

**House Economic Development, Commerce & Labor Committee**

**Tuesday, February 27, 2018**

**Testimony of Robert E. Fletcher.**

Good afternoon Mr. Chairman and members of the Economic Development, Commerce and Labor Committee. My name is Bob Fletcher, I am the CEO of the Ohio REALTORS, and I am here today to convey my Association's total support of HB 211.

By way of background, we have been supportive for many years of establishing a regulatory framework in the Ohio Revised Code for those who perform home inspection services. When Representative Hughes came to us and indicated his interest to pursue this legislation, our Association gave it our full support.

A home inspection has become a routine component of the real estate transaction. The purpose is to assure that Ohio's homebuyers have a clear picture of the condition of the property they are purchasing. Mold, foundation, roof electrical systems, furnace and other mechanical components are only a few of the very important items that need to be inspected. But an inspection is only as good as the person who performs it. Today anyone can claim to be an inspector without any training or qualifications whatsoever.

There are several facts, which you should know.

- The home inspection process is the only component of the residential real estate transaction that is totally unregulated. The REALTOR, the appraiser, the lender, and the title agent all have competency standards which must be met in order to operate. And if there is a problem, a mechanism exists to impose either discipline or a revocation of their license.
- Also, 30 states have a regulation process in law for home inspectors.

But, by far and away, the major reason we support HB 211 is because the home inspection report is a critical component of what is, for many, the most important and expensive transaction they make. It is a critical, consumer protection measure that is currently lacking in Ohio.

A thorough, accurately prepared home inspection report is of great value to the parties to the transaction. It enhances awareness of the home's condition prior to conveyance. It, along with the property condition disclosure form which most home sellers must complete, is instrumental in ensuring, to the extent possible, that buyers know what they are buying – and sellers have a better understanding of what they are selling.

But a poorly prepared, inaccurate report is a very different matter. First, it can result in a buyer purchasing a property to only find out after taking possession that there is a costly defect or repair that the inspector missed. In other cases, inspections done by untrained inspectors can result in delays and sometimes a complete breakdown of the transaction.

These are situations which we believe the passage of HB 211 will make far less likely to happen.

And that is why we are a strong proponent of HB 211 and hope you vote to report it out of committee and send it on its way to becoming law.

Thank you Mr. Chairman and committee members so much for your attention. I appreciate the opportunity to present our views and if you have any questions, I will do my best to respond to them.