

SENATE BILL REPORT

SB 5076

As Reported by Senate Committee On:
Energy, Environment & Telecommunications, February 5, 2013

Title: An act relating to including information on home energy efficiency in residential home inspection reports.

Brief Description: Requiring information on home energy efficiency to be included in residential home inspection reports.

Sponsors: Senators Dammeier, Rolfes, Fain, Ranker, Shin, Keiser, Frockt and Hasegawa.

Brief History:

Committee Activity: Energy, Environment & Telecommunications: 1/24/13, 2/05/13 [DPS].

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

Majority Report: That Substitute Senate Bill No. 5076 be substituted therefor, and the substitute bill do pass.

Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; Billig, Brown, Chase, Cleveland, Honeyford, Litzow and Ranker, Ranking Member.

Staff: William Bridges (786-7416)

Background: Home inspectors in Washington have been licensed by the Department of Licensing (DOL) since 2009. A home inspector's duty is to complete a written report after performing a visual and noninvasive inspection of the following readily accessible systems and components of a home:

- roof;
- foundation;
- exterior;
- heating system;
- air-conditioning system;
- structure;
- plumbing and electrical systems;
- fire and safety hazards as defined by the board; and
- other aspects of the home as may be identified by the board.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Director of the DOL administers the licensing of home inspectors using standards developed by the Home Inspector Advisory Licensing Board, a seven-member board appointed by the director that develops standards of professional conduct, practice, and ethics for licensed home inspectors.

Summary of Bill (Recommended Substitute): A home inspector's written report must include information developed by the Department of Commerce (COM) that provides the following general educational information: (1) the systems and components of homes that affect energy efficiency, and (2) home energy efficiency programs offered by governments, electric and natural gas utilities, and energy service contractors.

Findings are made concerning the benefits of home energy efficiency and the use of home inspections in real estate transactions. The intent of the Legislature is expressed as ensuring that residential home inspections provide consumers with educational information about home energy efficiency and available energy efficiency programs and services.

EFFECT OF CHANGES MADE BY ENERGY, ENVIRONMENT & TELECOMMUNICATIONS COMMITTEE (Recommended Substitute): Removes from the intent section a reference to standards developed by the home inspector advisory licensing board. Removes a requirement that the written home inspection report include information consistent with the standards of practice developed by the Home Inspector Advisory Licensing Board. Requires written home inspection reports to include general educational information developed by COM on the following: (1) the systems and components of homes that affect energy efficiency, and (2) home energy efficiency programs offered by governments, electric and natural gas utilities, and energy service contractors.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: The most effective and efficient time to inform potential home owners about the energy efficiency of a house is at the time of its sale. Home inspections are voluntary and are used in 80 percent of all home sales. The Home Inspector Advisory Licensing Board and home inspectors support the bill as is, and the Board welcomes the expertise of all stakeholders when it develops energy efficiency standards. A more comprehensive energy audit would be preferable, but the bill is a good first step. The bill should require home inspectors to focus on the efficiency of the inspected house and compare it to other comparable homes. The bill is consistent with recommendations in the State Energy Strategy.

OTHER: Measuring home energy efficiency is complex and requires training and special technology. Consumers need to know that a home inspection is not a substitute for a comprehensive energy-efficiency assessment. Utilities know a great deal about energy efficiency so their expertise should also be used as part of the home inspection process.

Persons Testifying: PRO: Senator Dammeier, prime sponsor; Bill Clarke, WA Realtors; Danielle Dixon, Northwest Energy Coalition; Bruce MacKintosh, Home Inspector Advisory Licensing Board; Tony Usibelli, COM.

OTHER: Nancy Atwood, Puget Sound Energy; Neil Beaver, Sustainable Works; Jerry McDonald, DOL.