

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5267-10
Bill No.: Truly Agreed To and Finally Passed CCS for HCS for SCS for SBs 1181, 1100,
1262 & 1263
Subject: Boards and Commissions, Committees, Councils; Energy; Natural Resources
Department; Public Service Commission
Type: Original
Date: June 2, 2008

Bill Summary: Modifies and creates provisions pertaining to energy efficiency and energy
conservation

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	(Up to or Greater than \$1,539,896)	(Up to or Greater than \$1,591,628)	(Up to or Greater than \$1,615,121)
Total Estimated Net Effect on General Revenue Fund	(Up to or Greater than \$1,539,896)	(Up to or Greater than \$1,591,628)	(Up to or Greater than \$1,615,121)

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 20 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Parks & Soils Tax Fund	(Up to \$26,000)	(Up to \$26,000)	(Up to \$26,000)
Prop C	(Up to \$264,000)	(Up to \$264,000)	(Up to \$264,000)
Conservation Fund	(Up to \$33,000)	(Up to \$33,000)	(Up to \$33,000)
Studies in Energy Conservation Fund	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(Up to \$323,000)	(Up to \$323,000)	(Up to \$323,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	15 FTE	15 FTE	15 FTE
Total Estimated Net Effect on FTE	15 FTE	15 FTE	15 FTE

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact to the SOS office for Administrative Rules for this proposal is less than \$2,500. The SOS recognizes this is a small amount and does not expect additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed in a given year and that collectively the costs may be in excess of what the SOS can sustain with their core budget. Any additional required funding would be handled through the budget process.

Officials from the **Office of State Courts Administrator** state this proposal has no fiscal impact on the Courts.

Officials from the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Office of Administration - Division of Budget and Planning** and the **Administrative Hearing Commission** state there should be no added cost to their agency as a result of this proposed legislation.

Officials from the **Department of Economic Development - Public Service Commission** and **Office of Public Counsel, Department of Public Safety - Office of the Director, Department of Health and Senior Services, Department of Social Services,** and the **Department of Labor and Industrial Relations** state this bill will have no fiscal impact on their respective agencies.

ASSUMPTION (continued)

Officials from the **Department of Transportation** assume no fiscal impact at this time.

Officials from the **Kansas City Metropolitan Community College** state this bill will have no significant fiscal impact on their college.

§8.295 - State energy projects

Officials from the **Office of Administration - Division of Budget and Planning** indicated there could be an impact on Facilities Management, Design and Construction and deferred to them for an estimate of impact.

Officials from the **Office of Administration - Division of Facility Management, Design and Construction** stated they are already implementing this provision as it had been included in a statement of goals outlined to the Governor in 2006 regarding state energy conservation.

§8.800, 8.810, 8.812, 8.815, 8.837 - Energy Standards for State Buildings

According to officials from the **Department of Natural Resources (DNR)** this portion of the bill would require that after July 1, 2009, construction of new state buildings and new or substantially renovated state buildings must meet or exceed the standards reflected by the International Energy Conservation Code, 2006, latest revision. DNR must convene a voluntary working group to advise and assist the department in the development and implementation of the minimum energy efficiency standard, which would be established by rule no later than January 1, 2009.

Officials from the **Office of Administration - Division of Facilities Management, Design and Construction (FMDC)** assume the overall cost to the CI budget to comply has many variables that would affect cost such as:

- Type of building,
- Square footage of a building,
- New Construction or renovation/modernization,
- Rehabilitation of existing building,
- Renovation/modernization project cost over \$100,000 or \$500,000,
- Modify spaces in buildings,
- Flexibility and adaptability of project,
- Evaluation process in the daily activities of the facility,
- Overall five-year plan and other issues.

ASSUMPTION (continued)

FMDC's operating budget (SFMOF-State Facility Maintenance and Operations Fund) would increase based on staffing needs and EE needs. At this time they are unable to determine the exact position needs but it should include a Professional Engineer (civil, electrical, mechanical, structural engineering or engineering management).

Officials from **Linn State Technical College** would expect to incur a significant increase in construction costs in order to meet the International Energy Conservation Code. However, Linn State would expect to recover a significant portion of those costs through lower building life cycle expenses. The exact fiscal impact is unknown at this time.

Officials at the **University of Missouri** assume the impact of this proposal is difficult to determine. It will fluctuate but could cost more than \$1,000,000 on a given year.

Officials at the **Lincoln University** assume modest fiscal impact in the form of increased costs for both design and construction.

