

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2009

Legislative Fiscal Note

BILL NUMBER: House Bill 1481 (Second Edition)

SHORT TITLE: Energy to Commerce; OEO to Energy.

SPONSOR(S): Representatives Bryant and Harrison

FISCAL IMPACT					
	Yes ()	No (X)	No Estimate Available ()		
	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>
REVENUES:					
EXPENDITURES:					
POSITIONS (cumulative):					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:	Department of Administration; Department of Health and Human Services; Department of Commerce				
EFFECTIVE DATE:	July 1, 2009				

BILL SUMMARY:

House Bill 1481 transfers the State Energy Office from the Department of Administration (DOA) to the Department of Commerce and transfers the Residential Energy Conservation Assistance Program from the Department of Health and Human Services (DHHS) to the Energy Office of the Department of Commerce. The bill also makes a number of changes to the Energy Policy Act of 1975.

Source: Karen Cochrane-Brown, Research Division

ASSUMPTIONS AND METHODOLOGY:

H.B. 1481 transfers the State Energy Office and the Residential Energy Conservation Assistance Program from DOA and DHHS, respectively. Both of these transfers are made by Type I transfer as defined in G.S. 143A-6(a). Type I transfers move everything involved with the office or program to its new location, including statutory authority, powers and duties, personnel, property, unexpended balances, and allocations or other funds. Both of these programs are funded by federal grants. Since the federal funds used to administer the programs will transfer with them, there is no cost associated with this bill. Additional information about each of the transfers may be found below.

Department of Administration

The Department of Administration does not foresee any potential fiscal impact related to House Bill 1481, with the exception of indirect costs. The Department of Administration receives funding through the Federal Grant program to cover its indirect costs incurred by administration of grants in the State Energy Office. It is assumed that those funds will be allocated to the Department of Commerce following the transfer.

The Energy Policy Council is staffed by existing staff of the Energy Office; there would be no need for additional staff following the transfer proposed in H.B. 1481.

The Energy Office currently leases its present office location; assuming that the Office would not be required to move, there would be no moving costs incurred by the transfer proposed in HB 1481.

Department of Health and Human Services

The proposed Type I transfer of the federally funded Residential Energy Conservation Assistance Program, presently within the Office of Economic Opportunity (OEO), would shift Program administrative responsibility, staffing, and funding, including funding for indirect costs, to the Department of Commerce. No transition costs are anticipated.

SOURCES OF DATA: Department of Administration.

TECHNICAL CONSIDERATIONS:

1. Section 1.(i) specifically transfers the Residential Energy Conservation Assistance Program from the Office of Economic Opportunity to the Department of Commerce. Section 2.(a) makes conforming changes to statutory references to the Department of Health and Human Services. However, G.S. 143B-216.72C, which vests administrative responsibility for the Residential Energy Conservation Assistance Program in the Office of Economic Opportunity, is not amended. Since this statute is recodified under Article 10, Department of Commerce, it may need to be amended to reflect this change.

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DATE: May 13, 2009



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