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

PUBLISHED: 4/1/2026 2:25 PM **ORIGINAL**

Bill Number: HB672 ER **Patron:** Maldonado
Bill Title: Appliance minimum energy and water conservation standards; requirement of manufacturers.

Bill Summary: Provides that if any product or product categories under the federal Energy Policy and Conservation Act of 1975 (the EPCA) 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 any such new products from being sold, offered for sale, leased, or rented in the Commonwealth unless such products meet or exceed such standards. The bill excludes any energy or water conservation standards set aside by a court or any product if federal law preempts the application of the minimum energy and water conservation standards to such a product, including any product or product categories where there is a requirement to develop a standard under the EPCA.

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 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.

The bill would become effective 12 months following the date on which the product or product category are removed from federal energy standards. The bill also requires Energy to submit a report to the Governor and certain legislative committee Chairs outlining anticipated costs by December 1, 2026.

Other: This bill is similar to SB 256.