Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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Bill Number: SB 256 ER **Patron:** McPike
Bill Title: Minimum energy and water conservation standards; heating, ventilation, and air conditioning facilities and home appliances; Department of Energy; prohibited practices; penalty.

Bill Summary: Provides that if any product or product categories under 10 C.F.R. Parts 430 and 431 of the federal Energy Policy and Conservation Act of 1975, as amended, are removed by the U.S. Secretary of Energy or the federal government, the Department of Energy shall adopt energy or water conservation standards that shall be equivalent to the last applicable federal standards with a product compliance date of on or before December 31, 2025. The bill prohibits the sale, lease, or rental of home appliances covered under the EPCA that fail to meet or exceed the energy or water conservation standards under the EPCA as of December 31, 2025. The bill excludes any energy or water conservation standards set aside by a court and any product if federal law preempts the application of imposing the minimum energy and water conservation standards as of December 31, 2025, to such product.

Budget Amendment Necessary: No **Items Impacted:** N/A
Explanation: This bill has indeterminate fiscal impacts to the Department of Energy.

Fiscal Summary: If trigger conditions are met, this bill will create additional workload for Energy and result in an indeterminate, but potentially significant, general fund expenditure impact. If Energy is required to implement a program similar to that established by the federal government, the impact could be significant.

Fiscal Analysis: The bill directs Energy to require manufacturers of appliances available for sale in the Commonwealth to conduct tests to confirm compliance with current federal energy and water efficiency standards in the event that the federal government removes such standards. The bill prohibits the sale of noncompliant products.

If federal appliance energy and water conservation standards are not removed, no fiscal impact is anticipated.

If Energy becomes responsible for enforcement of testing, the agency anticipates a significant increase in workload outside the scope of current duties and expertise. This work would include review of technical specifications, testing methods, and third-party certification processes; communication of standards to manufacturers, retailers, and consumers; and processing information related to compliance violations. The impact to expenses and positions is indeterminate, but Energy estimates that costs could exceed $1 million. If the workload is limited to regulatory action and communication, cost impacts would be significantly less.

Other: This bill is similar to HB 672.