



Energy Ratings on Property Tax Records: A Policy Analysis

Completed for
WASHINGTON STATE UNIVERSITY ENERGY PROGRAM

Authored by
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Earth Advantage is a Portland, Oregon based nonprofit whose mission is to accelerate the creation of better buildings. They provide knowledge to building professionals, and information to consumers through certification, research, education, and product development.

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Executive Summary

Residential energy ratings are being produced with greater frequency for both new and existing homes. To date, these energy ratings are being voluntarily generated and disclosed to potential homebuyers or renters. While legislation to mandate energy scores at certain key decision points (e.g. at time of home sale, when major remodeling occurs, etc.) will not be enacted in the near term, there are several potential mechanisms for energy scoring to become more accepted and used by real estate professionals, appraisers, and ultimately consumers.

One pathway for making home energy ratings more visible to the real estate market is to include them as part of official government property records, such as on property tax records. Washington State University Energy Program and Earth Advantage sought to investigate the process, means, and barriers to recording energy ratings in property tax records. Research focused on Kitsap County, WA, but drew information from a wide array of jurisdictions. Therefore the general principles drawn from this inquiry can be applied broadly.¹

Property tax assessors are uniquely well suited to obtain and record energy rating information. They not only have the legal duty to obtain and record attributes of buildings that are relevant to market value, such as the energy efficiency, but they already routinely obtain and record similar information from a number of reliable sources. Unlike other repositories of building information, assessors are unique in having legal authority to require building owners to provide information relevant to their building's market value. In turn, assessors are obligated to allow public access to the information they collect (except for rare exceptions when they keep information confidential).

To become an effective process and means for recording energy ratings in official property records, existing property tax assessment records must be enhanced to allow for the inclusion of energy ratings. Entering energy ratings into property tax records has the benefit of facilitating their subsequent automated inclusion in multiple listing service (MLS) listings. MLS systems pull data directly from local property tax records. In addition, MLS systems pull the same data indirectly by purchasing data from national data providers, which obtain information directly from local property tax records and other sources. Thus, either directly or indirectly, MLS systems obtain information from local property tax records. Including energy ratings in property tax records makes it simple for the numerous MLS systems to capture this data, thereby potentially informing not only prospective purchasers and renters about a particular home's energy consumption, but also providing brokers and appraisers with this additional information relevant to the appropriate pricing and valuation of real property.

Background on Property Tax Assessments

In many states, assessors are elected county government officers. Although assessors are almost always government employees, they may also be contract employees of local governments. While elected county property tax assessors predominate, in some instances state or city government

¹ This report is intended as a general overview of property taxation with specific relevancy to Kitsap County, Washington. While broadly applicable in general, it is not accurate for each and every state or taxing jurisdiction in the country. For a recent, more detailed but still

assesses (values) real property. Regardless of whether they are part of state, county, or city government, the assessor's legal duty is the same.

In some local governments, different departments conduct assessments and collections. Even in those state and local governments where a single department is responsible of both assessment and collection, the functions are often separate but related. The assessor's duty is to accurately value property within the respective government's property tax jurisdiction and to keep records of the property's value and the attributes of the property that are relevant to assessing the property. A property assessment is separate from, but related to, property tax collection. Assessment is valuation. It is akin to appraisal of real property (or "adjustment" in property insurance), but it is for the purpose of property tax collection.

An assessor's legal duty is to value buildings and record building attributes relevant to valuation. Typically, real property taxation is "ad valorem" (based on the value of the real property)². State constitutions typically require that property be assessed uniformly and equally for the purpose of property taxation. Thus, state law typically requires accurate valuation. Uniform and equal allocation of the real property tax burden on property owners depends on accurate valuation.

Most jurisdictions that tax property tax both personal property (typically objects not permanently attached to land) and real property. Taxation of real property includes both land and "improvements to land" which are typically buildings and other structures constructed on and permanently attached to land. Accurate valuation of buildings depends on the assessor knowing and evaluating attributes of buildings that are relevant to the building's value. Assessors have extensive databases listing attributes of buildings relevant to their identification and valuation. The databases sometimes contain literally thousands of property characteristics and attributes.

