Approved: 05-02-08

Date

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on March 11, 2008 in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Jennifer Thierer, Kansas Legislative Research Department Dennis Hodgins, Kansas Legislative Research Department Jason Long, Revisor of Statutes Jackie Lunn, Committee Assistant

Conferees appearing before the committee:

Others attending:

See attached list.

Representative John Grange Luke Bell, Kansas Association of Realtors Ron Hein, Kansas Association of Real Estate Inspectors Jeff Barnes, Inspector Callie Hartle, Kansas Association for Justice Kerry Parham, President, Midwest Chapter ASHI Julie Lyle, Professional Engineering Inspection Randy Sipe, Kansas Home Inspector Michael Greenwalt, President, KS Assoc. of Residential & Comm. Inspectors Dan Bowers, Holmes Inspection Co. Jay Rusk, Home Inspector, Lawrence Mike Prichett, National Association of Home Inspectors David Marconi, Secretary, KARCI Steve Bauer, Real Estate Inspector John Kurtz, National Association Home Inspectors, Heartland Chapter

To read testimony submitted by conferees go to <u>http://skyways.lib.ks.us/government/KansasSenateCommerceCommittee.</u>

HB 2315--Home inspectors competency and financial responsibility

Chairperson Brownlee welcomed Walt Cochran from Gardner High School and his honors class to observe the meeting today.

Chairperson Brownlee introduced Jason Long, Revisors Office, to explain <u>HB 2315</u>. Mr. Long stated the bill will require that persons preforming home inspections be registered with the Kansas Home Inspectors Registration Board which will be a new entity created by the bill.

Upon the conclusion of Mr. Long's explanation of the bill, Chairperson Brownlee asked if the Committee had questions; being none, she opened the hearing on <u>HB 2315</u> and introduced Representative John Grange to give his testimony as a proponent of the bill. Representative Grange presented written testimony (<u>Attachment 1</u>)which can be found in its entirety on the link listed above.

Upon the conclusion of Representative Grange's testimony, Chairperson Brownlee stated she would hold questions until all the proponents testified and introduced Luke Bell, Kansas Association of Realtors, to give his testimony as a proponent of <u>HB 2315.</u> Mr. Bell presented written testimony (<u>Attachment 2</u>) which can be found in its entirety on the link listed above.

Chairperson Brownlee introduced Ron Hein, Kansas Association of Real Estate Inspectors, to give his testimony as a proponent of the bill. Mr. Hein presented written testimony (<u>Attachment 3</u>) which can be found in its entirety on the link listed on page 1 of these minutes.

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Chairperson Brownlee introduced Jeff Barnes, Home Inspector, to give his testimony as a proponent of <u>HB</u> <u>2315.</u> Mr. Barnes presented written testimony (<u>Attachment 4</u>) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Callie Hartle, Kansas Association for Justice, to give her testimony as a proponent of the bill. Ms. Hartle presented written testimony (Attachment 5) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Kerry Parham, President, Midwest Chapter of ASHI, to give his testimony as a proponent of <u>HB 2315.</u> Mr. Parham presented written testimony (<u>Attachment 6)</u> which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Julie Lyle, Professional Engineering Inspectors, to give her testimony as a proponent of the bill. Ms. Lyle presented written testimony (<u>Attachment 7</u>) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Randy Sipe, Home Inspector, to give his testimony as a proponent of HB 2315. Mr. Sipe presented written testimony (<u>Attachment 8</u>) which can be found in its entirety on the link shown on page 1 of these minutes.

Upon the completion of the testimony of all the proponents, Chairperson opened the floor for questions from the Committee. There was discussion centered around the responsibilities of the inspectors and what they are liable for. It was noted during the discussion that professional engineers had been stricken from the bill in the house. The discussion continued on where the inspectors could be put instead of creating a new board. It was noted that the Board of Technical Professions had been contacted regarding adding the inspectors and they stated they did not want the inspectors under their board.

Upon the conclusion of questions and discussion, Chairperson Brownlee introduced Michael Greenwalt, President, Kansas Association of Residential and Commercial Inspectors, to give his testimony as an opponent of <u>HB 2315.</u> Mr. Greenwalt presented written testimony (<u>Attachment 9</u>) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Dan Bowers, Holmes Inspection Company, to give his testimony as an opponent of the bill. Mr. Bowers presented written testimony (<u>Attachment 10</u>) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Jay Rusk, a home inspector in Lawrence, Kansas, to give his testimony as an opponent of **HB 2315.** Mr. Rusk presented written testimony (<u>Attachment 11</u>) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Mike Prichett, National Association of Home Inspectors, to give his testimony as an opponent of the bill. Mr. Prichett presented written testimony (<u>Attachment 12</u>) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced David Moriconi, Secretary, KARCI, to give his testimony as an opponent of **HB 2315.** Mr. Moriconi presented written testimony (<u>Attachment 13</u>) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Steve Bauer, a real estate inspector, to give his testimony as an opponent of the bill. Mr. Bauer presented written testimony (<u>Attachment 14</u>) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced John Kurtz, National Association of Home Inspectors, Heartland Chapter, to give his testimony as an opponent of <u>HB 2315.</u> Mr. Kurtz presented written testimony (<u>Attachment 15</u>) which can be found in its entirety on the link shown on page 1 of these minutes.

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Upon the conclusion of the testimony of all the opponents, Chairperson Brownlee called the Committee's attention to the "written only" opponent testimony of the following:

Ronald Nabb, AHSI Certified Home Inspector (<u>Attachment 16</u>) Nancy Seats, President, Homeowners Against Deficient Dwellings (<u>Attachment 17</u>) Mark Adams, Missouri Association of Real Estate Inspectors (<u>Attachment 18</u>) Jim Bushart, National Association of Home Inspectors (<u>Attachment 19</u>)

Due to the time restraint, Chairperson Brownlee announced she would hold the hearing open to hear the testimony of the neutral conferees on another day.

A brief discussion followed when Chairperson Brownlee asked what the need was for the bill with both the proponents and opponents joining in. The liability of the Realtors was also discussed.

Chairperson Brownlee adjourned the meeting at 9:30 a.m. with the next meeting scheduled for March 12, 2008 at 8:30 a.m. in room 123 S.