

AMENDED IN SENATE SEPTEMBER 12, 2001
AMENDED IN SENATE SEPTEMBER 10, 2001
AMENDED IN SENATE AUGUST 23, 2001
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 develop and disseminate measures that would enhance energy efficiency in single-family residential dwellings that were built prior to the development of the current energy efficiency standards.

The bill would ~~provide that require a home inspector, as defined, to provide specified energy efficiency information~~ if, at the time a single-family residential dwelling is sold, a buyer or seller requests ~~an inspection, that inspection may include an inspection of the energy efficiency of the dwelling. The bill would authorize certified inspectors to perform inspections and require uncertified inspectors to give specified energy efficiency information~~ *the information.*

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 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



1 to identify material defects in those systems, structures and
2 components. “Home inspection” includes any consultation
3 regarding the property that is represented to be a home inspection
4 or any confusingly similar term.

5 (2) “Home ~~inspection~~, *inspection*,” if requested by the client,
6 may include an inspection of energy efficiency pursuant to Section
7 ~~25401.7 of the Public Resources Code~~. Energy efficiency items to
8 be inspected may include the following:

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

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

12 (C) The heating and cooling equipment and water heating
13 systems.

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

15 (E) The exhaust and cooling fans.

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

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

19 (H) The solar control efficiency of existing windows.

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

24 (c) A “home inspection report” is a written report prepared for
25 a fee and issued after a home inspection. The report clearly
26 describes and identifies the inspected systems, structures, or
27 components of the dwelling, any material defects identified, and
28 any recommendations regarding the conditions observed or
29 recommendations for evaluation by appropriate persons.

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

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

38 SEC. 3. Section 25401.5 is added to the Public Resources
39 Code, to read:



1 25401.5. For the purpose of reducing electrical and natural
2 gas energy consumption, the commission may develop and
3 disseminate measures that would enhance energy efficiency for
4 single-family residential dwellings that were built prior to the
5 development of the current energy efficiency standards. The
6 measures, if developed and disseminated, shall provide a
7 homeowner with information to improve the energy efficiency of
8 a single-family residential dwelling. The commission may comply
9 with this section by posting the measures on the commission's
10 Internet Web site or by making the measures available to the
11 public, upon request.

12 SEC. 4. Section 25401.7 is added to the Public Resources
13 Code, to read:

14 ~~25401.7. (a) If, at the time a single-family residential~~
15 ~~dwelling is sold, a buyer or seller requests an inspection, that~~
16 ~~inspection may include an inspection of the energy efficiency of~~
17 ~~the dwelling.~~

18 ~~(b) An inspector certified by the statewide home energy rating~~
19 ~~program pursuant to Section 25942 may perform an inspection of~~
20 ~~the energy efficiency of a single-family residential dwelling.~~

21 ~~(c) An inspector not certified by the statewide home energy~~
22 ~~rating program pursuant to Section 25942 shall provide a buyer or~~
23 ~~seller with contact information for one or more of the following~~
24 ~~entities that provide home energy efficiency program information:~~

25 ~~(1) A local publicly owned electric utility, as defined in~~
26 ~~subdivision (d) of Section 9604 of the Public Utilities Code.~~

27 ~~(2) A nonprofit organization.~~

28 ~~(3) A government agency.~~

29 ~~(4) An entity consulted by the commission pursuant to~~
30 ~~subdivision (b) of Section 25942 to facilitate a public information~~
31 ~~program to inform various persons of the existence of the~~
32 ~~statewide home energy rating program adopted by the commission~~
33 ~~pursuant to Section 25942.~~

34 ~~(d) For purposes of this section, "inspection" means a "home~~
35 ~~inspection" as defined in Section 7195 of the Business and~~
36 ~~Professions Code.~~

37 *25401.7. At the time a single-family residential dwelling is*
38 *sold, a buyer or seller may request a home inspection, as defined*
39 *in subdivision (a) of Section 7195 of the Business and Professions*
40 *Code, and a home inspector, as defined in subdivision (d) of*



1 *Section 7195 of the Business and Professions Code, shall provide,*
2 *contact information for one or more of the following entities that*
3 *provide home energy information:*

4 *(a) A nonprofit organization.*

5 *(b) A provider to the residential dwelling of electrical service,*
6 *or gas service, or both.*

7 *(c) A government agency, including, but not limited to, the*
8 *commission.*