Officials at the **Moberly Area Community College** assume it is not possible to determine the fiscal impact.

Oversight assumes that the costs of this proposal to Colleges and Universities is not state revenue. Additionally, Oversight assumes that the Colleges and Universities will raise tuition to cover any costs associated with this proposal.

§30.750, 30.753, 30.756, 30.758, 30.760, 30.765 - Low interest loans for alternative energy generation

Officials from the **Office of the State Treasurer (STO)** state while the number of linked deposit requests generated by this new program and the resulting impact on staff workloads can not be known at this time, the STO does not currently believe that the increased workload arising from this new program, by itself, would warrant a full-time employee.

§64.170 Building Codes - Jefferson and Clay County

Officials of the **Department of Public Safety - Fire Safety** assume no fiscal impact to their division.

Officials of the **Jefferson County - County Counselor's Office** stated that this proposal would

ASSUMPTION (continued)

have a negative fiscal impact on Jefferson County. Officials stated that in 2007, the county collected approximately forty-nine thousand two hundred dollars in revenue from license fees for plumbers and drain layers. Officials stated that this proposal would prohibit the county from licensing these professionals, which assures it's citizens that their work was being done by licensed professionals.

Oversight assumes that the county would no longer collect certain licensing and regulatory fees and would no longer have the costs of enforcement, which would include inspections and administration. Oversight assumes the net fiscal impact would be \$0.

§143.121 Adjusted Gross Income Deduction

Officials from the **Office of Administration - Division Budget and Planning** assume the legislation's proposed §143.121.8 adds an income tax deduction of up to \$1,000 per year, and up to \$2,000 per taxpayer cumulatively, for 100% of the cost of a home energy audit. This will reduce general and total state revenues by an unknown amount.

Officials from the **Department of Revenue (DOR)** state this section will result in a need for the following additional staff:

Customer Services

One (1) Tax Collection Technician I for every additional 24,000 calls annually received on the non-delinquent inbound line

One (1) Revenue Processing Technician I for every additional 4,800 contacts annually in the field offices

Personal Tax

Two (2) Temporary Tax Employees for key-entry

One (1) Revenue Processing Technician I for every additional 19,000 returns to be verified

One (1) Revenue Processing Technician I for every additional 2,400 pieces of correspondence generated

ASSUMPTION (continued)

The **Office of Administration Information Technology (ITSD DOR)** estimates that this legislation could be implemented utilizing 2 existing CIT III's for 2 months for modifications to MINITS and 2 existing CIT III's for 3 months for modifications to MITS at a rate of \$41,860. ITSD DOR estimates the IT portion of this request can be accomplished within existing resources; however; if priorities shift, additional FTE/overtime would be needed to implement. Funding would be requested through the budget process.

Officials from the **Department of Natural Resources (DNR)** state this section is linked to §640.153 that requires DNR to certify qualified home energy auditors to fully implement this section.

§144.526 Show Me Green Sales Tax Holiday

Officials at the **Department of Natural Resources** state that the Parks and Soils Tax Fund is derived from one-tenth of one percent sales and use tax pursuant to Section 47 (a) of the Missouri Constitution. Any sales and use tax exemption would be a loss to the Parks and Sales Tax Fund.

Officials from the **Department of Conservation (MDC)** state this bill would have a negative impact on MDC funds, since it provides for the exemption of sales tax. MDC is unable to provide the estimated amount and will defer to the Department of Revenue for this fiscal impact of this legislation.

ASSUMPTION (continued)

Officials at the **Office of Administration - Division of Budget and Planning** assume this section of the proposal would exempt the purchases of "Energy Star" certified appliances, with retail prices up to \$1,500, from sales tax for the seven day period beginning April 19th and ending April 25th, starting in 2009. Based on Personal Consumption data as provided by the US Bureau of Economic Analysis, sales of qualifying appliances would be approximately 0.04% of annual retail sales. Gross GR sales tax collections in FY07 were \$1,977.7M. Therefore, general and total state revenues would be reduced by proposed \$144.526 in the following ways, beginning in FY09:

Reductions	
General Revenue	\$ 791,000
Prop C	\$ 264,000
Conservation	\$ 33,000
DNR	\$ 26,000
Total	\$1,114,000

According to officials from the **Department of Revenue (DOR)**, this section will create an increased "setup" for Central Registration to add this "item tax" for qualifying businesses. This will require Central Registration to identify businesses that potentially qualify by SIC, contact them, and then respond to the responses. Also, Technical phone calls will increase around the holiday. Additional staff needs are as follows:

One (1) Tax Collection Technician I for every additional 15,000 contacts annually on the delinquent tax line

One (1) Tax Collection Technician I for every additional 24,000 contacts annually on the non-delinquent tax line

One (1) Revenue Processing Technician I for every additional 4,800 contacts annually to the field offices

ASSUMPTION (continued)

Notification will need to be sent to approximately 20,000 businesses each year of the holiday and the holiday rate they are to charge.

