

AMENDED IN SENATE JULY 17, 2001

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 ~~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 that~~ are occupied on ~~the effective date of this bill~~ *January 1, 2002*.

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~~ *may* 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.~~ *date of this act.*

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.

19 (2) “Home inspection” ~~also includes,~~ *if requested by the*
20 *client, may include* an inspection of energy efficiency pursuant to
21 Section 25401.7 of the Public Resources Code. Energy efficiency



1 items to be inspected ~~include, but are not limited to, all of~~ *may*
2 *include* the following:

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

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

6 (C) The heating and cooling equipment and water heating
7 systems.

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

9 (E) The exhaust and cooling fans.

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

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

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

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

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

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

31 SEC. 3. Section 25401.5 is added to the Public Resources
32 Code, to read:

33 25401.5. For the purpose of reducing electrical and natural
34 gas energy consumption, the commission may ~~do both of the~~
35 ~~following:~~

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



1 ~~(b) Adopt~~ *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. on January 1,~~
4 *2002.*

5 SEC. 4. Section 25401.7 is added to the Public Resources
6 Code, to read:

7 25401.7. (a) If, at the time a single-family residential
8 dwelling is sold, a buyer or seller requests an inspection, that
9 inspection ~~shall~~ *may* include an inspection of the energy efficiency
10 of the dwelling. ~~The inspector shall provide the results of the~~
11 ~~inspection to the buyer and seller. The inspector shall either offer~~
12 ~~to perform an inspection of the home's energy efficiency or~~
13 ~~recommend the services of another individual who can perform an~~
14 ~~inspection of the home's energy efficiency.~~

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

