

HOUSE BILL REPORT

E3SHB 1433

As Passed House:
February 9, 2024

Title: An act relating to energy labeling of residential buildings.

Brief Description: Concerning energy labeling of residential buildings.

Sponsors: House Committee on Environment & Energy (originally sponsored by Representatives Duerr, Ramel, Fitzgibbon, Berry, Reed and Doglio).

Brief History:

Committee Activity:

Environment & Energy: 1/24/23, 2/2/23 [DPS], 1/18/24 [DP3S];
Appropriations: 2/13/23, 2/21/23 [DP2S(w/o sub ENVI)].

Floor Activity:

Passed House: 3/1/23, 57-39.

Floor Activity:

Passed House: 2/9/24, 55-42.

Brief Summary of Engrossed Third Substitute Bill

- Authorizes cities and counties to require that the owner of a single-family residence obtain and make available a home energy performance report before the residence may be publicly advertised for sale.
- Requires home energy performance reports, where required by a city or county, to comply with certain requirements, including that the home energy performance report contain certain information and that the home energy performance report be prepared by a qualified home energy auditor certified by a qualification certification program approved by the United States Department of Energy.
- Requires cities and counties, before they may require home sellers to obtain a home energy performance report, to conduct an analysis of the financial impact that such a requirement will have on low-income home

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sellers and to adopt a program to mitigate such financial impacts, including the subsidization of the cost of home energy performance reports for low-income home sellers.

- Requires the Department of Commerce to develop, maintain, and make available a standardized format for home energy performance reports.

HOUSE COMMITTEE ON ENVIRONMENT & ENERGY

Majority Report: The third substitute bill be substituted therefor and the third substitute bill do pass. Signed by 10 members: Representatives Doglio, Chair; Mena, Vice Chair; Barnard, Berry, Duerr, Fey, Lekanoff, Ramel, Slatter and Street.

Minority Report: Do not pass. Signed by 2 members: Representatives Abbarno and Sandlin.

Minority Report: Without recommendation. Signed by 3 members: Representatives Dye, Ranking Minority Member; Ybarra, Assistant Ranking Minority Member; Goehner.

Staff: Robert Hatfield (786-7117).

Background:

United States Department of Energy Home Energy Score.

The Home Energy Score was developed by the United States Department of Energy to provide homeowners, buyers, and renters directly comparable and credible information about a home's energy use. The Home Energy Score report estimates home energy use, associated costs, and provides energy solutions to cost effectively improve the home's efficiency.

United States Department of Energy—Home Energy Auditor Qualification Certification Programs.

Homeowners who obtain a home energy audit may be eligible for certain tax credits at the federal level, including the Energy Efficient Home Improvement Credit. In order to qualify for the tax credit, the home energy audit must have been prepared by a home energy auditor who has been certified by one of the qualification certification programs approved by the United States Department of Energy. Multiple qualification certification programs are currently approved by the United States Department of Energy, including, among others:

- ASHRAE Building Energy Assessment Professional;
- Association of Energy Engineers Certified Energy Auditor; and
- Building Performance Institute Home Energy Professional Energy Auditor.

Summary of Engrossed Third Substitute Bill:

Cities and counties may require that the owner of a single-family residence obtain and make available a home energy performance report before the residence may be publicly advertised for sale. If a city or county requires a home energy performance report, the home energy audit must comply with the requirements established in the bill.

Neither a city nor a county may require a home energy performance report until the city or county has first conducted an analysis of the financial impacts on low-income home sellers associated with a requirement to obtain a home energy performance report, and adopted a program to mitigate such financial impacts, including the subsidization of the cost of home energy performance reports for low-income home sellers.

A home energy performance report required by a city or county pursuant to this section must include certain information, including:

- a home energy score, using the methods developed by the United States Department of Energy;
- an estimate of the total monthly or annual cost of energy purchased for use in the residence in dollars, by fuel type, based on the current average annual retail residential energy price of the utility serving the covered building at the time of the report;
- the amount of greenhouse gas emissions associated with the energy consumption of the residence, in tons per year by fuel type, with at least one comparison measure that provides context for the range of potential scores; and
- the identification of the most significant energy efficiency improvements with respect to the residence.

A home energy performance report required by a city or county must be prepared by a qualified home energy auditor certified by a qualification certification program approved by the United States Department of Energy.

By November 30, 2024, the Department of Commerce must develop, maintain, and make available a standardized format for home energy performance reports.

The format of a home energy performance report must comply with the home energy performance report format developed by the Department of Commerce.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

See House Bill Report in the 2023 Legislative Session.

Persons Testifying: See House Bill Report in the 2023 Legislative Session.

Persons Signed In To Testify But Not Testifying: See House Bill Report in the 2023 Legislative Session.