

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 359 Session of
2007INTRODUCED BY GREENLEAF, RAFFERTY, O'PAKE, WAUGH, COSTA, FERLO,
WOZNIAK, LOGAN, STACK, A. WILLIAMS AND BROWNE, MARCH 12, 2007SENATOR TOMLINSON, CONSUMER PROTECTION AND PROFESSIONAL
LICENSURE, AS AMENDED, MARCH 11, 2008

AN ACT

1 Amending Title 68 (Real and Personal Property) of the
2 Pennsylvania Consolidated Statutes, ~~further providing for~~ <—
3 ~~home inspections; establishing the Pennsylvania Board of Home~~
4 ~~Inspectors; and providing for licensure of home inspectors~~
5 ~~and for disciplinary proceedings by the Pennsylvania Board of~~
6 ~~Home Inspectors.~~ REPEALING PROVISIONS RELATING TO HOME <—
7 INSPECTIONS; PROVIDING FOR HOME INSPECTIONS; ESTABLISHING THE
8 PENNSYLVANIA BOARD OF HOME INSPECTORS; PROVIDING FOR
9 LICENSURE OF HOME INSPECTORS AND FOR DISCIPLINARY PROCEEDINGS
10 BY THE PENNSYLVANIA BOARD OF HOME INSPECTORS; AND MAKING AN
11 APPROPRIATION.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 ~~Section 1. Section 7502 of Title 68 of the Pennsylvania~~ <—
15 ~~Consolidated Statutes is amended to read:~~

16 ~~§ 7502. Definitions and index of definitions.~~

17 ~~(a) Definitions. The following words and phrases when used~~
18 ~~in this chapter shall have the meanings given to them in this~~
19 ~~section unless the context clearly indicates otherwise:~~

20 ~~"Applicant." An individual who applies for a license as a~~
21 ~~home inspector.~~

22 ~~"Board." The Pennsylvania Board of Home Inspectors~~

~~established under section 7504.1 (relating to Pennsylvania Board of Home Inspectors).~~

~~"Bureau." The Bureau of Professional and Occupational Affairs in the Department of State.~~

~~"Client." An individual who contracts with a licensee to obtain a home inspection and subsequent written home inspection report.~~

~~"Direct supervision." A home inspection performed by a home inspector who is not a licensee in the presence of and under the tutelage of a supervising licensee.~~

~~"Home inspection." A noninvasive visual examination of some combination of the mechanical, electrical or plumbing systems or the structural and essential components of a residential dwelling designed to identify material defects in those systems and components and performed for a fee in connection with or preparation for a proposed or possible residential real estate transfer. The term also includes any consultation regarding the property that is represented to be a home inspection or that is described by any confusingly similar term. The term does not include an examination of a single system or component of a residential dwelling such as, for example, its electrical or plumbing system or its roof. The term also does not include an examination that is limited to inspection for or of one or more of the following: wood destroying insects, underground tanks and wells, septic systems, swimming pools and spas, alarm systems, air and water quality, tennis courts and playground equipment, pollutants, toxic chemicals and environmental hazards.~~

~~"Home inspection report." A written report [on the results of a home inspection.] prepared by a licensee for compensation and issued after a home inspection that includes:~~

~~(1) A description or identification of the structure component, systems and subsystems covered by the report.~~

~~(2) A report on any system or component inspected that, in the opinion of the licensee, is significantly deficient.~~

~~(3) The licensee's recommendation to seek further evaluation of an expert in that field or monitor deficiencies as reported.~~

~~(4) A list of any and all systems or components that were designated for inspection in the standards of practice adopted by the board but that were not inspected.~~

~~(5) The reason a system or component was not inspected.~~

~~"Home inspector." An individual who performs a home inspection, is properly licensed and meets the qualifications of this chapter.~~

~~"License." A license issued under this chapter to engage in home inspections.~~

~~"Licensee." A person who performs home inspections and who is licensed under this chapter as a home inspector.~~

