

AMENDED IN ASSEMBLY MAY 28, 2014

AMENDED IN ASSEMBLY APRIL 21, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2581

Introduced by Assembly Member Bradford

February 21, 2014

An act to amend Sections ~~25402 and 25402.1~~ 25402, 25402.1, and 25942 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2581, as amended, Bradford. Energy: appliance standards: public domain computer ~~program~~. *program: home energy rating.*

(1) Existing law requires the State Energy Resources Conservation and Development Commission to prescribe, by regulation, standards for minimum levels of operating efficiency, and authorizes the commission to prescribe other cost-effective measures, to promote the use of energy and water-efficient appliances whose use requires a significant amount of energy or water on a statewide basis.

This bill would instead authorize the commission to prescribe or adopt other cost-effective measures, including voluntary agreements. The bill would authorize the commission to repeal a standard of minimum levels operating efficiency for an appliance if it finds that the standard is duplicative or inconsistent with federal or state law. The bill would require the commission to rely on the most current data possible and, whenever feasible, to rely on data no older than one year prior to the commencement of a rulemaking proceeding to consider adoption or amendment of a standard for an appliance.

(2) Existing law requires the commission to prescribe, by regulation, lighting, insulation climate control system, and other building design and construction standards that increase the efficiency in the use of energy and water for new residential and new nonresidential buildings. Existing law also requires the commission to prescribe, by regulation, energy and water conservation design standards for new residential and new nonresidential buildings. In order to implement these requirements, existing law requires the commission to develop a public domain computer program that enables contractors, builders, architects, engineers, and government officials to estimate energy consumed by residential and nonresidential buildings and requires the commission to establish a formal process for certification of compliance options for new products, materials, and calculation methods, as prescribed.

This bill would require the commission to approve and make publicly available, not less than 6 months prior to the effective date of adopted or updated efficiency standards, the public domain computer program. The bill would require the commission, before approving the public domain computer program, to perform preliminary tests of the public domain computer program using common examples of residential and nonresidential buildings and building systems to ensure the usability of the program by ~~architects, builders, contractors, and local code enforcement personnel~~ *users of the program*. The bill would require the commission to make the results of those preliminary tests publicly available.

(3) *Existing law requires the commission to establish criteria for adopting a statewide home energy rating program for residential dwellings.*

For existing single-family residential dwellings and multifamily residential dwellings with up to 4 units, the bill would require the ~~commission~~ *commission, in administering the statewide home energy rating program*, to ensure that energy assessment tools used by the commission are routinely adjusted to improve modeling accuracy and to ensure that consumers receive a notice with the output of the energy assessment tools explaining the assumptions used in the energy assessment tools and how they may differ from actual usage patterns.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 25402 of the Public Resources Code is
2 amended to read:

3 25402. The commission shall, after one or more public
4 hearings, do all of the following, in order to reduce the wasteful,
5 uneconomic, inefficient, or unnecessary consumption of energy,
6 including the energy associated with the use of water:

7 (a) (1) Prescribe, by regulation, lighting, insulation climate
8 control system, and other building design and construction
9 standards that increase the efficiency in the use of energy and water
10 for new residential and new nonresidential buildings. The
11 commission shall periodically update the standards and adopt any
12 revision that, in its judgment, it deems necessary. Six months after
13 the commission certifies an energy conservation manual pursuant
14 to subdivision (c) of Section 25402.1, a city, county, city and
15 county, or state agency shall not issue a permit for a building unless
16 the building satisfies the standards prescribed by the commission
17 pursuant to this subdivision or subdivision (b) that are in effect on
18 the date an application for a building permit is filed. Water
19 efficiency standards adopted pursuant to this subdivision shall be
20 demonstrated by the commission to be necessary to save energy.

21 (2) Prior to adopting a water efficiency standard for residential
22 buildings, the Department of Housing and Community
23 Development and the commission shall issue a joint finding
24 whether the standard (A) is equivalent or superior in performance,
25 safety, and for the protection of life, health, and general welfare
26 to standards in Title 24 of the California Code of Regulations and
27 (B) does not unreasonably or unnecessarily impact the ability of
28 Californians to purchase or rent affordable housing, as determined
29 by taking account of the overall benefit derived from water
30 efficiency standards. This subdivision does not in any way reduce
31 the authority of the Department of Housing and Community
32 Development to adopt standards and regulations pursuant to Part
33 1.5 (commencing with Section 17910) of Division 13 of the Health
34 and Safety Code.