The **Office of Administration Information Technology (ITSD DOR)** estimates that this legislation could be implemented utilizing 2 existing CIT III's for 2 months for modifications to MINITS and 2 existing CIT III for 3 months for modifications to the MITS at a rate of \$41,860. ITSD DOR estimates the IT portion of this request can be accomplished within existing resources; however, if priorities shift, additional FTE/overtime would be needed to implement. Funding would be requested through the budget process.

Officials at the **City of West Plains** assume a possible negative impact on the city.

Officials at the **City of Centralia** assume the impact is zero if the Board votes to be exempt from the sales tax holiday; otherwise a loss of sales tax receipts less than \$400 per year.

Officials from the **City of Columbia** state they could lose some local revenues, but can't predict an amount. In the long term, if electric systems reduce energy use, savings could be realized.

§161.365 - Requires school districts to purchase and use environmentally-sensitive cleaning products

Officials from the **Department of Natural Resources** and the **Department of Health and Senior Services** state there will be no fiscal impact to their respective agencies resulting from this section of the proposed legislation.

Officials from the **Department of Elementary and Secondary Education (DESE)** state their agency will incur costs to provide forms, to provide each district with a printed copy of the guidelines and specifications, and to provide multiple avenues by which cleaning products may be determined to be environmentally-sensitive; however, DESE does not expect these costs to be significant.

School districts will likely incur costs to disseminate the guidelines and specifications to every school in the district, but DESE does not expect these costs to be significant.

ASSUMPTION (continued)

§251.560 - Collaboration among state agencies to secure grants

Officials from the **Department of Agriculture**, **Department of Economic Development**, and the **Department of Labor and Industrial Relations** assume no fiscal impact to their respective agencies.

Officials from the **Department of Natural Resources (DNR)** assume this section of the proposal requires the directors of the Departments of Labor and Industrial Relations, Elementary and Secondary Education, Agriculture, Economic Development, and Natural Resources to meet, at least twice a year, to discuss ways to secure grants established under the federal Energy Independence and Security Act of 2007.

Such grants would fund green jobs, the production of renewable fuels, increasing energy efficiency of products, buildings and vehicles, and increasing research and development for manufacturing of renewable energy technologies. The departments are required to jointly report to the general assembly and governor each year regarding any grants secured under this proposal.

DNR may incur negligible costs involved with staffing or preparing reports.

Officials from the **Department of Elementary and Secondary Education** state this section will result in minimal administrative impact to their agency.

Oversight assumes these administrative costs to DNR and DESE can be absorbed with existing resources.

§386.850 - Missouri Energy Task Force

Officials from the **Department of Natural Resources (DNR)** state the Missouri Energy Task Force created by EO 05-46 shall reconvene at least one time per year for the purpose of reviewing any progress made toward meeting the recommendations set forth in the task force's final report as issued under Executive Order. The Director of the Department of Natural Resources is a member of the task force established by the executive order. Although there is no direct impact to DNR, technical support, staff support or energy-related information and/or data may be requested or supplied by the department to the meet the requirements of this section.

ASSUMPTION (continued)

§640.017 - Environmental permit coordination

Officials from the **Department of Natural Resources (DNR)** assume new procedures would be established over time as the concept of unifying permits is refined through implementation. DNR anticipates changes to permit processing to be assimilated into the permitting processes gradually for routine multiple-permit facilities and on a case-by-case basis for individual major facilities. DNR would not anticipate a fiscal impact from this section of the proposal.

§640.153 - Energy Auditors

Officials at the **Department of Natural Resources (DNR)** assume they must certify qualified home energy auditors as required under subsection 8 of §143.121, RSMo. DNR is authorized to promulgate any necessary rules to implement the provisions of this section. DNR would request .5 Energy Specialist II to implement this portion of the proposal.