~~"National home inspectors association." Any national association of home inspectors that:~~

~~(1) Is operated on a not for profit basis and is not operated as a franchise.~~

~~(2) Has members in more than ten states.~~

~~(3) Requires that a person may not become a full member unless the person has performed or participated in more than 100 home inspections and has passed a recognized or accredited examination testing knowledge of the proper procedures for conducting a home inspection.~~

~~(4) Requires that its members comply with a code of conduct and attend continuing professional education classes~~

1 ~~as an ongoing condition of membership.~~

2 ~~"Preferred provider relationship." A referral service~~
3 ~~offered by a real estate company, mortgage company, law firm,~~
4 ~~individual agent, attorney or other similar entity or individual~~
5 ~~when a licensee is recommended over other licensees in exchange~~
6 ~~for any direct or indirect consideration therefore, including,~~
7 ~~without limitation, the payment of a fee, or where in~~
8 ~~consideration of a licensee advertising produced by or for a~~
9 ~~person in consideration for recommendations or referrals to~~
10 ~~undertake home inspections.~~

11 ~~"Residential dwelling." A structure consisting of at least~~
12 ~~one, but not more than four, units, each designed for occupancy~~
13 ~~by a single family, whether the unit or units are occupied or~~
14 ~~unoccupied.~~

15 ~~(b) Index of other definitions. The following is a~~
16 ~~nonexclusive list of other definitions applying to this chapter~~
17 ~~and the sections in which they appear:~~

18 ~~"Agent." Section 7102 (relating to definitions).~~

19 ~~"Agreement of transfer." Section 7102 (relating to~~
20 ~~definitions).~~

21 ~~"Buyer." Section 7102 (relating to definitions).~~

22 ~~"Material defect." Section 7102 (relating to definitions).~~

23 ~~"Residential real estate transfer." Section 7103 (relating~~
24 ~~to application of part).~~

25 ~~"Seller." Section 7102 (relating to definitions).~~

26 ~~Section 2. Title 68 is amended by adding sections to read:~~

27 ~~§ 7504.1. Pennsylvania Board of Home Inspectors.~~

28 ~~(a) Establishment. The Pennsylvania Board of Home~~
29 ~~Inspectors is established to conduct business affairs under the~~
30 ~~Bureau of Professional and Occupational Affairs. The purpose of~~

~~the board shall be to administer and enforce the provisions of this chapter, promote initiatives to protect consumers of home inspection services, create guidelines for the development of high level skills in home inspectors and encourage the presence of a viable home inspection industry within this Commonwealth.~~

~~(b) Composition. The board shall be composed of seven members who must be full time residents of this Commonwealth and appointed by the Governor in accordance with the following requirements:~~

~~(1) For purposes of the initial appointments, five of the members must:~~

~~(i) Be actively engaged in performing home inspections in this Commonwealth for no less than five years immediately preceding the member's appointment to the board.~~

~~(ii) Have completed no less than 100 fee paid inspections per year over the five years immediately preceding appointment to the board.~~

~~(iii) Demonstrate that they have passed a written examination administered by a national examination organization that complies with the standards established by this chapter.~~

~~A board member who becomes a home inspector shall obtain the requisite license in accordance with this chapter, before or on the six month anniversary of the effective date of this section. If a board member does not obtain the requisite license on or before such date, the board member shall be considered to have resigned from the board on the six month anniversary of the effective date of this section, and the Governor shall fill the vacancy in accordance with this~~

~~section. Thereafter, the home inspector members must be licensed prior to their appointments.~~

~~(2) One person shall represent the public at large and shall not be associated with the home inspection, home building or real estate business other than as a consumer. This member shall be appointed by the Governor but shall not be selected from a submitted list of names.~~

~~(3) One person shall be the Commissioner of the Bureau of Professional and Occupational Affairs or his designee.~~