Real property value of residential property, especially single-family homes, is typically established by the *sale price of comparable property*. Assessors may also use one or both of two other bases in establishing value: *cost and income*. Either in lieu of sales data (for example when there are insufficient comparable properties sold within the relevant time period) or in addition as a means of checking/validating the value established by the comparable sales price method, assessors will rely on the cost to construct or replace the home and/or the net income produced by the home. Assessors have easy access to information underlying all of the three bases for assessment: comparable sale price, cost, and income (when relevant). Collectively, assessors have the largest database of properties for comparison as well as staff skilled in appraisal.

Since property values and attributes change over time, state laws typically require assessors to periodically review their assessment of every property to ensure accurate valuation and thus uniformity and equality of property taxation. Many states statutes establish minimum schedules for reviews including actual visual inspection of the real property. Given these requirements, state law typically gives assessors easy and complete access to relevant property information.

² Official property tax records and assessment databases typically include both real property (including both land and "improvements" to land such as structures) and personal property (all property that is not real property). However, personal property is outside the scope of this report. Therefore, all references to "property" are to real property unless specifically noted otherwise.

Washington Law on Real Property Assessment

The assessor's role is to assess property as required by state law and subject to Washington's constitution, laws, and regulations. The Washington Department of Revenue is the state-level agency governing property tax assessment. In its guide to county assessors, it explains that a county is an administrative subdivision of the state and that county government is made up of a number of offices and agencies which are charged with the responsibilities of carrying out the requirements of the State Constitution and statutes as they pertain to taxation, police, and other essential services to the public.

In Washington, registered voters elect the county tax assessor. The assessor is not accountable or supervised by other county officials according to the commission form of county government established by Washington state statutes. Six of Washington's 39 counties have adopted "home rule" charters as provided for in the state constitution and could choose a different form of government and method of selecting their assessor. However, even in the six home rule counties, voters elect the assessor.

The assessor is subject to Washington state law: the Washington State Constitution, Washington state statutes ("Revised Code of Washington" or RCW), Washington administrative rules ("Washington Administrative Code" or WAC), and the Washington Department of Revenue's supervision. State law does not dictate the assessor's work in detail. Subject to state law and state revenue department oversight and supervision, assessors have considerable discretion in how they conduct their work.

State oversight, court review, and general appraisal principles establish boundaries for their discretion in their appraisal of the market value of property. However, assessors likely enjoy even greater discretion in determining what property records they should maintain and how they should organize their records. Most have extensive assessment databases including multiple attributes of each property they assess.

Property tax requirements³ include RCW 84.40.030, which states the basic rule of property taxation in Washington: "All property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law." RCW 84.40.030 requires the "true and fair value of real property for taxation purposes" be based on sales (of the subject property or similar properties, cost (including replacement cost with both adjusted for depreciation), or capitalization of income that would be derived from "prudent use" of the property.

The assessor has a duty and authority to value and obtain relevant information. RCW 84.41.030 requires the county assessor to "maintain an active and systematic program of revaluation on a continuous basis" which beginning January 1, 2014 must include annual revaluation and physical inspection at least every 6th year of real property. Just as a property owner may voluntarily cooperate with an appraiser that the owner has hired, a county can rely on voluntary cooperation with owners to supply information relevant to the assessor's valuation. However, in the event an owner does not cooperate, the assessor typically has the legal power to force the owner to provide information the assessor needs to value the property. Additionally, the assessor typically enjoys authority to enter the property as needed to obtain information relevant to valuing the property.

³ This summary is based on the following sources of Washington law. This summary is not legal advice and was prepared without assistance of legal counsel.

Additionally, RCW 84.41.030 includes this authorization: "The assessor may require property owners to submit pertinent data respecting taxable property in their control including data respecting any sale or purchase of said property *within the past five years*⁴, the cost and characteristics of any improvement on the property and other facts necessary for appraisal of the property." WAC 458-07-030(5) includes similar requirements.

The assessor's superior ability to gather information comes not only from its right to require the property owner to submit information about its property to the assessor, but the assessor also has the right to enter private property without a warrant to inspect the property as needed⁵: "For the purpose of assessment and valuation of all taxable property in each county, any real or personal property in each county shall be subject to visitation, investigation, examination, discovery, and listing at any reasonable time by the county assessor of the county or by any employee thereof designated for this purpose by the assessor."

It is important to note that the assessment-relevant information-sharing requirement in Washington law is a two-way street. Just as the assessor must collect information and keep records relevant to assessment, the assessor must share the information with both the taxpayer and the public. RCW 84.48.150 requires the assessor to make valuation criteria including comparable sales available to the taxpayer. And "[i]f valuation criteria other than comparable sales were used, the assessor shall furnish the taxpayer with such other factors and the addresses of such other property used in making the determination of value."

