering the design phase for the construction of a new building greater than 5,000 gross square feet in size, or the renovation of a building where the cost of the renovation exceeds 50 percent of the value of the building, to ensure that such building includes infrastructure for renewable energy systems. The provisions of this bill only apply to projects entering the design phase on or after January 1, 2025.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Preliminary, indeterminate—see item 8

8. Fiscal Implications: Due to variability in project size, each agency’s capital project workload, and the timing of capital project schedules, fiscal impacts to executive branch agencies and institutions are currently indeterminate. The provision mandating infrastructure for renewable energy systems extends to construction of new buildings greater than 5000 square feet and buildings with renovation costs that exceed 50 percent of the building’s value.

The bill amends the High Performance Building Act, which is under the Department of General Services’ (DGS) chapter in the Code of Virginia. DGS would be the agency responsible for implementing the provisions of this bill. Previously, the introduced version of the bill mandated solar roofing, as well as the purchase of necessary installation equipment for the solar roof. The substitute version is less definite in its mandate. The substitute now requires all executive branch agencies and institutions to have infrastructure for renewable energy systems. As renewable energy systems can encompass a broad range of potential costs and it is unknown how many capital projects meet that criteria, the fiscal impact from the amended provision is indeterminate.

9. Specific Agency or Political Subdivisions Affected: Department of General Services, executive branch agencies, institutions of higher education

10. Technical Amendment Necessary: No

11. Other Comments: None