35 (3) Water efficiency standards and water conservation design
36 standards adopted pursuant to this subdivision and subdivision (b)
37 shall be consistent with the legislative findings of this division to
38 ensure and maintain a reliable supply of electrical energy and be

1 equivalent to or superior to the performance, safety, and protection
2 of life, health, and general welfare standards contained in Title 24
3 of the California Code of Regulations. The commission shall
4 consult with the members of the coordinating council as established
5 in Section 18926 of the Health and Safety Code in the development
6 of these standards.

7 (b) (1) Prescribe, by regulation, energy and water conservation
8 design standards for new residential and new nonresidential
9 buildings. The standards shall be performance standards and shall
10 be promulgated in terms of energy consumption per gross square
11 foot of floorspace, but may also include devices, systems, and
12 techniques required to conserve energy and water. The commission
13 shall periodically review the standards and adopt any revision that,
14 in its judgment, it deems necessary. A building that satisfies the
15 standards prescribed pursuant to this subdivision need not comply
16 with the standards prescribed pursuant to subdivision (a). Water
17 conservation design standards adopted pursuant to this subdivision
18 shall be demonstrated by the commission to be necessary to save
19 energy. Prior to adopting a water conservation design standard for
20 residential buildings, the Department of Housing and Community
21 Development and the commission shall issue a joint finding
22 whether the standard (A) is equivalent or superior in performance,
23 safety, and for the protection of life, health, and general welfare
24 to standards in the California Building Standards Code and (B)
25 does not unreasonably or unnecessarily impact the ability of
26 Californians to purchase or rent affordable housing, as determined
27 by taking account of the overall benefit derived from the water
28 conservation design standards. Nothing in this subdivision in any
29 way reduces the authority of the Department of Housing and
30 Community Development to adopt standards and regulations
31 pursuant to Part 1.5 (commencing with Section 17910) of Division
32 13 of the Health and Safety Code.

33 (2) In order to increase public participation and improve the
34 efficacy of the standards adopted pursuant to subdivisions (a) and
35 (b), the commission shall, prior to publication of the notice of
36 proposed action required by Section 18935 of the Health and Safety
37 Code, involve parties who would be subject to the proposed
38 regulations in public meetings regarding the proposed regulations.
39 All potential affected parties shall be provided advance notice of
40 these meetings and given an opportunity to provide written or oral

1 comments. During these public meetings, the commission shall
2 receive and take into consideration input from all parties
3 concerning the parties' design recommendations, cost
4 considerations, and other factors that would affect consumers and
5 California businesses of the proposed standard. The commission
6 shall take into consideration prior to the start of the notice of
7 proposed action any input provided during these public meetings.

8 (3) The standards adopted or revised pursuant to subdivisions
9 (a) and (b) shall be cost-effective when taken in their entirety and
10 when amortized over the economic life of the structure compared
11 with historic practice. When determining cost-effectiveness, the
12 commission shall consider the value of the water or energy saved,
13 impact on product efficacy for the consumer, and the life-cycle
14 cost of complying with the standard. The commission shall consider
15 other relevant factors, as required by Sections 18930 and 18935
16 of the Health and Safety Code, including, but not limited to, the
17 impact on housing costs, the total statewide costs and benefits of
18 the standard over its lifetime, economic impact on California
19 businesses, and alternative approaches and their associated costs.

20 (c) (1) (A) Prescribe, by regulation, standards for minimum
21 levels of operating efficiency, based on a reasonable use pattern,
22 and may prescribe or adopt other cost-effective measures, including
23 incentive programs, fleet averaging, energy and water consumption
24 labeling not preempted by federal labeling law, consumer education
25 programs, and voluntary agreements to promote the use of energy
26 and water efficient appliances whose use, as determined by the
27 commission, requires a significant amount of energy or water on
28 a statewide basis. The minimum levels of operating efficiency
29 shall be based on feasible and attainable efficiencies or feasible
30 improved efficiencies that will reduce the energy or water
31 consumption growth rates. The standards shall become effective
32 no sooner than one year after the date of adoption or revision. A
33 new appliance manufactured on or after the effective date of the
34 standards shall not be sold or offered for sale in the state, unless
35 it is certified by the manufacturer thereof to be in compliance with
36 the standards. The standards shall be drawn so that they do not
37 result in any added total costs for consumers over the designed
38 life of the appliances concerned.