"All real property in this state subject to taxation shall be listed and assessed every year, with reference to its value on the first day of January of the year in which it is assessed. ***Such listing and all supporting documents and records shall be open to public inspection*** during the regular office hours of the assessor's office: PROVIDED, That confidential income data is hereby exempted from public inspection as noted in RCW [42.56.070](#) and [42.56.210](#).⁶" In addition to the duty to value property and share criteria, the assessor is required to keep records of all of the property it assesses. RCW 84.41.120 provides "[e]ach county assessor shall keep such books and records as are required by the rules and regulations of the Department of Revenue and shall comply with any lawful order, rule or regulation of the Department of Revenue."

Present Kitsap County Property Tax Assessor Practice

The Kitsap County Assessor gathers, stores, and analyzes information for every unit of real property within Kitsap County. The information includes floor area, number of stories, date of construction and other improvements, and other details pertinent to value. Assessor office personnel use a robust and easily adaptable computer program to record and analyze this data. This data is not only maintained, but if necessary, is edited or updated by office personnel.

Infrequently, conditions develop where the Kitsap County Assessor decides it is appropriate and advantageous to modify or in some way expand the scope of the property record data. In these cases, the Kitsap County Assessor has the authority to introduce and approve such a change. In general, these

⁴ Author's emphasis added

⁵ RCW 84.40.025.

⁶ RCW 84.40.020 (emphasis added).

types of changes to the data entry fields are approved if they are likely to provide information that would otherwise be missing and which might explain discrepancies in sales values or improve the county's valuation model.

When the assessor has to decide whether or not to include a new attribute of property in the assessment database, the assessor's critical question is *How does this new data help the assessor accomplish his or her statutorily mandated missions?* A pertinent example of such a change or enhancement of the assessment database is the addition of a field to indicate whether a property has installed a solar photovoltaic (solar pv) or solar hot water system. For instance, in a residential neighborhood where two houses on the same street have similar attributes and both are sold at approximately the same time, it would be difficult to explain why one sold at a higher value than the other. However, the difference in sales price might be partially explained by the assessment database indicating the higher priced home had a solar system while the other did not. Assessors might consider this change to the assessment database if they found many other properties in the county with a "solar premium" in their sale price.⁷

This type of information is advantageous for property appraisers (including assessors). Without it, their appraisals/assessments are at higher risk of being in disparity with market value. It is also helpful to prospective purchasers (of both homes and solar panels), companies selling and installing solar panels, and governments considering incentive programs. Likewise, a residential energy score or rating indicates home performance attributes that might result in higher sales prices. However, at this time, the Kitsap assessor has not added any energy-related (energy ratings or renewable energy) fields. Nor is the addition of such fields currently under consideration.

The Kitsap County Assessor's staff⁸ agreed that a modification of the assessment records to include a check box or other field type to relate this sort of property information could be useful in terms of generating more informed property appraisals. Assessors that were interviewed, including those in Kitsap County, have stated that they would need to see any attribute, including home energy ratings, on at least one percent (1%) of homes before they would begin considering adding a field for the attribute.

As is the case with most assessors in Washington, Kitsap County licenses its appraisal software from a vendor. It not free to add fields the database. One option for the assessor is to repurpose some field that was intended for another use, or to store the data in a "general comments/remarks" field in some structured way. Adding/dedicating a field for a new attribute can increase the assessor's cost of doing business, and it will consider such a change only when it has clear, local evidence that including information about the attribute in its database (and valuation model) will produce a significantly more accurate estimate of value.

⁷ And the Lawrence Berkeley Lab study for California establishes such a solar premium. See <http://newscenter.lbl.gov/news-releases/2011/04/21/bright-spot-for-solar/>

⁸ Assessor Jim Avery and Deputy Assessor Mike Eastman

Recent Innovations by Assessors Nationwide

Two county assessment offices have recently added new fields to their assessment databases that are related to energy ratings: 1) green building certifications and 2) renewable energy systems (RE).⁹ The process of including these new fields provides a model for how assessors could add one or more energy rating fields.

