

Southwest Energy Efficiency Project

# 2015 LEGISLATIVE ACTIVITY

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**About SWEEP:** The Southwest Energy Efficiency Project is a public interest organization dedicated to advancing energy efficiency in Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming. For more information, visit [www.swenergy.org](http://www.swenergy.org).

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## 2015 LEGISLATIVE ACTIVITY SUMMARY

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In the Southwest region, the state legislatures in Arizona, Colorado, Nevada, New Mexico and Utah met during the first and second quarter of 2015. The Southwest Energy Efficiency Project (SWEET) actively engaged in each session to advance energy efficiency through sound and effective legislation. These efforts included researching and writing bill language, building coalitions, and testifying at committee hearings to advocate for the passage of energy efficiency legislation and, when necessary, opposing legislation that would hinder energy efficiency efforts.

Support for energy efficiency in the Southwest continues to grow as SWEET actively supported a total of 11 energy efficiency bills, five of which were signed into law. SWEET actively opposed four bills, three of which were ultimately defeated.

Significant milestones for energy efficiency in our region include the following:

- In Nevada, the passage of AB 466 provides the opportunity for State of Nevada employees to take out loans for energy efficiency measures, with the loans paid back with paycheck deductions.
- In Nevada, the passage of SB 360 directs the Legislative Committee on Energy to conduct an interim study concerning the development, viability, expansion and implementation of energy efficiency programs and the viability of establishing green banks and similar entities to help finance the use and harnessing of clean energy in this State, for both commercial and residential properties.
- In New Mexico, the passage of SB 279 extends the sustainable buildings tax credit through 2026. The original sustainable buildings tax credit has been highly successful, with funds from each year's allocation being claimed fully. This extension tightens the requirements somewhat, includes water use restrictions and lowers the eligible square footage.
- In Utah, the passage of HB 15 reauthorized the \$1500 tax credit for new electric and other alternative fuel vehicles through 2016, and created a rebate for alternative fuel vehicle conversions. Incentives for electric and alternative fuel vehicles help make these vehicles more affordable for Utahns.
- In Utah, the passage of HB 410 broadens the state energy performance contracting statute to allow it to be used for energy efficient vehicle purchases in addition to retrofit of public buildings.

Although some legislative proposals that SWEEP advocated in Colorado, Nevada, New Mexico and Utah were not adopted, SWEEP continues to work on advancing these policies in preparation for 2016 and 2017 legislative sessions.

Details on SWEEP's 2015 legislative efforts, along with information on the outcome of energy efficiency bills all five states, are described below.

## ARIZONA

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SB 1241	NOW: auxiliary containers; regulatory prohibition; reporting	Oppose	PASSED
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### **SB 1241 NOW: auxiliary containers; regulatory prohibition; reporting**

**Sponsor:** Senator Barto

**Bill Summary:** SB 1241 prohibits cities and towns from requiring that building owners carry out energy audits or provide energy performance data to businesses and renters so that they can consider energy costs when purchasing or leasing properties. (This practice is called “energy benchmarking.”) Voluntary benchmarking programs are still allowed.

SWEEP opposed this bill because it would hinder efforts to expand energy benchmarking and increase the availability of energy performance information in the commercial building market.

**Bill Activity:** The bill passed the House 37-23 and the Senate 19-11. It was signed by the Governor on April 13, 2015.

For additional information regarding these bills, visit the website of the Arizona State Legislature, at <http://www.azleg.gov/>.

## COLORADO

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HB 15-1132	Residential Energy Efficiency Tax Credit	Support	Did not pass
HB 15-1236	Income Tax Credits for Improving Energy Efficiency in Certain Buildings	Support	Did not pass
SB 15-272	Transportation Bonding	Oppose	Did not pass

### **HB 15-1132: Residential Energy Efficiency Tax Credit**

**Sponsors:** Representatives Coram and Becker

**Bill Summary:** HB 15-1132 would have provided state income tax credits to owners of single family homes that achieve a minimum level of energy savings through home retrofit.

SWEEP supported the bill with some suggested modifications.

**Bill Activity:** HB 15-1132 passed the House on vote of 38-27-0. In the Senate, the bill passed unamended out of the Committee on Agriculture, Natural Resources and Energy, but stalled in the Senate Finance Committee.

### **HB 15-1236: Income Tax Credits for Improving Energy Efficiency in Certain Buildings**

**Sponsor:** Representative Winter

**Bill Summary:** HB 15-1236 would have provided state income tax credits to new commercial and multifamily buildings that are highly energy efficient and green, as well as to existing multifamily buildings that achieve at least 20 percent energy savings.