39 (B) In order to increase public participation and improve the
40 efficacy of the standards adopted pursuant to this subdivision, the

1 commission shall, prior to publication of the notice of proposed
2 action required by Section 18935 of the Health and Safety Code,
3 involve parties who would be subject to the proposed regulations
4 in public meetings regarding the proposed regulations. All potential
5 affected parties shall be provided advance notice of these meetings
6 and given an opportunity to provide written or oral comments.
7 During these public meetings, the commission shall receive and
8 take into consideration input from all parties concerning the parties'
9 design recommendations, cost considerations, and other factors
10 that would affect consumers and California businesses of the
11 proposed standard. The commission shall take into consideration
12 prior to the start of the notice of proposed action any input provided
13 during these public meetings.

14 (C) The standards adopted or revised pursuant to this subdivision
15 shall not result in any added total costs for consumers over the
16 designed life of the appliances concerned. When determining
17 cost-effectiveness, the commission shall consider the value of the
18 water or energy saved, impact on product efficacy for the
19 consumer, and the life-cycle cost to the consumer of complying
20 with the standard. The commission shall consider other relevant
21 factors, as required by Sections 11346.5 and 11357 of the
22 Government Code, including, but not limited to, the impact on
23 housing costs, the total statewide costs and benefits of the standard
24 over its lifetime, economic impact on California businesses, and
25 alternative approaches and their associated costs.

26 (2) A new appliance, except for any plumbing fitting, regulated
27 under paragraph (1), that is manufactured on or after July 1, 1984,
28 shall not be sold, or offered for sale, in the state, unless the date
29 of the manufacture is permanently displayed in an accessible place
30 on that appliance.

31 (3) During the period of five years after the commission has
32 adopted a standard for a particular appliance under paragraph (1),
33 an increase or decrease in the minimum level of operating
34 efficiency required by the standard for that appliance shall not
35 become effective, unless the commission adopts other cost-effective
36 measures for that appliance.

37 (4) Neither the commission nor any other state agency shall
38 take any action to decrease any standard adopted under this
39 subdivision on or before June 30, 1985, prescribing minimum
40 levels of operating efficiency or other energy conservation

1 measures for any appliance, unless the commission finds by a
2 four-fifths vote that a decrease is of benefit to ratepayers, and that
3 there is significant evidence of changed circumstances. Before
4 January 1, 1986, the commission shall not take any action to
5 increase a standard prescribing minimum levels of operating
6 efficiency for any appliance or adopt a new standard under
7 paragraph (1). Before January 1, 1986, any appliance manufacturer
8 doing business in this state shall provide directly, or through an
9 appropriate trade or industry association, information, as specified
10 by the commission after consultation with manufacturers doing
11 business in the state and appropriate trade or industry associations
12 on sales of appliances so that the commission may study the effects
13 of regulations on those sales. These informational requirements
14 shall remain in effect until the information is received. The trade
15 or industry association may submit sales information in an
16 aggregated form in a manner that allows the commission to carry
17 out the purposes of the study. The commission shall treat any sales
18 information of an individual manufacturer as confidential and that
19 information shall not be a public record. The commission shall not
20 request any information that cannot be reasonably produced in the
21 exercise of due diligence by the manufacturer. At least one year
22 prior to the adoption or amendment of a standard for an appliance,
23 the commission shall notify the Legislature of its intent, and the
24 justification to adopt or amend a standard for the appliance. The
25 commission shall rely on the most current data available and,
26 whenever feasible, shall rely on data no older than one year prior
27 to the commencement of a rulemaking proceeding to consider
28 adoption or amendment of a standard for an appliance pursuant to
29 this subdivision. Notwithstanding paragraph (3) and this paragraph,
30 the commission may do any of the following:

31 (A) Increase the minimum level of operating efficiency in an
32 existing standard up to the level of the National Voluntary
33 Consensus Standards 90, adopted by the American Society of
34 Heating, Refrigeration, and Air Conditioning Engineers or, for
35 appliances not covered by that standard, up to the level established
36 in a similar nationwide consensus standard.

