

AMENDED IN SENATE JUNE 27, 2001
AMENDED IN ASSEMBLY MAY 31, 2001
AMENDED IN ASSEMBLY APRIL 26, 2001
AMENDED IN ASSEMBLY APRIL 16, 2001
AMENDED IN ASSEMBLY APRIL 3, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 1574

Introduced by Assembly Member Lowenthal

February 23, 2001

An act to amend Section 7195 of the Business and Professions Code, and to add Sections 25401.5 and 25401.7 to the Public Resources Code, relating to energy resources.

LEGISLATIVE COUNSEL'S DIGEST

AB 1574, as amended, Lowenthal. Energy conservation: building standards: inspections.

(1) Existing law defines terms related to paid home inspections, establishes a standard of care for home inspectors, and prohibits certain inspections in which the inspector or the inspector's employer, as specified, has a financial interest.

This bill would include within the definition of home inspection for those purposes an inspection of energy efficiency. *The bill would specify energy efficiency items to be inspected.*

(2) Existing law requires the State Energy Resources Conservation and Development Commission to adopt regulations concerning energy

conservation standards for lighting, insulation, climate control systems, and other building design and construction standards for new residential and new nonresidential buildings.

This bill would authorize the commission to adopt ~~regulations~~ *guidelines* prescribing higher envelope and duct R-value standards for nonresidential buildings, for which a building permit is issued after the effective date of this bill, and minimum standards for energy efficiency in single-family residential dwellings, which are occupied on the effective date of this bill.

The bill would provide that, if, at the time a single-family residential dwelling is sold, a buyer or seller requests an inspection, that inspection shall include an inspection of the energy efficiency of the dwelling.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares that energy
2 costs represent a significant proportion of consumers'
3 discretionary expenses and that energy efficiency measures are
4 available for residential dwellings in existence on the effective
5 date of the act adding this section.

6 SEC. 2. Section 7195 of the Business and Professions Code
7 is amended to read:

8 7195. For purposes of this chapter, the following definitions
9 apply:

10 (a) (1) "Home inspection" is a noninvasive, physical
11 examination, performed for a fee in connection with a transfer, as
12 defined in subdivision (e), of real property, of the mechanical,
13 electrical, or plumbing systems or the structural and essential
14 components of a residential dwelling of one to four units designed
15 to identify material defects in those systems, structures and
16 components. "Home inspection" includes any consultation
17 regarding the property that is represented to be a home inspection
18 or any confusingly similar term. ~~"Home~~

19 (2) "*Home inspection*" also includes an inspection of energy
20 efficiency pursuant to Section 25401.7 of the Public Resources
21 Code. *Energy efficiency items to be inspected include, but are not*
22 *limited to, all of the following:*



1 (A) A noninvasive inspection of insulation R-values in attics,
2 roofs, walls, floors, and ducts.

3 (B) The number of window glass panes and frame types.

4 (C) The heating and cooling equipment and water heating
5 systems.

6 (D) The age and fuel type of major appliances.

7 (E) The exhaust and cooling fans.

8 (F) The type of thermostat and other systems.

9 (G) The general integrity and potential leakage areas of walls,
10 window areas, doors, and duct systems.

11 (b) A “material defect” is a condition that significantly affects
12 the value, desirability, habitability, or safety of the dwelling. Style
13 or aesthetics shall not be considered in determining whether a
14 system, structure, or component is defective.

15 (c) A “home inspection report” is a written report prepared for
16 a fee and issued after a home inspection. The report clearly
17 describes and identifies the inspected systems, structures, or
18 components of the dwelling, any material defects identified, and
19 any recommendations regarding the conditions observed or
20 recommendations for evaluation by appropriate persons.

21 (d) A “home inspector” is any individual who performs a
22 home inspection.

23 (e) “Transfer” is a transfer by sale, exchange, installment land
24 ~~sale~~ sales contract, as defined in Section 2985 of the Civil Code,
25 lease with an option to purchase, any other option to purchase, or
26 ground lease coupled with improvements, of real property or
27 residential stock cooperative, improved with or consisting of not
28 less than one nor more than four dwelling units.

29 SEC. 3. Section 25401.5 is added to the Public Resources
30 Code, to read:

31 25401.5. ~~(a)~~ For the purpose of reducing electrical and
32 natural gas energy consumption, the commission may do ~~at~~ both
33 of the following:

34 ~~(1)~~

35 (a) Adopt regulations that require the inclusion of higher
36 envelope and duct R-values ~~compatible with ASHRAE Standard~~
37 ~~90.1~~ for new nonresidential buildings, for which building permits
38 are issued after the effective date of the act adding this section.

39 ~~(2) Adopt regulations~~



1 (b) *Adopt guidelines* that prescribe minimum efficiency
2 standards for single-family residential dwellings that are occupied
3 on the effective date of the act adding this section.

4 ~~(b) Subdivision (c) of Section 11346.1 of the Government~~
5 ~~Code does not apply to the regulations adopted pursuant to this~~
6 ~~section. Instead, the commission shall only consult with the~~
7 ~~California Building Standards Commission prior to adopting the~~
8 ~~regulations.~~

9 SEC. 4. Section 25401.7 is added to the Public Resources
10 Code, to read:

11 25401.7. (a) If, at the time a single-family residential
12 dwelling is sold, a buyer or seller requests an inspection, that
13 inspection shall include an inspection of the energy efficiency of
14 the dwelling. The inspector shall provide the results of the
15 inspection to the buyer and seller.

16 (b) For purposes of this section, “inspection” means a “home
17 inspection” as defined in Section 7195 of the Business and
18 Professions Code.