SAN FRANCISCO COUNTY, CALIFORNIA

San Francisco County added the following six fields to its property tax system database: Green Label 1, Score 1, Year 1, Green Label 2, Score 2, and Year 2¹⁰. Unfortunately, the fields were added during the term of the previous San Francisco County assessor and the current assessment staff is unaware of who promoted this change or how and why the fields were added. At the time of this report, none of the new fields has been populated and staff has not received training or created an official protocol of how to enter information into the fields or to check for relevant information from property transfer information, appraisals, or MLS data.¹¹

BOULDER COUNTY, COLORADO

The Boulder County assessor has added two fields to its assessment database in which the assessor can indicate the property includes a solar PV system and/or a wind turbine. Staff at the assessor's office for Boulder County, Colorado commented that it is not difficult to add an attribute of properties to its database. In fact, because the Assessor's database includes both real and personal property, it contains literally thousands of attributes. From the assessor's perspective, adding an attribute would not add appreciably to the staff workload.

Additional assessors Earth Advantage spoke to have not added new fields but simply note the presence of renewable energy in "general notes" fields.

Information Flow from Assessor's Database to MLS Listings

Multiple listing services (MLS) may obtain public record data directly from assessment databases. In addition, the MLS may obtain it from one of two large, nationwide data aggregator/providers (data providers) in the US that collect public record data and data from other sources, process it, and provide it to their clients. Their clients include lenders, other finance institutions, government agencies, marketers, researchers, appraisers, and MLS. Data providers CoreLogic and LPS Applied Analytics LLC provide data to a substantial portion of the 1000 MLS in US and Canada for their listings.¹²

⁹ Although green building certifications include features of buildings that are not related to the building's energy efficiency or energy consumption, typically, energy-efficiency is at the heart of its green certification. All green building certification programs promote energy-efficiency. Typically, they award points for energy efficiency or make a certain threshold energy-efficiency a requirement for certification.

¹⁰ According to Michael Line, Chief of Standards, Real Property Division, Office of the Assessor-Recorder,

¹¹ According to the San Francisco Business Times article (from 2012), the assessor recorder at the time of implementation was Phil Ting. According to the assessor-recorder's current website, the assessor-recorder is Carmen Chu. See <http://www.sfassessor.org/> The article states that the property tax assessor's records would include not only green certifications but also HERS and HES energy ratings. However, the fields actually added are described as "green labels."

¹² See <http://www.corelogic.com/> and <http://www.lpsvcs.com/Pages/default.aspx>

Data providers obtain information from county assessor, tax collector, and recorder databases from all of the 3140+ counties and other assessing governments in the US. They process it and “normalize” it so that it is in a standard “national” format. They also provide data in custom formats as their clients’ request. For example, CoreLogic and LPS process the data so that it is compatible with the MLS’ software program and includes all of the attributes that the MLS requires.

Although neither data provider currently includes a specific field in its layout for an energy score, the data providers have fields for related attributes. For example, they have fields (and codes for specific attributes within those fields) for geo-thermal systems, heat pumps, and solar-heating systems for pools. From interview with representatives of both CoreLogic and LPS, it appears adding energy ratings to property tax records (and consequently having it flow through them to their MLS clients) would not be difficult. If there were only a few new fields to add, it would be fairly easy to add the fields. This is especially true if many assessment databases add the fields in a relatively uniform manner.

Real and Perceived Barriers

Earth Advantage found no jurisdiction currently including home energy ratings in property tax assessment records. In fact, Earth Advantage found only two assessors that have added fields for related attributes such as renewable energy systems and green certifications. Given these limited examples, Earth Advantage anticipates advocates of the inclusion of energy ratings will need to convince assessors that they should add a field for energy ratings based on the growing dissemination and use of ratings. In fact, advocates of inclusion may presume that at the very least, they may have to overcome institutional inertia of the status quo: keeping the assessment database the same. Anticipating that, advocates should consider the barriers to inclusion and how to overcome them.

Earth Advantage identified five potential barriers¹³ to approving and implementing a change to property tax records to include residential energy scores or ratings:

1. Skepticism that energy performance of a home sufficiently affects value

Energy-efficiency directly affects operating costs of a home. For example, certain measures to improve efficiency (e.g., enhanced thermal performance and mechanical/lighting equipment) reduce consumption and energy costs. That “operating energy” cost affects the value of both owner-occupied homes and rental residential property. The same is true for renewable energy systems because it reduces the amount of energy purchased from utilities. Both operating energy (consumption) and renewable energy (production) can affect the market value of a home. Multiple studies show the value of energy-efficiency. Additional studies prove the value of renewable energy systems.¹⁴ Over the relatively long life of a home, the total cost for operating energy may be one of the highest costs of use. It could exceed the cost of construction and maintenance, especially if energy costs increase as many predict. A good energy rating indicates lower than average (operating) energy consumption costs. In fact, as energy ratings become commonplace for new and existing homes (like mpg stickers on new cars), the better-than-average energy rating itself will likely affect market value of a property.