37 (B) Change the measure or rating of efficiency of any standard,
38 if the minimum level of operating efficiency remains substantially
39 the same.

1 (C) Adjust the minimum level of operating efficiency in an
2 existing standard in order to reflect changes in test procedures that
3 the standards require manufacturers to use in certifying compliance,
4 if the minimum level of operating efficiency remains substantially
5 the same.

6 (D) Readopt a standard preempted, enjoined, or otherwise found
7 legally defective by an administrative agency or a lower court, if
8 final legal action determines that the standard is valid and if the
9 standard that is readopted is not more stringent than the standard
10 that was found to be defective or preempted.

11 (E) Repeal a standard for a particular appliance adopted under
12 paragraph (1) if it finds that the standard is duplicative or
13 inconsistent with federal or state law.

14 (F) Adopt or amend any existing or new standard at any level
15 of operating efficiency, if the Governor has declared an energy
16 emergency as described in Section 8558 of the Government Code.

17 (5) Notwithstanding paragraph (4), the commission may adopt
18 standards pursuant to Commission Order No. 84-0111-1, on or
19 before June 30, 1985.

20 (d) (1) Recommend minimum standards of efficiency for the
21 operation of a new facility at a particular site that are technically
22 and economically feasible. A site and related facility shall not be
23 certified pursuant to Chapter 6 (commencing with Section 25500),
24 unless the applicant certifies that standards recommended by the
25 commission have been considered, which certification shall include
26 a statement specifying the extent to which conformance with the
27 recommended standards will be achieved.

28 (2) Whenever this section and Chapter 11.5 (commencing with
29 Section 19878) of Part 3 of Division 13 of the Health and Safety
30 Code are in conflict, the commission shall be governed by that
31 chapter of the Health and Safety Code to the extent of the conflict.

32 (e) The commission shall do all of the following:

33 (1) Not later than January 1, 2004, amend any regulations in
34 effect on January 1, 2003, pertaining to the energy efficiency
35 standards for residential clothes washers to require that residential
36 clothes washers manufactured on or after January 1, 2007, be at
37 least as water efficient as commercial clothes washers.

38 (2) Not later than April 1, 2004, petition the federal Department
39 of Energy for an exemption from any relevant federal regulations

1 governing energy efficiency standards that are applicable to
2 residential clothes washers.

3 (3) Not later than January 1, 2005, report to the Legislature on
4 its progress with respect to the requirements of paragraphs (1) and
5 (2).

6 SEC. 2. Section 25402.1 of the Public Resources Code is
7 amended to read:

8 25402.1. In order to implement the requirements of subdivisions
9 (a) and (b) of Section 25402, all of the following shall apply:

10 (a) The commission shall develop a public domain computer
11 program that will enable contractors, builders, architects, engineers,
12 and government officials to estimate the energy consumed by
13 residential and nonresidential buildings. The commission may
14 charge a fee for the use of the program, which shall be based upon
15 the actual cost of the program, including any computer costs.

16 (b) The commission shall establish a formal process for
17 certification of compliance options for new products, materials,
18 and calculation methods that provides for adequate technical and
19 public review to ensure accurate, equitable, and timely evaluation
20 of certification applications. Proponents filing applications for new
21 products, materials, and calculation methods shall provide all
22 information needed to evaluate the application that is required by
23 the commission. The commission shall publish annually the results
24 of its certification decisions and instructions to users and local
25 building officials concerning requirements for showing compliance
26 with the building standards for new products, materials, or
27 calculation methods. The commission may charge and collect a
28 reasonable fee from applicants to cover the costs under this
29 subdivision. Any funds received by the commission for purposes
30 of this subdivision shall be deposited in the Energy Resources
31 Programs Account and, notwithstanding Section 13340 of the
32 Government Code, are continuously appropriated to the
33 commission for the purposes of this subdivision. Any
34 unencumbered portion of funds collected as a fee for an application
35 remaining in the Energy Resources Programs Account after
36 completion of the certification process for that application shall
37 be returned to the applicant within a reasonable period of time.

