

SENATE BILL REPORT

SB 5375

As Reported by Senate Committee On:
Financial Institutions, Housing & Insurance, February 17, 2009

Title: An act relating to adding questions about wood burning appliances to the seller's disclosure statement for residential real property transfers.

Brief Description: Adding questions about wood burning appliances to the seller's disclosure statement for residential real property transfers.

Sponsors: Senator Fairley.

Brief History:

Committee Activity: Financial Institutions, Housing & Insurance: 2/10/09, 2/17/09 [DPS].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & INSURANCE

Majority Report: That Substitute Senate Bill No. 5375 be substituted therefor, and the substitute bill do pass.

Signed by Senators Berkey, Chair; Hobbs, Vice Chair; Franklin, McDermott, Parlette and Schoesler.

Staff: Diane Smith (786-7410)

Background: Access to federal transportation funding is contingent, in part, upon the state avoiding a federal nonattainment designation because of federal Clean Air Act noncompliance. Residential woodsmoke is subject to increasing regulatory scrutiny because of its contribution to the degradation of air quality.

A seller of residential land must provide a buyer with a disclosure statement about the property unless the buyer waives the right to receive it. This disclosure is called the Seller Disclosure Statement (Statement). The requirement to provide the Statement to the buyer only applies to land with one to four dwelling units, condominiums and timeshares, and manufactured or mobile homes that are personal property.

The Statement includes a section entitled "7. Environmental." The seller is asked: whether the property has been used for commercial or industrial purposes; if there is any soil or ground

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

water contamination; are there any transmission poles installed, maintained, or buried on the property; and whether the property has ever been used as a dumping site (legally or illegally).

A bank that has foreclosed on a property must provide a buyer with a completed Statement, and if any of the seller's answers are "yes" under the environmental section, the buyer may not waive receipt of the environmental section of the Statement.

Summary of Bill (Recommended Substitute): The type of wood-burning appliances present at the property being sold, and whether any of them are certified as clean-burning appliances, is added to the environmental section of the Statement.

EFFECT OF CHANGES MADE BY FINANCIAL INSTITUTIONS, HOUSING & INSURANCE COMMITTEE (Recommended Substitute): The statement is clarified by reflecting that fireplaces and pellet stoves are not certified by the Environmental Protection Agency.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: This bill is produced by a Department of Ecology (DOE) work group. In 2006 the Environmental Protection Agency (EPA) tightened air quality standards, cutting in half the allowable air pollution. This is a small, good step to educate homeowners about wood stoves. The technical change proposed by amendment is a good change. There is a more comprehensive House bill on adequate purchase disclosure, of which this is a part.

OTHER: The bill as written could cause confusion because fireplaces and pellet stoves are not EPA-certified.

Persons Testifying: PRO: Bob Mitchell, Washington Realtors; Bob Saunders, DOE, Air Quality.

OTHER: Carolyn Logue, National Hearth, Patio and Barbecue Association.