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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 521

Session of  
1985

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INTRODUCED BY NAHILL, TRELLO, J. L. WRIGHT, CIVERA, DISTLER,  
SAURMAN, VROON, PERZEL, BELARDI, MICOZZIE AND GEIST,  
FEBRUARY 27, 1985

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REFERRED TO COMMITTEE ON LABOR RELATIONS, FEBRUARY 27, 1985

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AN ACT

1 Providing for the licensing of home inspection companies; and  
2 imposing powers and duties on the Secretary of Labor and  
3 Industry.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Short title.

7 This act shall be known and may be cited as the Home  
8 Inspection Company Licensure Act.

9 Section 2. Definitions.

10 The following words and phrases when used in this act shall  
11 have the meanings given to them in this section unless the  
12 context clearly indicates otherwise:

13 "Home inspection company." A business or person who, for  
14 compensation, engages in the business of inspecting used  
15 residential homes for prospective buyers.

16 "Secretary." The Secretary of Labor and Industry of the  
17 Commonwealth.

18 Section 3. Home inspection companies to be licensed.

1 (a) System established.--The secretary shall establish a  
2 system for the licensure of home inspection companies.

3 (b) License requirement.--No person may engage in the  
4 business of a home inspection company unless it is licensed by  
5 the secretary.

6 (c) Application.--A home inspection company shall be  
7 licensed by the secretary upon submission of an application and  
8 payment of a reasonable application fee sufficient to cover the  
9 cost of implementing the provisions of this act and to be  
10 prescribed by the secretary.

11 (d) Renewals.--The secretary may require biennial renewal of  
12 application for licensure and may stagger the renewal dates and  
13 adjust the application fees accordingly.

14 (e) License criteria.--The secretary may establish the  
15 criteria for the granting of a license.

16 Section 4. Secretary to investigate.

17 The secretary shall, on his initiative or in response to  
18 complaints, investigate on a continuous basis and gather  
19 evidence of violations of this act and of any regulation adopted  
20 pursuant to this act by home inspection companies.

21 Section 5. Grounds for fines or revocations.

22 The secretary may fine or refuse to grant or may suspend or  
23 revoke a license of a home inspection company for any of the  
24 following acts or omissions related to the conduct of the  
25 business of inspecting used residential homes by the home  
26 inspection company:

27 (1) Making or authorizing any material statement,  
28 written or oral, which is known to be untrue or misleading.

29 (2) Failing to provide a customer with a copy of any  
30 inspection report.

1           (3) Failing to insure or guarantee for a reasonable  
2     period of time those items which were inspected and found to  
3     be in good condition.

4           (4) A pattern of conduct which includes any of the acts  
5     or omissions prohibited in this section or any other  
6     unconscionable or fraudulent commercial practice prohibited  
7     by the secretary pursuant to regulations promulgated under  
8     the provisions of this act.

9     Section 6. Notice to be given.

10    Upon refusal to grant a license or suspension or revocation  
11   of a license of a home inspection company, the secretary shall  
12   notify the company in writing by certified mail. The company  
13   shall be given a hearing by the secretary if, within 60 days  
14   thereafter, it files with the secretary a written request for a  
15   hearing concerning the refusal to grant a license or suspension  
16   or revocation of the license.

17   Section 7. Civil penalties.

18    The secretary may impose upon a home inspection company  
19   violating this act a civil penalty of not more than \$2,000 for  
20   the first offense and not more than \$5,000 for the second and  
21   each subsequent offense. The civil penalty shall be issued for  
22   and recovered by and in the name of the secretary and shall be  
23   collected and enforced by summary proceedings.

24   Section 8. Rules and regulations to be promulgated.

25    The secretary shall promulgate rules and regulations  
26   necessary to effectuate the purposes of this act.

27   Section 9. Effective date.

28    This act shall take effect in 90 days.