

To: Senate Utilities Committee  
From: Luke Bell, KAR Director of Governmental Relations  
Date: January 29, 2007  
Subject: **SB 120** – Energy Efficiency Disclosure Forms

The Kansas Association of REALTORS® (“KAR”) is a trade association representing over 10,000 real estate professionals in 35 local boards from every area of the state of Kansas. KAR has faithfully represented the interests of real estate professionals in the state of Kansas for over 85 years.

**SB 120** would mandate that the builder or seller provide the Energy Efficiency Disclosure Form to the buyer or prospective buyer at the time the home is offered for sale. While we agree that it is important for the buyer to receive this information early in the home-buying process, as real estate licensees we currently are not able to provide that information to the home buyer at the time the home is offered for sale. KAR would urge the committee to strike lines 35 through 37 on Page 2 of the legislation and insert the following language in Section 2 beginning in line 33 of Page 1 of the legislation as follows:

“Sec. 2. K.S.A. 2006 Supp. 66-1228 is hereby amended to read as follows: 66-1228. (a) Except as provided by subsection (b), the person building or selling a previously unoccupied new residential structure shall disclose to the buyer or prospective buyer, ~~upon request or prior to closing~~ **prior to the signing of the contract to purchase and at any time thereafter upon request**, information regarding the thermal efficiency of the structure on a form prepared and disseminated by the state corporation commission. . .”

In many cases, when a new home is offered for sale, the actual construction of that home has not yet been completed. In situations like this, it would be completely impossible for the seller to provide information on the energy efficiency of a home when that home has not been completed and the energy-related systems and components may not yet have been installed. While we support the intent of providing timely information on the energy efficiency of new homes to the buyer, we are concerned about the enactment of legislation which would create requirements under state law that would render compliance impossible.

In order to make energy efficiency a significant factor in the decision whether or not to purchase a new home, we agree that the buyer must be made aware of the energy efficiency of the home prior to becoming obligated to purchase the home. If this information is provided to the buyer before he or she signs the purchase contract and becomes obligated to purchase the home, then they have been adequately informed on the energy efficiency of the home prior to making their final decision to purchase the property.