H-0591.2

HOUSE BILL 1433

State of Washington 68th Legislature 2023 Regular Session

By Representatives Duerr and Ramel

- 1 AN ACT Relating to energy labeling of residential buildings;
- 2 adding a new section to chapter 19.27A RCW; adding a new chapter to
- 3 Title 18 RCW; creating a new section; and prescribing penalties.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The legislature finds that improving the energy efficiency of, and reducing greenhouse gas emissions from,
- 7 existing residential buildings, including detached single-family
- 8 homes, is critical to meeting the state's climate goals. The
- 9 legislature further finds that making information about energy
- 10 efficiency and greenhouse gas emissions available to homebuyers will
- 11 help homebuyers make more informed decisions and that this
- 12 information will cause the market to better value the efficiency and
- 13 the greenhouse gas impacts of energy consumed in a home. The
- 14 legislature further finds that home energy labeling programs have
- 15 proven to be effective in other states.
- 16 Therefore, the legislature intends to establish a method for
- 17 energy labeling of existing residential buildings.
- 18 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 19.27A
- 19 RCW to read as follows:

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- (1) (a) By December 31, 2023, the department of commerce must adopt by rule the asset-based home energy score developed by the United States department of energy as the primary home energy performance scoring system by which a person may assign a residential building a score for the purpose of evaluating the energy efficiency and relative greenhouse gas emissions of the building.
- (b) Asset-based systems measure the performance of the building itself and are not affected by the number of occupants or their behavior. The department of commerce may update its rules as it deems necessary.
- (2) Rules adopted by the department of commerce must include the following information for labeling graphics and information for a home energy score:
- 14 (a) Current home energy score, on a relative scale of one to 10, 15 with 10 being best;
 - (b) Amount of energy use per year by fuel type;

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- (c) Unit prices, by fuel type, used to calculate energy costs;
- (d) Annual cost of energy, in dollars, by fuel type and total cost;
- (e) Estimated current carbon emissions in carbon dioxide equivalent tons per year. This measure must be depicted on a relative performance graphic scale from zero to 15 so that a report reader can visualize how a specific home compares to the worst and best possible greenhouse gas outcomes;
- (f) Sets of itemized recommendations for priority and for additional energy saving improvements. Priority improvements are those having an expected full economic payback of 10 or fewer years;
- (g) Recommendations for improving energy savings. Home improvement recommendations may include, but are not limited to, windows, and wall, roof, attic, and floor insulation;
- 31 (h) Estimated home energy score after recommended priority 32 improvements are completed;
- 33 (i) Itemized estimated energy savings, in dollars per year, after itemized recommended priority improvements are completed;
- (j) Estimated carbon reduction, in percent per year, after recommended priority improvements are completed;
- 37 (k) Amount of renewable energy generated by the home in kilowatt-38 hours per year, if any;

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- 1 (1) Assessor information including the date of assessment, date 2 of score expiration, name of assessor, assessor contact information, 3 name of assessor's employer, and assessor's license number;
 - (m) The address of the building being scored;

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- 5 (n) Conditioned floor area, in square feet, of the building being 6 scored;
 - (o) Year the building being scored was constructed;
- 8 (p) A statement indicating that the report meets Washington state 9 standards for home energy score assessments; and
 - (q) Other certifications for which the building has qualified, including any energy efficiency and green building program certification information including, but not limited to, certifications from local programs, energy star, leadership in energy and environmental design, and the national green building standard.
- 15 (3) Subject to subsection (4) of this section, a home energy 16 score is not required.
 - (4)(a) Cities and counties, either by themselves or in partnership with other cities and counties, may promote or administer home energy score programs.
 - (b) Nothing in this section prohibits:
- 21 (i) A city or county, or partnering cities or counties, from 22 requiring a home energy score at the time a residential building is 23 advertised for sale; or
 - (ii) A home energy score from being required for individuals to be eligible to receive certain financial incentives for energy efficiency improvements administered by the department of commerce.
 - (5) The department of commerce may adopt by rule requirements under which home energy assessors who are certified under sections 3 through 15 of this act must report to the department the home energy performance scores assigned by the home energy assessors. The department of commerce must keep and maintain a database of home energy information reported to the department under this subsection.
- NEW SECTION. Sec. 3. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 36 (1) "Board" means the home inspector advisory licensing board 37 created in RCW 18.280.040.
 - (2) "Director" means the director of the department of licensing.

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1 (3) "Entity" or "entities" means educational groups or organizations, national organizations or associations, or a national test organization.