§640.157 - Energy Center

Officials from the **Department of Natural Resources (DNR)** state this section of the bill authorizes DNR's Energy Center to serve as a central point of coordination for activities relating to energy sustainability in the state. The Energy Center shall consult and cooperate with other state agencies to serve as a technical advisor on sustainability issues, including but not limited to renewable energy use and green building design and construction; provide technical assistance to local governments, businesses, schools and homeowners on sustainability issues including renewable energy use and green building design and construction; and conduct outreach and education efforts about financial assistance opportunities for energy conservation to include tax incentives. DNR would request two (2) Energy Engineer II's and one (1) Office Support Assistant to implement this portion of the bill.

§640.216 - Studies in Energy Conservation Fund

Officials from the **Department of Natural Resources (DNR)** state this section creates within the state treasury the "Studies in Energy Conservation Fund" to retain funds appropriated by the Missouri General Assembly or donations by other sources. The fund would be administered by the Department of Higher Education (DHE) in coordination with the Department of Natural Resources (DNR). Following the initial appropriation from the fund, a full professorship of energy efficiency and conservation would be established at the discretion of the DHE and DNR. At the time as the professorship of energy efficiency and conservation has been established, the DHE in coordination with DNR may appropriate any remaining moneys from the

ASSUMPTION (continued)

fund for the purpose of establishing substantially similar full professorships of energy efficiency and conservation at any public university within the state. Depending on the level of effort required to implement provisions of this section of the proposal, DNR's Energy Center may need to request additional resources through the budget process.

According to officials from the **Office of Administration - Division of Budget and Planning**, this section creates a new dedicated fund, the Studies in Energy Conservation Fund, to support an energy efficiency conservation professorship, but does not provide for a revenue-generating mechanism, making the fund dependent upon appropriations by the General Assembly and donations. The legislation appears likely to result in a request for additional GR funding.

Officials from the **Department of Higher Education** assume their agency could perform the additional duties outlined in this section of the proposal without any additional staff or funding.

§701.500 through 701.515 - Energy efficiency requirements, standards, and incentive programs

According to officials from the **Department of Natural Resources (DNR)**, their department is given authority to enforce the provisions of the energy efficiency standards for appliances and products. The department may test and inspect appliances and products and may charge a manufacturer for the cost of such testing if a product is found not to be in compliance with the standards. Violations of the energy efficiency standards may be referred to the Attorney General for prosecution. DNR would request one and a half (1.50 Energy Engineer II's to implement this portion of the proposal.

This Bill Reduces Total State Revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
GENERAL REVENUE			
<u>Cost - Department of Revenue - Energy</u>			
audit deduction and sales tax holidays			
(\$143.121 & 144.526)			
Personal Services (9 FTE)	(\$161,411)	(\$199,504)	(\$205,489)
Benefits	(\$65,455)	(\$80,902)	(\$83,329)
Equipment and Expense	<u>(\$68,697)</u>	<u>(\$18,222)</u>	<u>(\$18,768)</u>
	(\$295,563)	(\$298,628)	(\$307,586)
 FTE Change - DOR	 9 FTE	 9 FTE	 9 FTE
<u>Cost - Office of Administration -</u>			
FMDC (\$8.812)			
Personal Services (1 FTE)	(\$59,327)	(\$72,972)	(\$74,797)
Benefits	(\$26,234)	(\$32,268)	(\$33,075)
Equipment and Expense	<u>(\$7,140)</u>	<u>(\$1,648)</u>	<u>(\$1,697)</u>
	(\$92,701)	(\$106,888)	(\$109,569)
 FTE Change - COA-FMDC	 1 FTE	 1 FTE	 1FTE
<u>Cost - Department of Natural</u>			
Resources			
Personal Services (5 FTE)	(\$206,644)	(\$255,412)	(\$263,074)
Benefits	(\$91,378)	(\$112,943)	(\$116,331)
Equipment and Expense	<u>(\$62,610)</u>	<u>(\$26,757)</u>	<u>(\$27,561)</u>
	(\$360,632)	(\$395,112)	(\$406,966)
 FTE Change - DNR	 5 FTE	 5 FTE	 5 FTE

