

**STATEMENT OF THE  
KANSAS BUILDING INDUSTRY ASSOCIATION**

**TO THE SENATE UTILITIES COMMITTEE**

**SENATOR JAY EMLER, CHAIR**

**REGARDING S.B. 120**

**JANUARY 29, 2007**

**Chairman Emler and Members of the Senate Utilities Committee, I am Chris Wilson, Executive Director of the Kansas Building Industry Association (KBIA). Our more than 2500 member companies are involved in the state's residential housing construction industry.**

**KBIA is in support of continuing the disclosure form for energy efficiency for new homes. However, we would like to suggest several changes to S.B. 120 as introduced.**

- 1. On page 1, line 15 of the bill, we would support the House committee language changing the reference to the current IECC Code, which is 2006. We do not believe that a standard should be adopted by the state corporation commission. The IECC has the national expertise in adopting such a code, where this would be new territory for the state corporation commission, requiring staff to duplicate the expertise of the IECC. Moreover, federal loans through FHA and VA require that those homes be built to the IECC Code and having a different state standard would be confusing at the least.**

**Also, in subsections (c) and (d), again we see the idea of the KCC getting into developing rules and regulations and setting thermal efficiency standards to be duplicative at**

**best. The national and international code setting bodies recommend standards. Those are modified and adopted as desired by local jurisdictions. In Kansas, there is no statewide building code. The building codes are adopted at the local level, and almost everyone I've ever talked with wants it that way. Local elected officials, building code officials, and builders believe that those codes can best be set and enforced at the local level.**

**Regarding the form, we strongly recommend keeping it in statute where it is visible to the public. Language recommended by House members regarding the timing of dissemination of the disclosure form suggests providing it "prior to the signing of the contract for purchase of the residential structure or any time upon request." If the language in S.B. 120 as proposed were to be adopted, realtors simply could not comply. We expect that in a majority of cases, when a new home is listed, not all the information is known, because those decisions have not yet been made. We think the best time to provide this information – in addition to any time upon request – is during contract negotiations, prior to the time the buyer signs a contract to purchase the home. In that case, the information is also included in the documentation prior to closing. Often times the decisions regarding windows, furnace, etc. are made during the contract negotiations or between the time of signing of the contract and closing. It is totally untrue that those decisions are already made at the time the building permit is pulled or at the time of listing with a realtor.**

**Regarding the values in the disclosure form, it should be noted that there is a point of diminishing returns with insulation – where additional cost is added to the homeowner without achieving energy savings. In addition, making the house "too tight" results in preventing healthy air movement and can turn the house into a coffin. Without**

**proper air movement, indoor air quality is impaired and results in carbon monoxide poisoning. Additionally, the federal government regulates the heating and cooling units and what can be manufactured. It is better to change the efficiency of the units than to change insulation values in order to achieve thermal efficiency, because of the resulting problems. This points to the importance of considering the home as a whole-house system rather than just individual components.**

**Whatever form is provided to the consumer, it should include the IRC and IECC Code values. Federal FHA and VA loans require that the homes be built to the IECC Code. The EPA Energy Star rating is arrived at simply by increasing the IECC value by 15%. But as we've pointed out, that isn't always in the best interest of the consumer, and the total thermal efficiency of the home is what's important.**

**We would urge the Committee to amend S.B. 120 to change the language regarding timing to what makes best sense for the buyers and those providing the form; to modify the form; and to keep it in the statute; and to not create a duplicative effort in the state to set values that are already established at the federal level with far greater expertise than can be assembled here.**

**Thank you and I would be happy to respond to questions.**