



KANSAS ASSOCIATION OF REAL ESTATE INSPECTORS

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Senate Commerce Committee
Room 548-S
Topeka, KS

February 23, 2021

Re: Home Inspector Legislation (SB176)

Chairman Olson and all members of the Commerce 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), an IRS 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 Competence 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 and allowed the legislation to “Sunset”. That vetoed 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. Moreover, it operated at no cost to the State and most inspectors paid no more than the initial registration fee of \$200 for the whole of the 5 years it was in effect. This replacement bill (SB176) eliminates a “licensing board” in favor of simple registration, will be administered by the Attorney General’s office, and is fully funded by registration fees (i.e., should be no cost to the State, and low cost to registrants).

In the absence of a regulatory board, as an unpaid volunteer and the director of KAREI I have for the last 7 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. When there are no rules, that also means there are no protections. Unscrupulous inspectors that fail to properly examine and report their findings can financially or even physically “hurt” an unsuspecting buyer, or unnecessarily cost a Seller a sale by incorrectly reporting unnecessary needed repairs.

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.

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. The 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 in the Kansas City area just don’t want to have to pay a fee to cross over the state line. These Missouri inspectors have a lengthy track record of opposing legislation in both Kansas and Missouri, and have 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.

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, insured, and following a minimum Standards of Practice.

Again, we fully support this legislation and thank you for taking your valuable time to read this testimony. I would be happy to reply to any questions the committee may have (KAREI@cox.net; or (316) 722-2999).

Kerry Parham,

Executive Director
Kansas Association of Real Estate Inspectors (KAREI)