



CONNECTICUT ASSOCIATION OF
REALTORS[®] INC.

**Proposed HB 5473: AAC Requiring the Inspection of Septic Systems
... Please Oppose**

Statement submitted to the Planning and Development Committee
February 18, 2011

by Tim Calnen
Vice President of Government Affairs

While it's generally advisable for a homebuyer to obtain a septic system inspection before purchasing the property served by it, our Association believes House Bill 5473 - - universally "mandating" such inspections prior to the sale - - goes too far.

Current practice allows the buyer and seller to make informed decisions concerning who should pay for an inspection (and/or tank pump-out)... and even if they want to make it a contingency in their purchase and sale agreement. The Connecticut Association of Realtors includes specific language in its Form Purchase and Sale Agreement Addendum which can be included, or not, at the parties' discretion. This wording (included with my testimony) specifically recommends use of the Septic Inspection Report Form developed in 2001 by the CT Department of Public Health in conjunction with the CT Environmental Health Association, our State Realtor Association, licensed home inspectors, local sanitarians, local installers, and the CT Sewage Disposal Association.

Inspections are not a cure-all for septic system failures. How the homeowner uses and maintains the system is critical. The Septic System Report Form just mentioned has a Supplement of great value to buyers living with a system for the very first time, educating them on how to keep it functioning properly.

Most Realtors representing buyers already have conversations with their clients about septic inspections early in the transaction, but it's still an option on whether to proceed and who pays. That's sensible. The cost of an inspection by one professional sanitation company in eastern Connecticut is \$400 plus another \$311 to pump-out a 1,000 gallon tank. Buyers also need to weigh whether to have tests for well water, lead paint, and other substances and how much they can pay for each.

(continued)



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This bill will unnecessarily drive up the transaction cost where a septic test may not even be warranted. An employee of Pfizer, forced to relocate to Michigan, who four months previously remodeled his home and upgraded his septic system, must now comply with a new time-of-sale mandate. The purchaser who intends to do a "tear-down" and start anew would have little use for this report but the legislation still requires it.

In addition, Connecticut already has a Property Condition Disclosure Act obligating sellers to disclose a variety of conditions, including any septic system problems and date of last pump-out. Section 20-327(b) requires this report be given to prospective purchasers before their execution of any binder or contract to purchase. We respectfully ask that you not report this bill.

Thank you. I'll be glad to take any questions.

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Combined Contingency Addendum to Purchase and Sale Agreement (In part) (copyright: CT Association of Realtors)

The following provisions and contingencies are hereby made a part of the Purchase and Sale Agreement referred to hereunder (Purchaser and Seller are construed to be singular or plural as appropriate):

Purchaser: _____
Seller: _____
Property Address: _____

This Agreement is made subject to:
[to include a provision, both Seller and Purchaser should initial in the space marked "Included"]

- (7) Septic Inspection
A report by a licensed septic installer, professional sanitary or civil engineer, registered sanitarian or a sanitarian certified by the Connecticut Department of Public Health to perform inspections, or an inspector accredited by the National Association of Waste Transporters (NAWT), National Small Flows Clearinghouse, National Sanitation Foundation (NSF) or any State of Connecticut sponsored inspection certification program using the Connecticut Recommended Existing Septic System Inspection Report. The subsurface sewage disposal system shall be pumped at Seller's expense unless the system has been pumped within 6 months of the date of the inspection. Purchaser may withdraw from the Agreement by providing written notice along with a copy of the report to Seller within _____ days from the Date of Acceptance of the Agreement if the report notes any of the following conditions: (a) system operating at capacity under current usage levels; (b) need for component replacement due to structural damage; (c) further investigation of leaching system with machine digging is recommended; (d) evidence of prior high liquid levels in system components; or (e) sewage overflow observed, repair required under permit of local health department. If the report notes any of the following conditions: (a) plumbing leaks or wastewater routing problems in home; or (b) soil testing recommended to determine expansion/repair area, Seller may agree in writing to rectify leaks and routing problems and perform soil testing at Seller's expense, to be completed by the date of Closing, in which event the Agreement will remain in full force and effect.

Note: Purchaser acknowledges that: (a) there are many different types of septic system designs and construction; (b) Purchaser's experience with the septic system will depend on many factors (including intensity of use, materials disposed of in the system, family size) and may differ greatly from the previous user's experience; and (c) the Connecticut Department of Public Health, local Health District or Town Sanitarian may be able to provide an evaluation of the operation and design of the septic system serving the property and furnish further information regarding the construction, use, and maintenance of septic systems.

Included _____ Not included _____ Inspection paid by: Seller Buyer

_____ Purchaser	_____ Date
_____ Purchaser	_____ Date
_____ Seller	_____ Date
_____ Seller	_____ Date