SWEEP helped draft the bill and supported it.

**Bill Activity:** HB 15-1236 passed the House on a vote of 36-27-2, but stalled in the Senate Finance Committee.

### **SB 15-272: Transportation Bonding**

**Sponsors:** Senator Baumgardner; Representative DelGrosso

**Bill Summary:** SB 272 would have taken \$220 million per year out of the Colorado Department of Transportation's budget for twenty years to pay off \$3.5 billion in bonds for new construction. This is \$4.4 billion that was originally slated for maintaining existing roads and bridges. Ninety percent of the money would be used for large road expansion projects, including on C-470, I-25 and I-70.

SWEEP opposed this bill. SB 272 was fiscally unwise, would degrade Colorado’s existing roads and bridges, did not reflect Coloradans’ funding priorities for transportation, and would increase driving and related energy use and emissions.

**Bill Activity:** SB 15-272 passed the Senate on a vote of 18-17-0, but stalled in the House Committee on State, Veterans, & Military Affairs.

For additional information regarding these bills, visit the website of the Colorado General Assembly, at <http://www.leg.state.co.us>.

## NEVADA

AB 466	Revises provisions relating to the repayment of loans or other distributions of money made from the Renewable Energy Account to an officer or employee of the State.	Support	PASSED
SB 150	Provides for the creation of certain local improvement districts	Support	Did not pass
SB 360	Provides for an interim study concerning energy efficiency programs and the financing of clean energy in this State	Support	PASSED

### **AB 466: Revises provisions relating to the repayment of loans or other distributions of money made from the Renewable Energy Account to an officer or employee of the State**

**Sponsor:** Assembly Committee on Ways and Means

**Bill Summary:** AB 466 provides the opportunity to State of Nevada employees to take out loans from the State Treasury for energy efficiency measures, with the loans paid back with paycheck deductions.

SWEEP actively supported this bill.

**Bill Activity:** AB 466 passed the Assembly on a vote of 42-0-0, and passed the Senate on vote of 19-0-2. The bill was signed by the Governor on June 4, 2015.

**SB 150: Provides for the creation of certain local improvement districts.**

**Sponsor:** Senator Atkinson

**Bill Summary:** SB 150 provided for the creation by a local government, without an election, of a local improvement district that includes an energy efficiency improvement project or a renewable energy project.

SWEEP supported this bill.

**Bill Activity:** SB 150 was introduced in the Senate, but stalled in the Committee on Government Affairs.

**SB 360: Provides for an interim study concerning energy efficiency programs and the financing of clean energy in this State**

**Sponsors:** Senators Spearman, Ford, Woodhouse, Kihuen, Parks, Denis, Manendo and Segerblom

**Bill Summary:** SB 360 directs the Legislative Committee on Energy to conduct an interim study concerning the development, viability, expansion and implementation of energy efficiency programs and the viability of establishing green banks and similar entities to help finance the use and harnessing of clean energy in this State, for both commercial and residential properties.

SWEEP supported this bill.

**Bill Activity:** SB 360 passed the Senate on vote of 19-0-2, and passed the Assembly on vote of 32-9-1. The bill was signed by the Governor on June 10, 2015.

For additional information regarding these bills, visit the website of the Nevada State Legislature, at <https://www.leg.state.nv.us>.

## New Mexico

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HB 40 / SB 9	Electric Vehicle Income Tax Credit	Support	Did not pass
HB 367	Construction License Changes	Oppose	Did not pass
SB 279	Sustainable Building Tax Credits	Support	PASSED

### **HB 40 / SB 9: Electric Vehicle Income Tax Credit**

**Sponsor:** Representative J Trujillo and Senator C Cisneros

**Bill Summary:** This bill (introduced in both the House and Senate) provided tax credit incentives for the purchase or lease of new plug-in electric vehicles and the installation of electric vehicle charging stations. These incentives are important for New Mexico because they will help grow the electric vehicle market in the state, which will provide economic and environmental benefits to all New Mexicans.

SWEEP supported this bill.

**Bill Activity:** SB 9 passed the Senate. HB 40 passed amended out of House Transportation and Public Works Committee; passed out of the Energy, Environment and Natural Resources Committee without recommendation; and was tabled by the House Ways and Means Committee.

### **HB 367: Construction License Changes**

**Sponsor:** Representative Crowder

**Bill Summary:** HB 367 imposed a very onerous requirement on Construction Industries Division (CID) for any building code adoption update, including a full cost-benefit analysis and estimates of fiscal impacts of implementing the change for state and local governments.