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- (4) "Home energy assessment" means a professional examination of a residential building for the purpose of assigning a home energy score using the home energy score system adopted by the department of commerce in accordance with section 2 of this act.
- (5) "Home energy assessor" means a person who carries out a home energy assessment, using special training and education in order to assign a home energy score that must include the characteristics described in section 2(2) of this act and any other information that the department of commerce may require.
- 13 (6) "Report" means a written report prepared and issued by a home 14 energy assessor after a home energy assessment.
- NEW SECTION. Sec. 4. The department of licensing, in cooperation with the department of commerce, must, by December 31, 2023, adopt rules and establish procedures for the licensing of home energy assessors that will be conducting home energy assessments, as outlined in section 2 of this act.
- NEW SECTION. Sec. 5. (1) Beginning September 1, 2024, a person may not engage in, conduct business, advertise, or hold himself or herself out as engaging in or conducting the business of or acting in the capacity of a home energy assessor within the state without first obtaining a license as provided in this chapter.
- 25 (2) The director must begin issuing licenses under this section on January 1, 2024.
- NEW SECTION. Sec. 6. A person licensed under this chapter is responsible for assigning a home energy score using the home energy performance score system adopted by the department of commerce as required in section 2 of this act. The assessment must include all work needed to assign a home energy score. The board must establish any standards of practice necessary to be used as the minimum standards for an assessment.
- 34 <u>NEW SECTION.</u> **Sec. 7.** In administering this chapter, the director must:

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- 1 (1) Adopt, amend, and rescind rules approved by the board as deemed necessary to carry out this chapter;
- 3 (2) Recognize training prepared by other entities as approved by the board;
- 5 (3) Adopt standards of professional conduct, practice, and ethics 6 as approved by the board; and
- 7 (4) Adopt fees as provided in RCW 43.24.086.
- 8 <u>NEW SECTION.</u> **Sec. 8.** In administering this chapter, the board 9 must:
- 10 (1) Establish the minimum qualifications for licensing applicants 11 as provided in this chapter;
- 12 (2) Approve the method of training required by this chapter or by rule as established by the director;
- 14 (3) Approve the training prepared by other entities for adoption 15 by the director; and
- 16 (4) Establish and review standards of professional conduct, 17 practice, and ethics for adoption by the director.
- NEW SECTION. Sec. 9. In order to become licensed as a home energy assessor, an applicant must submit the following to the department of licensing:
- 21 (1) An application on a form developed by the department of 22 licensing;
- 23 (2) Proof of training as approved by the board; and
- 24 (3) The fee in the amount set by the department of licensing.
- NEW SECTION. Sec. 10. Licenses issued under this chapter are valid for a period of two years and expire on the applicant's second
- 27 birthday following issuance of the license.
- NEW SECTION. Sec. 11. The term "licensed home energy assessor" and the license number of the assessor must appear on all advertising, correspondence, and documents incidental to a home energy assessor. However, businesses and organizations that conduct national or interstate general marketing and advertising campaigns may omit the license number of the assessor in advertising as long as it is included on all documents incident to a home energy assessment.

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- NEW SECTION. Sec. 12. A licensed home energy assessor must provide a written report of the home energy assessment to each person for whom the inspector performs a home inspection within a time period set by the board by rule. The issues to be addressed in the report must be set by the board by rule in consideration of the home energy performance score system adopted by the department of commerce as outlined in section 2 of this act.
- 8 <u>NEW SECTION.</u> **Sec. 13.** (1) The department of licensing has the 9 authority to issue civil infractions under chapter 7.80 RCW in the 10 following instances:
- 11 (a) Conducting or offering to conduct a home energy assessment 12 without being licensed in accordance with this chapter;
- 13 (b) Presenting or attempting to use as his or her own the home 14 energy assessment license of another;
- 15 (c) Giving any false or forged evidence of any kind to the 16 director or the director's authorized representative in obtaining a 17 license;
 - (d) Falsely impersonating any other licensee; or

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- (e) Attempting to use an expired or revoked license.
- 20 (2) All fines and penalties collected or assessed by a court due 21 to a violation of this section must be remitted to the department of 22 licensing to be deposited into the business and professions account 23 created in RCW 43.24.150.
- NEW SECTION. Sec. 14. The uniform regulation of business and professions act, chapter 18.235 RCW, governs unlicensed practice, the issuance and denial of licenses, and the discipline of licensees under this chapter.
- NEW SECTION. Sec. 15. Persons licensed as home energy assessors in other states may become licensed as home energy assessors under this chapter if the other state has licensing requirements that meet or exceed those required under this chapter.
- 32 <u>NEW SECTION.</u> **Sec. 16.** Sections 3 through 15 of this act 33 constitute a new chapter in Title 18 RCW.

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