



KANSAS ASSOCIATION OF REAL ESTATE INSPECTORS

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Senate Commerce Committee
Room 548-S
Topeka, KS

February 16, 2019

Re: Home Inspector Bill

Madam Chairman Lynn and Members of the Committee:

My name is Kerry Parham and I inspected homes in the Wichita area for more than 30 years. Currently I serve as Executive Director of the Kansas Association of Real Estate Inspectors (KAREI), a registered non-profit member trade association representing more than 250 Kansas home inspectors. Thank you for this opportunity to express our support of the *Kansas Home Inspectors Professional Competency and Financial Responsibility Act*.

We are in a way re-plowing ground already covered by home inspector legislation we negotiated for 5 years and eventually passed in 2008, revised in 2009, and sadly was ended in 2013 when Governor Brownback vetoed reauthorization. That bill passed with about 90% support in both the House and Senate and was wildly popular and broadly supported by Buyers and Sellers, Real Estate Agents, Home Inspectors, and Financial Lenders. The governor's veto cited *limiting government and unnecessary regulations*, however, when most individuals think of "big wasteful government", they don't envision a small 5-person all-volunteer board; especially, one that operates at no cost to the State, and without any full time employees. Later off the record, we were told the veto was political and made against the advice of some of the governor's own staff.

In the absence of a regulatory board, as an unpaid volunteer and the director of KAREI I have for the last 6 years worked to resolve numerous complaints from both buyers and sellers, even though we have not solicited such work. Some of these complaints have been rather serious including wet basements, mold, and problems with: foundations, roofing, siding, rotted windows, appliances, electrical, plumbing, etc. Invariably, the complaints arise not from the work of formerly registered or certified inspectors, but from those who belong to no national organization, follow no Standards of Practice, and often are lacking in experience. The only way to be assured one is purchasing their dream home and not a nightmare, is if the inspector is knowledgeable, experienced, and follows meaningful Standards of Practice. When there are no rules, that also means there are no protections. If an unscrupulous inspector can play the game anyway they want, that usually ends up with someone getting "hurt" or an angry seller complaining a poor inspection caused them unnecessary expense or "blew their sale".

Most home inspectors are in fact qualified, honest, and professional, however, there will always be those who seem to lack a moral compass and have no interest or concern in the wellbeing of others. This was increasingly the case back in 2008 and we are once again seeing more and more unqualified individuals entering the business.

In the past, opponents of home inspector regulations often say “there is no demonstrated need”; I’m here to tell you there is, and I see it all too often. When we recently conducted an informal poll of our membership regarding regulation, every single reply was pro-regulation, and often with some mention of the need to prevent unqualified inspectors from harming the general public and impugning the good reputation of our industry. These opponents to regulation present themselves as reasonable and that they will be the first to endorse regulations when needed. In reality, these mostly western Missouri inspectors just don’t want to do the work to meet our standards here in Kansas, and would never support any kind of regulation, no matter how benign. We believe the committee should consider the wishes and needs of its Kansas citizens first.

The old bill from 2013 is nearly identical to the current bill that defines what is included in a home inspection, sets minimum education standards, and establishes financial assurances. Buyers and Sellers of real estate are often entering into the largest financial transaction of their lives. They rely heavily upon the experience and knowledge of a competent Home Inspector to provide an unbiased and complete inspection, in order to protect both their financial interests and the health and safety of their families. We cannot “legislate” work ethic, but we can protect the public interest by establishing minimum education requirements, defining what should be included in a home inspection, and verifying the trustworthiness of those who sometimes are allowed unfettered access to our occupied homes.

In summary, our members agree this important bill should be passed so all parties involved in a real estate transaction can once again be assured their Home Inspector is honest, qualified, and following a minimum Standards of Practice. Again, thank you for the opportunity to testify and I will be happy to stand for any questions.

Kerry Parham,

KAREI Executive Director