38 (c) The commission shall include a prescriptive method of
39 complying with the standards, including design aids such as a
40 manual, sample calculations, and model structural designs.

1 (d) The commission shall conduct a pilot project of field testing
2 of actual residential buildings to calibrate and identify potential
3 needed changes in the modeling assumptions to increase the
4 accuracy of the public domain computer program specified in
5 subdivision (a) and to evaluate the impacts of the standards,
6 including, but not limited to, the energy savings, cost-effectiveness,
7 and the effects on indoor air quality. The pilot project shall be
8 conducted pursuant to a contract entered into by the commission.
9 The commission shall consult with the participants designated
10 pursuant to Section 9202 of the Public Utilities Code, as that
11 section read on December 31, 2003, to seek funding and support
12 for field monitoring in each public utility service territory, with
13 the University of California to take advantage of its extensive
14 building monitoring expertise, and with the California Building
15 Industry Association to coordinate the involvement of builders
16 and developers throughout the state. The pilot project shall include
17 periodic public workshops to develop plans and review progress.
18 The commission shall prepare and submit a report to the Legislature
19 on progress and initial findings not later than December 31, 1988,
20 and a final report on the results of the pilot project on residential
21 buildings not later than June 30, 1990. The report shall include
22 recommendations regarding the need and feasibility of conducting
23 further monitoring of actual residential and nonresidential
24 buildings. The report shall also identify any revisions to the public
25 domain computer program and energy conservation standards if
26 the pilot project determines that revisions are appropriate.

27 (e) The commission shall certify, not later than 180 days after
28 approval of the standards by the State Building Standards
29 Commission, an energy conservation manual for use by designers,
30 builders, and contractors of residential and nonresidential buildings.
31 The manual shall be furnished upon request at a price sufficient
32 to cover the costs of production and shall be distributed at no cost
33 to all affected local agencies. The manual shall contain, but not be
34 limited to, the following:

35 (1) The standards for energy conservation established by the
36 commission.

37 (2) Forms, charts, tables, and other data to assist designers and
38 builders in meeting the standards.

39 (3) Design suggestions for meeting or exceeding the standards.

1 (4) Any other information which the commission finds will
2 assist persons in conforming to the standards.

3 (5) Instructions for use of the computer program for calculating
4 energy consumption in residential and nonresidential buildings.

5 (6) The prescriptive method for use as an alternative to the
6 computer program.

7 (f) The commission shall approve and make publicly available,
8 not less than six months prior to the effective date of adopted or
9 updated standards, the public domain computer program developed
10 pursuant to subdivision (a). Before approving the public domain
11 computer program, the commission shall do both of the following:

12 (1) Perform preliminary tests of the public domain computer
13 program using common examples of residential and nonresidential
14 buildings and building systems to ensure the usability of the public
15 domain computer program by *users of the program, including, but*
16 *not limited to*, architects, builders, contractors, and local code
17 enforcement personnel.

18 (2) Make the results of the preliminary tests publicly available.

19 ~~(g) For existing single-family residential dwellings and~~
20 ~~multifamily residential dwellings with up to four units, the~~
21 ~~commission shall do both of the following:~~

22 ~~(1) Ensure energy assessment tools used by the commission are~~
23 ~~routinely adjusted to improve modeling accuracy.~~

24 ~~(2) Ensure that consumers receive a notice with the output of~~
25 ~~the energy assessment tools explaining the assumptions used in~~
26 ~~the energy assessment tools and how they may differ from actual~~
27 ~~usage patterns.~~

28 ~~(h)~~

29 (g) The commission shall establish a continuing program of
30 technical assistance to local building departments in the
31 enforcement of subdivisions (a) and (b) of Section 25402 and this
32 section. The program shall include the training of local officials
33 in building technology and enforcement procedures related to
34 energy conservation, and the development of complementary
35 training programs conducted by local governments, educational
36 institutions, and other public or private entities. The technical
37 assistance program shall include the preparation and publication
38 of forms and procedures for local building departments in
39 performing the review of building plans and specifications. The
40 commission shall provide, on a contract basis, a review of building

1 plans and specifications submitted by a local building department,
2 and shall adopt a schedule of fees sufficient to repay the cost of
3 those services.

