

FISCAL IMPLICATIONS

RLD notes that the Construction Industries Division (CID) was required by executive order to adopt new building codes designed to address reduction in green house gasses and other environmentally protective standards for construction. Accordingly, CID has adopted the first phase of new codes that address and require green building principles. In order to enforce these new codes and to acquire the subject-matter expertise associated with continued code development, plan review, and inspections related to these new standards, a new CID bureau is required. This new bureau is expected to be a permanent addition to CID; therefore, the staffing and overhead costs associated with it are recurring. To fund the bureau, the division submitted a budget expansion request for \$544.0 in FY'09. In addition, CID also submitted a request for a special appropriation in FY'08 in the amount of \$320.0 to cover the cost of consultants and professional training. Out of the total amount requested, only \$100.0 has been recommended in House Bill 2. Therefore, CID is requesting full, permanent funding for the bureau and adequate recurring funding for continued professional training in green building.

SIGNIFICANT ISSUES

RLD indicates that the amendment to the legislation would provide less than one third of the estimated cost of the training portion of CID's green building program. It is not adequate to acquire and develop the expertise necessary to properly train building professionals in green building principals, to establish the green building bureau that is necessary to research, develop and conduct the training, or to fund continuing training as green building principals and standards grow and change with technology

PERFORMANCE IMPLICATIONS

RLD advises that CID has a training program in place for the purpose of educating construction professionals in the ever-changing standards and requirements of New Mexico's dynamic building codes. However, the principles and practices of green building are fundamentally different from traditional building standards. They require different skills and knowledge, both in application and in enforcement. Therefore, CID will be required to acquire new expertise in order to teach, certify and enforce green building standards. This is not possible without adequate, continuing funding.

ALTERNATIVES

RLD suggests that the legislation could be amended to provide the full funding necessary to create and support a CID green building bureau. This cost is estimated to be \$864.0 for the first year and, \$544.0 annually thereafter.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

RLD states, "CID will not have adequate funding to properly train construction professionals in green building standards and principles."

Synopsis of Original Bill

Senate Bill 36 seeks to appropriate \$100,000 from the general fund to the Energy, Minerals and

Natural Resources Department (EMNRD) for expenditure in fiscal year 2009 to develop a training and education program for builders, architects, building inspectors and others in the building trades for certification of personnel in green building technologies and design. Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the general fund.

SIGNIFICANT ISSUES

EMNRD indicates that with the increase in green building practices – also referred to as sustainable building practices – and the enactment of the Sustainable Building Tax Credit in the 2007 legislature, there is a growing need for qualified building professionals, from design through construction and inspection, who can assure that the objectives of green building are accomplished. SB36 provides funding to offer additional training and education so that building professionals can obtain certification in green building technologies and design, where applicable.

Certification establishes whether an individual has completed certain training or course work (as opposed to licensing which is a state-issued permit that authorizes an individual to actually practice that profession). Certification programs are often established within the educational community in order to provide the training and education an individual needs to meet a state agency's licensing requirements. However, because green building practices are new there are not national or state certification or accreditation standards for training or education. In addition some professions, such as home energy rating, are not currently licensed and while others are licensed, such as architects or engineers, the state licensing agencies have not yet incorporated methodologies that incorporate green building into continuing education and examinations required for individuals to obtain or maintain those licenses.

EMNRD notes that because certification programs are often developed based upon the state's licensing requirements it is difficult to establish certification standards for those professions licensed by agencies such as the Regulation and Licensing Department until the licensing agency has determined which types of training are required in order to obtain or maintain that license. Further, that because a certification program for green building technologies and design would have to be developed from the ground up (and would need the licensing agency to develop new licensing requirements) the appropriation is insufficient for EMNRD to develop or contract for the development of a training and education program for certification in green building technologies and design. While this funding could be used in concert with a work force training program at a New Mexico community college to supplement the development of a green building certification program it is insufficient to establish such a program. EMNRD could use this funding to provide non-certificate training but EMNRD does not have sufficient resources to establish a long-term certification program.

ADMINISTRATIVE IMPLICATIONS

EMNRD suggests that the legislation would provide EMNRD with \$100.0 in one-time funding to supplement EMNRD's current Green Building Professionals Education and Outreach Program; however; this funding does not provide sufficient funding to develop a long-term training or a certification program. The funding would allow EMNRD to contract to provide additional training but not to create or provide certification.

ALTERNATIVES

EMNRD indicates that “a community college setting could be better suited to establish a certification program.”

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

EMNRD states that if the legislation is not enacted, there will not be additional funds for training building professionals beyond EMNRD’s Green Building Professionals Education and Outreach Program. However, the funding is not sufficient to do more than fund training opportunities - much greater resources are needed to establish a certificate program.

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