

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2007

Legislative Fiscal Note

BILL NUMBER: House Bill 1702 (First Edition)

SHORT TITLE: Conserve Energy/Insulate Hot Water Plumbing.

SPONSOR(S): Representatives Allen and Faison

FISCAL IMPACT					
	Yes ()	No (X)	No Estimate Available ()		
	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>
EXPENDITURES:					
Department of Administration					
	No Fiscal Impact				
	Savings resulting from a cost-benefit analysis discussed in Assumptions and Methodology Section				
POSITIONS (cumulative):	0	0	0	0	0
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Administration					
EFFECTIVE DATE: January 1, 2008					

BILL SUMMARY:

This bill amends GS 143-138 (b) to require the North Carolina State Building Code to require all hot water plumbing pipes larger than one-fourth of an inch to be insulated. The bill is effective for all new construction permitted on or after January 1, 2008.

Source: Bill Digest H.B. 1702 (04/18/0200)

ASSUMPTIONS AND METHODOLOGY:

No fiscal impact to the State is associated with this bill. The State Construction Office currently requires all above ground water lines (except sprinkler piping) within a building to be insulated.

This bill changes the State Building Code to set minimum efficiency requirements to require all hot water plumbing pipes that are larger than one-fourth of an inch to be insulated. For industries and other private dwellings, the cost of insulating pipes is expected to be absorbed by the savings in water use and the cost of heating water within a short time frame. Research conducted by

Winston Salem State University concluded that for an average household of two people, the cost of insulation materials is absorbed in savings in the first year. It is projected this two person household will save \$117 annually, excluding inflation.

SOURCES OF DATA: Department of Administration; Winston Salem State University

TECHNICAL CONSIDERATIONS: None

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