¹³ We examine these and other barriers later in this report.

¹⁴ Lawrence Berkeley Lab in California documented the premium for California homes with solar pv systems at <http://newscenter.lbl.gov/news-releases/2011/04/21/bright-spot-for-solar/>

2. Perceived increase in costs and/or workload

Modifying the assessor's computer program was initially perceived to be a potentially significant barrier. From initial interviews, Earth Advantage understood the Kitsap County assessor could fairly easily adapt its computer program to add a field. Assessors can make this decision themselves without authorization or review by others. There is no required legal process, procedural impediments, or review. However, as is the case with most assessment offices, Kitsap County's appraisal software is subject to its vendor's license. In the case of Kitsap County, the County is not at liberty to add fields to the database itself, but would need to pay its vendor to make the changes. There are exceptions to this in other jurisdictions, as some assessors have created their own databases. In other cases assessors who work with a vendor database have agreements in which the vendor may allow the assessors to make at least limited modifications of their proprietary databases. However, if the assessor changes its database (by itself or requesting its vendor make the changes), there will be some cost to adapt it, either the assessor's staff time or payments to its vendor. Presumably, any changes to a database to allow the recording of energy ratings, could be done at the same time as other planned alterations.

Kitsap County assessors identified an additional potential barrier. An important consideration for any assessor would be a possibly significant increase in overhead required to manage public interest or confusion regarding the new data. This was identified as the office's second chief concern (after the threshold question of "How does this new task help the assessor accomplish his/her statutorily-mandated missions?"). Assessment office personnel could presumably receive an increased volume of inquiries related to the energy rating. Managing this would require an increase in staff time (and staffing costs). It is possible that the spike in inquiries would be relatively short-lived and would decrease as the public becomes more familiar both with the concept of energy ratings and with its inclusion on property tax records. However, it is this perceived increase in workload and cost for assessors that could limit interest by assessment offices in making the changes.

This perceived barrier could be overcome if assessor staff identified a point-of-contact outside the county with knowledge of both residential energy scoring and the changes to the assessment records to facilitate public understanding and acceptance without imposing additional burdens/costs on the assessor's staff.

3. Difficulty for assessor to choose between competing energy rating systems

There are several energy rating and scoring systems used regionally and nationally. Leading examples are the Energy Trust of Oregon's Energy Performance Score (EPS), the US Department of Energy's Home Energy Score (HES), and RESNET's Home Energy Rating System (HERS). Fortunately for assessors, typically one system will predominate locally and/or regionally. Since MLS are regional systems, it may be that both the assessors in the area of the MLS as well as the MLS would simply agree to include the energy rating system currently predominating in their region.

Furthermore, if sufficient fields are added to assessment databases, data providers databases, and MLS, then energy consumption for homes nationwide can be compared (and collected) from energy ratings.

For example, the assessors and providers could add just four fields: 1) the energy rating/score, 2) the name of the rating/scoring system, 3) the identity of the rater, and 4) the date the score was issued.¹⁵ From this information, a person knowledgeable about the rating/scoring system could derive the modeled annual energy consumption. However, if the databases include a fifth field, and the model that yields the rating/score also yields the annual energy consumption of the home, then that estimated consumption amount could be included in the fifth field. That would make comparison and data collection even easier. And there was no suggestion that adding five fields would be substantially more difficult than adding four.

4. Difficulty of choice between adding only an asset rating or actual energy consumption

There is periodic discussion within the energy-efficiency industry whether knowing an energy score helps consumers more or whether actual, historic energy consumption information is more pertinent. The former is known as an asset rating since it is based on the building's performance given uniform default assumptions about occupant behavior (and energy consumption).

There are a number of reasons why most leaders in the energy-efficiency arena have elected to adopt asset ratings (energy ratings or scores). These reasons include the fact that historic energy consumption at a particular building is based not only the building's energy performance but also the occupants' behavior. The behavior changes independently of the building's intrinsic qualities (thermal efficacy of the building "shell" and mechanical systems). In addition, there are concerns about the occupants' right to privacy being impaired by public disclosure of their home's total energy consumption.