4 (i)

5 (h) Subdivisions (a) and (b) of Section 25402 and this section,
6 and the rules and regulations of the commission adopted pursuant
7 to those provisions, shall be enforced by the building department
8 of every city, county, or city and county.

9 (1) A building permit for a residential or nonresidential building
10 shall not be issued by a local building department, unless a review
11 by the building department of the plans for the proposed residential
12 or nonresidential building contains detailed energy system
13 specifications and confirms that the building satisfies the minimum
14 standards established pursuant to subdivision (a) or (b) of Section
15 25402 and this section applicable to the building.

16 (2) Where there is no local building department, the commission
17 shall enforce subdivisions (a) and (b) of Section 25402 and this
18 section.

19 (3) If a local building department fails to enforce subdivisions
20 (a) and (b) of Section 25402 and this section or any other provision
21 of this chapter or standard adopted pursuant thereto, the
22 commission may provide enforcement after furnishing 10 days'
23 written notice to the local building department.

24 (4) A city, county, or city and county may, by ordinance or
25 resolution, prescribe a schedule of fees sufficient to pay the costs
26 incurred in the enforcement of subdivisions (a) and (b) of Section
27 25402 and this section. The commission may establish a schedule
28 of fees sufficient to pay the costs incurred by that enforcement.

29 (5) The construction of a state building shall not commence
30 until the Department of General Services or the state agency that
31 otherwise has jurisdiction over the property reviews the plans for
32 the proposed building and certifies that the plans satisfy the
33 minimum standards established pursuant to Chapter 2.8
34 (commencing with Section 15814.30) of Part 10b of Division 3 of
35 Title 2 of the Government Code, subdivision (a) or (b) of Section
36 25402, and this section that are applicable to the building.

37 (j)

38 (i) Subdivisions (a) and (b) of Section 25402 and this section
39 shall apply only to new residential and nonresidential buildings
40 on which actual site preparation and construction have not

1 commenced prior to the effective date of rules and regulations
2 adopted pursuant to those sections that are applicable to those
3 buildings. Those sections shall not prohibit either of the following:

4 (1) The enforcement of state or local energy conservation or
5 energy insulation standards, adopted prior to the effective date of
6 rules and regulations adopted pursuant to subdivisions (a) and (b)
7 of Section 25402 and this section with regard to residential and
8 nonresidential buildings on which actual site preparation and
9 construction have commenced prior to that date.

10 (2) The enforcement of city or county energy conservation or
11 energy insulation standards, whenever adopted, with regard to
12 residential and nonresidential buildings on which actual site
13 preparation and construction have not commenced prior to the
14 effective date of rules and regulations adopted pursuant to
15 subdivisions (a) and (b) of Section 25402 and this section, if the
16 city or county files the basis of its determination that the standards
17 are cost effective with the commission and the commission finds
18 that the standards will require the diminution of energy
19 consumption levels permitted by the rules and regulations adopted
20 pursuant to those sections. If, after two or more years after the
21 filing with the commission of the determination that those standards
22 are cost effective, there has been a substantial change in the factual
23 circumstances affecting the determination, upon application by
24 any interested party, the city or county shall update and file a new
25 basis of its determination that the standards are cost effective. The
26 determination that the standards are cost effective shall be adopted
27 by the governing body of the city or county at a public meeting.
28 If, at the meeting on the matter, the governing body determines
29 that the standards are no longer cost effective, the standards shall,
30 as of that date, be unenforceable and no building permit or other
31 entitlement shall be denied based on the noncompliance with the
32 standards.

33 ~~(k)~~

34 (j) The commission may exempt from the requirements of this
35 section and of any regulations adopted pursuant to this section any
36 proposed building for which compliance would be impossible
37 without substantial delays and increases in cost of construction, if
38 the commission finds that substantial funds have been expended
39 in good faith on planning, designing, architecture, or engineering
40 prior to the date of adoption of the regulations.