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
<u>Loss - General Revenue - Loss of tax revenue (Sales Tax Holiday) (\$144.526)</u>	(Up to \$791,000)	(Up to \$791,000)	(Up to \$791,000)
<u>Loss - General Revenue - Loss of tax revenue - Energy audit deduction (\$143.121)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Up to or Greater than \$1,539,896)</u>	<u>(Up to or Greater than \$1,591,628)</u>	<u>(Up to or Greater than \$1,615,121)</u>
ESTIMATED NET FTE CHANGE - GENERAL REVENUE	15 FTE	15 FTE	15 FTE
PROP C			
<u>Loss - Sales Tax Revenue (\$144.526)</u>	<u>(Up to \$264,000)</u>	<u>(Up to \$264,000)</u>	<u>(Up to \$264,000)</u>
ESTIMATED NET EFFECT ON PROP C	<u>(Up to \$264,000)</u>	<u>(Up to \$264,000)</u>	<u>(Up to \$264,000)</u>
PARKS AND SOILS SALES TAX			
<u>Loss - Sales Tax Revenue (\$144.526)</u>	<u>(Up to \$26,000)</u>	<u>(Up to \$26,000)</u>	<u>(Up to \$26,000)</u>
ESTIMATED NET EFFECT ON PARKS AND SOILS SALES TAX	<u>(Up to \$26,000)</u>	<u>(Up to \$26,000)</u>	<u>(Up to \$26,000)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
CONSERVATION FUND			
<u>Loss</u> - Sales Tax Revenue	(Up to \$33,000)	(Up to \$33,000)	(Up to \$33,000)
ESTIMATED NET EFFECT ON CONSERVATION FUND	<u>(Up to \$33,000)</u>	<u>(Up to \$33,000)</u>	<u>(Up to \$33,000)</u>
STUDIES IN ENERGY CONSERVATION FUND			
<u>Transfer In</u> - General Revenue (\$640.216)	Unknown	Unknown	Unknown
<u>Cost</u> - Department of Higher Education and Department of Natural Resources - Establish professorships (\$640.216)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON STUDIES IN ENERGY CONSERVATION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2009
(10 Mo.)

FY 2010

FY 2011

LOCAL POLITICAL SUBDIVISIONS

Savings - Jefferson County Building
Commission - Costs of building
inspections and administration of building
regulations (§64.170)

Unknown

Unknown

Unknown

Loss - Jefferson County Building
Commission - License and inspection fees
(§64.170)

(Unknown)

(Unknown)

(Unknown)

**ESTIMATED NET EFFECT ON
LOCAL POLITICAL SUBDIVISIONS**

Unknown to
(Unknown)

Unknown to
(Unknown)

Unknown to
(Unknown)

FISCAL IMPACT - Small Business

Small businesses located in certain counties would no longer have to purchase building permits or pay certain fees when undertaking repair or building projects. Small businesses will see a fiscal impact to the extent they participate in the "tax holiday". They also could see an impact depending on the renewable energy cost factor to be included in the rates from the utility companies. Small businesses requiring multiple permits will have the permitting process focused so all permits are processed in concert with each other, resulting in a more concise and efficient regulatory interface. This bill could impact small businesses dealing in environmentally-sensitive cleaning products.

FISCAL DESCRIPTION

This proposed legislation modifies and creates provisions regarding energy efficiency and energy conservation:

§8.295, 8.810, 8.812, 8.815, 8.837 - Energy standards for state buildings

Up to 10% of the funds appropriated each year for the Facilities Maintenance Reserve Fund shall be used for otherwise eligible projects that are also energy projects with a 15 year payback or less.

FISCAL DESCRIPTION (continued)

Design documents submitted to the Office of Administration for new construction or substantial renovation of certain state buildings shall include a projection of the energy savings of the building as a result of meeting the state minimum energy efficiency standard.

By January 1, 2009, the Department of Natural Resources shall modify the minimum energy efficiency standard so that it is at least as stringent as the 2006 International Energy Conservation Code (2006 IECC), or the latest version of the Code rather than the current standard of American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) Standard 90. The propo modifies the date to July 1, 2009, by which all design for state buildings over 5,000 square feet involving new construction or substantial renovation and any building over 5,000 square feet considered for purchase or lease by a state agency shall comply with the minimum energy efficiency standard. The Commissioner of the Office of Administration may exempt any state building from meeting the minimum energy efficiency standard requirement for safety reasons or when the cost of compliance is expected to exceed the energy cost savings.

§64.170 - Building Codes

Currently, the counties of Clay and Jefferson are authorized, without voter approval, to adopt building and construction regulations; require building permits; license certain building contractors; require inspections; establish and collect fees for permits, licenses, and inspections; and appoint a building commission to oversee these regulations, permits, licenses, and inspections. This act expands that authority to make them consistent with the authority granted to all other first and second classification counties.