Fortunately, most home energy ratings or scores not only compare the specific building against other buildings, but also predict the total energy consumption of the building based on known, salient characteristics of the building, uniform assumptions about the number and behavior of the occupants of the building, and the energy modeling software. Therefore, the energy score is either accompanied by the predicted energy consumption or that annual consumption can be derived from the score. This can be compared with utility information about consumption if it is available. For example, an EPS certificate includes the annual energy consumption predicted by a software modeling engine. See the sample at <http://energytrust.org/residential/new-home-solutions/eps.aspx>

5. Resistance from owners of energy-efficient homes fearing energy ratings in assessment databases could increase their property taxes.

As already noted, in some jurisdictions not only are renewable energy systems related to property value, but adding these systems can also trigger reassessment and higher property taxes. This is one reason why solar advocates have proposed and championed state laws exempting renewable energy systems from property tax and have been successful in exempting these systems from property taxation in many states.

This potential issue also comes up in PACE programs where there is a need to establish a clear wall between the PACE finance payments collected with property tax billing/payments and the assessment

database. When a local government is encouraging those improvements and implicitly supporting them with a PACE program, it makes little sense for the same local government to immediately increase property taxes on the more valuable building. However, at some point there is inequity in “protecting” those energy-efficiency improvements from property taxation when new, energy-efficient buildings may be valued higher (and pay more property taxes) in part because they are more energy efficient. Regardless of the goals and purposes of local and state agencies with energy-efficiency programs (such as PACE), assessors’ legal duty is to maintain equitable (“uniform”) valuation.

Energy-efficiency advocates may learn from renewable energy advocates who have succeeded in obtaining property tax abatement or exemption for RE systems.

Conclusion

The opportunity to expand the accessibility and use of energy ratings would be greatly improved if they were included on official property tax records. There are several identified barriers to this taking place in most, if not all, jurisdictions. It appears that the implementation of a robust voluntary program, ideally tied to local utility or other incentive programs, is critical in establishing the necessary volume of scores that could justify inclusion on official property tax records. Whatever voluntary program is available locally, it must include some means of recording the energy ratings by location. Because assessors stated that a 1% threshold was needed before they would consider augmenting their database with a new input field, policy makers should provide a means to show when that threshold is reached.

INTERIM ACTION: INCLUDE ENERGY RATINGS IN MLS LISTINGS

There is an interim action that will assist in increasing knowledge of energy ratings. If advocates of energy ratings wish to take immediate action instead of waiting for assessors to implement energy rating fields (especially if the assessors are awaiting proof of sufficient numbers to justify adding a new field and advocates are uncertain how long it will take to meet their thresholds), they may wish to consider interim measures.

Given the success in many markets of modifying the MLS to include new fields such as green certifications, advocates should request their local MLS organization add fields in their MLS for energy scoring. Owners of buildings with energy ratings and their brokers can supply the ratings in their MLS property listings. Because assessors review MLS data, they will become familiar with energy ratings and might voluntarily add the rating to property tax assessment records when they see it in MLS data. Although they might at first add it only in the field for general notes and comments, that is a start. Even though a few assessors are including fields for RE systems, far more of them are noting the systems in their general note and comments. This is precedent for noting energy ratings or certifications in the same field.

Advocates may consider working with local supporting brokers, appraisers, and national organizations that are attempting to “green” the MLS and have encouraging early successes.¹⁶ A particular benefit of cooperating with the “green the MLS” advocates is that they are attempting to ensure that MLS green data is reliable. At present, a homeowner or the homeowner’s broker may simply claim green attributes

¹⁶ For example, see <http://www.greenthemls.org/>

or even green certification. The potential for inadvertent or intentional green washing not only threatens the integrity of the MLS, but it defeats the interests of energy rating supporters and consumers alike. Creating standards so that green claims are based on reliable and verifiable information. Relying on green certifications from regionally and nationally-recognized green certification programs and requiring proof of certification may become industry standards.

A comprehensive and persuasive approach by advocates would be to request their local MLS organization adopt the national green field standards as these include energy consumption and energy ratings/scores¹⁷.

¹⁷ For example, see <http://www.greenresourcecouncil.org/pdfs/Dept%20of%20Energy%20Guide%20for%20MLS.pdf>