1 ~~(j)~~
 2 (k) If a dispute arises between an applicant for a building permit,
 3 or the state pursuant to paragraph (5) of subdivision ~~(i)~~, (h), and
 4 the building department regarding interpretation of Section 25402
 5 or the regulations adopted pursuant thereto, either party may submit
 6 the dispute to the commission for resolution. The commission's
 7 determination of the matter shall be binding on the parties.

8 ~~(m)~~
 9 (l) Nothing in Section 25130, 25131, or 25402, or in this section
 10 prevents enforcement of any regulation adopted pursuant to this
 11 chapter, or Chapter 11.5 (commencing with Section 19878) of Part
 12 3 of Division 13 of the Health and Safety Code as they existed
 13 prior to September 16, 1977.

14 *SEC. 3. Section 25942 of the Public Resources Code is*
 15 *amended to read:*

16 25942. (a) On or before July 1, 1995, the commission shall
 17 establish criteria for adopting a statewide home energy rating
 18 program for residential dwellings. The program criteria shall
 19 include, but are not limited to, all of the following elements:

20 (1) Consistent, accurate, and uniform ratings based on a single
 21 statewide rating scale.

22 (2) Reasonable estimates of potential utility bill savings, and
 23 reliable recommendations on cost-effective measures to improve
 24 energy efficiency.

25 (3) Training and certification procedures for home raters and
 26 quality assurance procedures to promote accurate ratings and to
 27 protect consumers.

28 (4) In coordination with home energy rating service organization
 29 ~~data bases~~, *databases*, procedures to establish a centralized,
 30 publicly accessible, ~~data base~~ *database* that includes a uniform
 31 reporting system for information on residential dwellings,
 32 excluding proprietary information, needed to facilitate the program.
 33 There shall be no public access to information in the ~~data base~~
 34 *database* concerning specific dwellings without the owner's or
 35 occupant's permission.

36 (5) Labeling procedures that will meet the needs of home buyers,
 37 homeowners, renters, the real estate industry, and mortgage lenders
 38 with an interest in home energy ratings.

39 (b) The commission shall adopt the program pursuant to
 40 subdivision (a) in consultation with representatives of the

1 Department of Real Estate, the Department of Housing and
2 Community Development, the Public Utilities Commission,
3 investor-owned and municipal utilities, cities and counties, real
4 estate licensees, home builders, mortgage lenders, home appraisers
5 and inspectors, home energy rating organizations, contractors who
6 provide home energy services, consumer groups, and
7 environmental groups.

8 (c) On and after January 1, 1996, ~~no~~ a home energy rating
9 services ~~may~~ *shall not* be performed in this state unless the services
10 have been certified, if such a certification program is available, by
11 the commission to be in compliance with the program criteria
12 specified in subdivision (a) and, in addition, are in conformity with
13 any other applicable element of the program.

14 (d) On or before July 1, 1996, the commission shall consult with
15 the agencies and organizations described in subdivision (b), to
16 facilitate a public information program to inform homeowners,
17 rental property owners, renters, sellers, and others of the existence
18 of the statewide home energy rating program adopted by the
19 commission.

20 (e) ~~Beginning with the 1998 biennial energy conservation report~~
21 ~~required by Section 25401.1, the~~ *The* commission shall, as part of
22 ~~that the biennial report,~~ *report prepared pursuant to Section 25302,*
23 *report* on the progress made to implement a statewide home energy
24 rating program. The report shall include an evaluation of the energy
25 savings attributable to the program, and a recommendation
26 concerning which means and methods will be most efficient and
27 cost-effective to induce home energy ratings for residential
28 dwellings.

29 (f) *For existing single-family residential dwellings and*
30 *multifamily residential dwellings with up to four units, the*
31 *commission shall do both of the following in administering the*
32 *statewide home energy rating program:*

33 (1) *Ensure energy assessment tools used by the commission are*
34 *routinely adjusted to improve modeling accuracy.*

35 (2) *Ensure that consumers receive a notice with the output of*
36 *the energy assessment tools explaining the assumptions used in*
37 *the energy assessment tools and how they may differ from actual*
38 *usage patterns.*

O