~~(c) Member selection and service.~~

~~(1) Appointment of the initial members comprising the board shall begin on the three month anniversary of the effective date of this section, and their respective terms shall be staggered, as follows:~~

~~(i) Three members for a term of three years.~~

~~(ii) Two members for a term of two years.~~

~~(iii) Two members for a term of one year.~~

~~(2) Except as provided in paragraph (1), all board members shall serve a term of three years, and no member shall serve for more than three consecutive terms.~~

~~(3) The Governor may remove a board member at any time for incompetence, neglect of duty or unprofessional conduct.~~

~~(4) If a vacancy occurs in the membership of the board, the Governor shall appoint an individual to serve for the remainder of the unexpired term who has like qualifications required of the member who created the vacancy.~~

~~(5) Each year the board shall elect a member as chairperson and vice chairperson. The chairperson and vice chairperson shall serve in their respective capacities for no more than one year consecutively and until a successor is~~

1 ~~elect~~ed. The chairperson shall preside at all meetings at
2 ~~which the chairperson is present. The vice chairperson shall~~
3 ~~preside at meetings in the absence of the chairperson and~~
4 ~~shall perform other duties as the chairperson directs. If the~~
5 ~~chairperson and vice chairperson are absent from a meeting of~~
6 ~~the board when a quorum exists, the members who are present~~
7 ~~may elect a presiding officer who shall serve as acting~~
8 ~~chairperson until the conclusion of the meeting or until the~~
9 ~~arrival of the chairperson or vice chairperson at the~~
10 ~~meeting, whichever occurs first.~~

11 ~~(6) The board shall meet at least quarterly each~~
12 ~~calendar year at the call of the chairperson or the written~~
13 ~~request of a majority of the members of the board. The~~
14 ~~chairperson shall establish the date, time and place for each~~
15 ~~meeting. A majority of the current members of the board shall~~
16 ~~constitute a quorum. The affirmative vote of a majority of~~
17 ~~the members appointed to the board shall be necessary for the~~
18 ~~board to take official action.~~

19 ~~(7) Each member of the board shall serve on a voluntary~~
20 ~~basis but shall be entitled to reimbursement for traveling~~
21 ~~expenses and other expenses actually incurred in connection~~
22 ~~with the member's duties as established under this chapter.~~

23 ~~§ 7504.2. Licensure of home inspectors by board.~~

24 ~~(a) Powers of board. The board, through the promulgation of~~
25 ~~administrative rules and regulations, shall:~~

26 ~~(1) Establish the requirements for and prescribe the~~
27 ~~form of licenses, applications and other documents that are~~
28 ~~required for home inspectors to be licensed under this~~
29 ~~chapter.~~

30 ~~(2) Grant, deny, suspend and revoke approval of~~

~~examinations and courses of study regarding home inspections;
establish standards for continuing home inspection education,
including, without limitation, the subject matter and content
of courses of study and the selection of instructors; and
approve other equivalent educational programs and establish
procedures for the issuance of credit upon satisfactory proof
of the completion of these programs.~~

~~(3) Issue, deny, suspend and revoke licenses in
accordance with this chapter.~~

~~(4) Establish and maintain a current list of home
inspectors who are registered or licensed. The list shall be
available for public inspection, including by electronic
means.~~

~~(5) Establish and maintain a current list of national
home inspectors associations approved by the board as meeting
the requirements of this chapter. Any national home
inspectors association approved by the board must provide the
board initially, and upon request, with a list of its members
in this Commonwealth. Once approved, the association shall
notify the board within 30 days when any of its members in
this Commonwealth fail to maintain their membership in the
association or are otherwise not in compliance with the rules
of the association.~~

~~(6) Investigate complaints concerning licensees or
persons the board has reason to believe should be licensees,
including complaints concerning failure to comply with this
chapter or administrative regulations promulgated under this
chapter and, when appropriate, take action in accordance with
this chapter.~~

