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Statement on

SB 882

**AN ACT CONCERNING CLIMATE CHANGE MITIGATION AND
HOME ENERGY AFFORDABILITY**

OPPOSE

Submitted to the Energy and Technology Committee

March 4, 2021

By

Connecticut REALTORS®

Connecticut REALTORS® (CTR) submits this testimony in **OPPOSITION** of **SB 882, AN ACT CONCERNING CLIMATE CHANGE MITIGATION AND HOME ENERGY AFFORDABILITY**. CTR represents over 17,800 members involved in all aspects of real estate in Connecticut. CTR's members work with thousands of buyers, sellers, landlords and tenants annually.

CTR has had discussion with the proponents of the bill recently. As we understand the language **sections 3 and 4 of SB 882** require property owners listing homes for sale or lease to provide prospective buyers and tenants with either a Home Energy Label – a number generated during a home energy audit that summarizes the property's energy efficiency – or the last twelve months of energy bills. The Department of Energy and Environmental Protection (DEEP) would be charged with creating regulations to administer this new standard. The legislation also creates certain fines to be placed upon the landlord or property seller for non-compliance.

CTR believes this new mandate would have the unintentional consequences of either providing the opposite of transparency to the consumer by providing a false expectation to consumers about energy bills that are only reflective of energy use of a prior owner and not the potential energy use of the future owner. Tenants may reject units based on a high utility bill that would not be the same as their own potentially lower energy use and costs; or they may vastly underestimate an energy cost relying on those prior bills that may be significantly lower than their own costs may be based on their own use and circumstances.

For example, the contrast in usage between a two bedroom home where one is a family of four with a home office, a workshop in the garage, active teenagers who require extensive laundry, and the house temperature at 74 degrees; compared with a single person who might purchase or rent that same home who does extensive travel, works late, and keeps the property at 64 degrees while away and at night. Their

utility bills will be vastly different. There's no transparency in the numbers. Other significant factors in energy use depend on weather – a very cold winter or a very hot summer or an unusually warm winter or unusually mild winter can also dramatically skew information in past utility bills.

In addition, the types of heating used in a property may be affordable one year and expensive the next year. Oil prices or electric prices for example may change over the time periods being reviewed – again, giving the consumer false information for what to expect not transparency.

Separately, energy audits are already available voluntarily available for any prospective tenant or property purchaser who may wish to rent or buy a home or apartment/condo. Those are also available to any property owner who is not planning to move but wishes to have options identified. Those audits provide specific recommendations on what may be done at that point in time to improve efficiency which the consumer then has the option to include or not include.

Energy scoring is recognized to further stigmatize older housing stock that often cannot be as efficient as newer properties. Properties with energy efficiencies often widely advertise that fact. Again, anyone wishing to learn more about a property can get an energy audit. If there's an expectation that a new cost and time be added to every rental or purchase transaction in order to proceed, that can also impact the very real problem Connecticut has right now with costs that will end up being passed on to tenants or buyers.

CTR believes **SB 882** is the wrong direction if the goal is climate change mitigation and encouraging improved efficiencies. There are much better ways to encourage increased energy efficiency in our homes and increased spending for improvements. A tax credit or other incentives for energy efficient changes would achieve better results without creating a new mandate on landlords and property sellers that will most likely not result in either improved information or in improved efficiency.

To conclude, **SB 882** would create a new obstacle in the real estate marketplace.

CTR requests your **rejection** as drafted of **SB 882, AN ACT CONCERNING CLIMATE CHANGE MITIGATION AND HOME ENERGY AFFORDABILITY** but hope to continue discussions with the proponents of the bill. Thank you very much for your time and attention to this important matter.