

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 1224 (Delegate Dobson)

Economic Matters

Baltimore City - Public Housing - HERS Audits

This bill requires the Housing Authority of Baltimore City to conduct an audit of new public housing and public housing that is being rehabilitated using the most recently published version of the Home Energy Rating Systems (HERS) guidelines.

Fiscal Summary

State Effect: None. The bill only affects the Housing Authority of Baltimore City (HABC).

Local Effect: The bill would not directly affect Baltimore City finances or operations because the HABC is entirely federally funded.

Small Business Effect: Potential meaningful. To the extent that the HABC contracts out audits to certified HERS inspectors, those entities could benefit. The average cost per audit is approximately \$300. Because the number of audits that would be conducted as a result of the bill cannot be reliably estimated at this time, however, the impact on small business cannot be quantified.

Analysis

Current Law: The HABC is not required to conduct energy audits. The HABC complies with federal guidelines for energy efficiency in the design and rehabilitation of public housing.

Background: HERS calculations include estimates of annual energy performance and costs and provide objective, standardized information on the energy performance of homes. Approximately 30 states are involved with HERS ratings. The Governor's proposed fiscal

2001 budget includes \$120,000 for the Maryland Energy Administration (MEA) to establish official State guidelines for HERS in Maryland; however, these guidelines will generally govern HERS ratings to be completed during the planning phase of the construction or rehabilitation of homes.

The Baltimore City Council adopted a resolution in November 1999 that urged the Baltimore City Department of Education and the Baltimore City Department of Social Services to enter into a cooperative agreement to provide vocational education for students and welfare-dependent persons to, among other things, become certified HERS inspectors.

Local Fiscal Effect: The bill could result in a significant increase in expenditures for the HABC. According to the MEA, the average cost of a HERS rating is approximately \$300. Although the number of new or rehabilitated public housing projects that will be undertaken in the future is unknown, the trend in Baltimore City in recent years has been to replace high-rise public housing with new, community-oriented buildings. To the extent that the HABC continues to replace existing buildings, the bill would increase the cost of providing public housing by requiring a HERS audit for all new public housing and public housing that is being rehabilitated. However, because the HABC is entirely federally funded, the bill will have no direct impact on Baltimore City finances or operations.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore City, Department of Housing and Community Development, Department of Legislative Services

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