143.121 - Home energy audit deduction

Creates an income tax deduction for either the cost of a home energy audit conducted by an energy auditor certified by the Department of Natural Resources or for the cost of implementing any of the recommendations made in any such energy audit, or for both such activities. The deduction is limited to \$1,000 per taxpayer per year, up to \$2,000 cumulative total per taxpayer. The deduction expires December 31, 2013.

144.526 - Show Me Green Sales Tax Holiday

Creates the "Show Me Green Sales Tax Holiday." For 2009 and every year thereafter, during the seven day period beginning on April 19th and ending April 25th, all sales of Energy Star certified new appliances will be exempt from state sales tax. Political subdivisions may opt in at their choosing.

FISCAL DESCRIPTION (continued)

§161.365 - Green School Cleaning Policies

The Department of Elementary and Secondary Education (DESE), in consultation with the Department of Health and Senior Services and other interested parties, will establish annual guidelines for green cleaning programs and environmentally-sensitive cleaning product specifications. DESE shallribute the guidelines to school districts and post the guidelines on its web site.

251.650 - Agency collaboration to secure grants

This section requires representatives of the Departments of Labor and Industrial Relations, Elementary and Secondary Education, Agriculture, Economic Development, and Natural Resources to meet, at least twice a year, to discuss ways to secure grants established under the federal Energy Independence and Security Act of 2007. Such grants would fund: green jobs, the production of renewable fuels, increasing energy efficiency of products, buildings and vehicles, and increasing research and development for manufacturing of renewable energy technologies. The Department of Natural Resources shall serve as the coordinating agency for the inter-agency group. The group shall report to the general assembly and governor each year regarding any grants secured under this act.

§640.153 - Home energy auditor certification

The Department of Natural Resources shall certify qualified home energy auditors. The Department's Energy Center shall serve as a central coordinator for energy sustainability activities in the state and shall carry out the duties described in the act.

§620.216 - Establishment of professorship of energy efficiency and conservation

The act creates a professorship in energy conservation and creates the Studies in Energy Conservation Fund, which shall be administered by the Department of Higher Education, in conjunction with the Department of Natural Resources, to pay for the cost of the professorship. Any unused monies in the Fund may be used to fund similar professorship positions at any public university in the state.

701.500 - 701.515

Creates minimum energy efficiency standards for certain new products sold or installed within the state. Exceptions are provided for certain products that are intended to be sold outside the

FISCAL DESCRIPTION (continued)

state, installed in manufactured homes, or designed expressly for use in recreational vehicles. The Department of Natural Resources (DNR) shall promulgate the energy efficiency standards for such products, which shall not be more stringent than the standards or any federal minimum energy efficiency requirements. The Appliance Energy Efficiency Advisory Group, created in the proposal, shall advise DNR on the development of the standards.

In consultation with the advisory group, DNR shall update the minimum energy efficiency standards for the appliances and products at least once every 3 years to keep current with technological advancements.

Manufacturers of the appliances and products for which the energy efficiency standards apply shall certify to the department that their products meet the standards. Manufacturers are also required to mark their products as meeting the energy efficiency standards. DNR is given authority to enforce the provisions of the energy efficiency standards for the products. DNR may test and inspect the products and may charge a manufacturer for the cost of such testing if a product is found not to be in compliance with the standards. Violations of the energy efficiency standards may be referred to the Attorney General for prosecution.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements.

SOURCES OF INFORMATION

Department of Economic Development
Public Service Commission
Office of Public Counsel
Office of Administration
Division of Budget and Planning
Division of Facilities Management, Design and Construction
Administrative Hearing Commission
Department of Elementary and Secondary Education
Department of Higher Education
Department of Transportation
Department of Natural Resources
Department of Revenue
Office of Secretary of State
Administrative Rules Division
Office of State Treasurer

SOURCES OF INFORMATION (continued)

Department of Agriculture

Department of Labor and Industrial Relations

Department of Insurance, Finance, and Professional Regulation

Office of State Courts Administrator

Department of Conservation

Department of Health and Senior Services

Department of Social Services

Department of Public Safety

Office of the Director

Fire Safety

Jefferson County

County Counselor

Cities

West Plains

Centralia

Columbia

Colleges and Universities

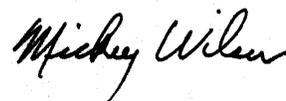
Linn State Technical College

University of Missouri

Lincoln University

Moberly Area Community College

Kansas City Metropolitan Community College



Mickey Wilson, CPA

Director

June 2, 2008