SWEEP opposed this bill. The restrictive language would have imposed such a huge research and reporting hurdle on the CID Technical Advisory Committees that it would have made it very difficult for New Mexico to adopt a new edition of the building codes. This could result in New Mexico falling well behind in the adoption of up-to-date building energy codes, which would have a negative impact on the state's citizens and businesses.

**Bill Activity:** HB 367 passed the House on a vote of 67-0-3, but stalled in the Senate Judiciary Committee.

**SB 279: Sustainable Building Tax Credits**

**Sponsors:** Senator Wirth; Representative Trujillo

**Bill Summary:** This bill extends the sustainable buildings tax credits for new or renovated residential and commercial buildings through 2026. The original sustainable buildings tax credits have been highly successful, with funds from each year's allocation being claimed fully. This extension tightens the requirements somewhat, includes water use restrictions and lowers the eligible square footage.

SWEEP supported this bill.

**Bill Activity:** SB 279 passed Senate on vote of 35-5-2, passed House on vote of 37-10-23, and was signed by the Governor on April 10, 2015.

For additional information regarding these bills, visit the website of the New Mexico State Legislature, at <http://www.nmlegis.gov/lcs/>.

**UTAH**

HB 15	Substitute Clean Fuel Amendments and Rebates	Supported	PASSED
HB 95	Extension of Tax Credits for Energy Efficient Vehicles	Supported	Did not pass
HB 169	Home Energy Rating Index Score Disclosure	Supported	Did not pass
HB 285	Building Code Review and Adoption Amendments	Opposed	Did not pass
HB 410	State and Local Energy Efficiency Programs	Supported	PASSED

**HB 15: Clean Fuel Amendments and Rebates**

**Sponsors:** Representative Handy; Senator Weiler

**Bill Summary:** HB 15 reauthorized the \$1500 tax credit for new electric and other alternative fuel vehicles through 2016, and created a rebate for alternative fuel vehicle conversions. Electric vehicles reduce transportation related air pollution immediately, but are still more expensive than standard gasoline vehicles. Incentives for electric and alternative fuel vehicles help make these vehicles more affordable for Utahns.

SWEEP supported this bill.

**Bill Activity:** The original bill was replaced with a substitute bill by the House Committee on Natural Resources, Agriculture and Environment. HB 15 passed the House on vote of 55-17-3, passed the Senate on vote of 20-4-5, and was signed by the Governor on March 31, 2015.

### **HB 95: Extension of Tax Credits for Energy Efficient Vehicles**

**Sponsor:** Representative Snow

**Bill Summary:** HB 95 reauthorized and extended the tax credit for new electric vehicles and compressed natural gas vehicles.

SWEEP supported this bill.

**Bill Activity:** HB 95 was introduced in the House but stalled in the House Revenue and Taxation Committee.

### **HB 169: Home Energy Rating Index Score Disclosure**

**Sponsor:** Representative Powell

**Bill Summary:** HB 169 proposed a policy that all homes receive an energy efficiency rating demonstrating energy efficiency and affordability of the home. This would provide information to consumers to allow easy comparison of the energy efficiency and affordability of homes when they are available for sale on the market. This policy is based on a recommendation from the Governor's Clean Air Action Team.

**Bill Activity:** HB 169 was introduced in the House but stalled in the House Rules Committee.

### **HB 285: Building Code Review and Adoption Amendments**

**Sponsor:** Representative Brad Wilson

**Bill Summary:** If passed, HB 285 would have delayed the review and adoption of updated model building, fire, and energy codes in Utah from every three years to every nine years. The bill would have allowed building codes to be amended annually if approved by the Utah Legislature.

SWEEP opposed this bill. Updated building, fire, and energy codes protect the general welfare of Utahns, and delaying adoption would hinder energy efficiency efforts.

**Bill Activity:** The original bill was replaced with a substitute bill by the House Business and Labor Committee. The substitute bill passed the House on vote of 60-10-5. In the Senate, the bill passed out of the Business and Labor Committee but stalled in the Senate Rules Committee.

**HB 410: State and Local Energy Efficiency Programs**

**Sponsor:** Representative Draxler

**Bill Summary:** HB 410 broadens the state energy performance contracting statute to allow it to be used for energy efficient vehicles in addition to buildings.

SWEEP supported this bill.

**Bill Activity:** HB 410 passed the House on vote of 66-0-9, passed the Senate on vote of 24-0-5, and was signed by the Governor on March 25, 2015.

For additional information regarding these bills, visit the website of the Utah State Legislature, at <http://le.utah.gov/>.