~~(7) Bring actions in the name of the Commonwealth in an~~

~~appropriate court in order to enforce compliance with this chapter or the administrative regulations promulgated under this chapter.~~

~~(8) Establish licensure fees in an amount determined by the board that are reasonably necessary and appropriate for enforcement.~~

~~(9) Inspect the records of a licensee in accordance with administrative regulations promulgated by the board.~~

~~(10) Conduct or designate a member or other representative to conduct public hearings on any matter for which a hearing is required under this chapter and exercise all powers granted under this section.~~

~~(11) Adopt a seal containing the words "Pennsylvania Board of Home Inspectors" and, through the board's secretary, certify copies and authenticate all acts of the board.~~

~~(12) Use board members, consultants and other persons to enter into contracts and to authorize expenditures that are reasonably necessary or appropriate to administer and enforce this chapter and administrative regulations promulgated under this chapter.~~

~~(13) Establish continuing education requirements of not less than 16 hours annually for licensees in accordance with this chapter.~~

~~(14) Maintain the board's office, files, records and property in the City of Harrisburg.~~

~~(15) Require all fee paid home inspections to be conducted in accordance with the standards of practice of board approved national home inspection associations.~~

~~(16) Establish standards of practice for licensees.~~

~~(17) Develop a model home inspection contract meeting~~

~~the provisions of this chapter and encourage licensees to use the model contract.~~

~~(18) Create guidelines for mentoring programs and approved training facilities established pursuant to the requirements of section 7506 (relating to required contractual provisions regarding home inspections).~~

~~(19) Exercise all other powers specifically conferred on the board under this chapter.~~

~~(20) Promulgate rules and regulations to carry out the effective administration and the requirements of this chapter.~~

~~(b) Examination requirement. To be eligible for a license as a home inspector in this Commonwealth, an applicant must pass a valid, reliable examination. This examination shall:~~

~~(1) Test competence in home inspection practice.~~

~~(2) Be developed pursuant to accepted psychometric standards promulgated by the American Educational Research Association's "Standards for Educational and Psychological Testing"; the Equal Employment Opportunity Commission's "Uniform Guidelines for Employee Selection Procedures"; the Civil Rights Act of 1964 (Public Law 88-352, 78 Stat. 241); the Americans with Disabilities Act of 1990 (Public Law 101-336, 104 Stat. 327); and similar applicable standards.~~

~~(3) Be administered and proctored by an approved and recognized testing organization at a physical location to ensure both the security and integrity of the examination.~~

~~§ 7504.3. Support of board by bureau.~~

~~The bureau shall provide the board with:~~

~~(1) Clerical or other assistants, including investigators, necessary for the proper performance of the~~

~~board's duties.~~

~~(2) A place to hold board meetings and hearings.~~

~~(3) Office equipment and office space for board records,
staff and other effects necessary to carry out the
requirements of this chapter.~~

~~§ 7504.4. Income and expenditures of board.~~

~~(a) Establishment of revolving fund. There is hereby
established in the State Treasury a revolving fund for the use
of the board.~~

~~(b) Deposits in fund. All fees and other money received by
the board in accordance with this chapter shall be deposited in
the revolving fund. No part of this revolving fund shall revert
to the General Fund.~~

~~(c) Use of fund. The reimbursement of the board's expenses
shall be paid from the revolving fund.~~

~~§ 7504.5. Licensure of home inspectors.~~

~~(a) Home inspector license application. A person applying
for a license as a home inspector shall apply on a written,
notarized form prescribed and provided by the board. Supporting
and other required documents may be submitted by other means as
prescribed by the board. The applicant shall pay the applicable
licensing fee established by the board.~~

~~(b) Licensing requirements. The board shall establish, from
time to time, rules and regulations pertaining to the licensure
of home inspectors but in any event shall require that a home
inspector be a member, in good standing, of a board approved
national home inspection association.~~

~~(c) Denial of license. The board shall deny a license to
any applicant who fails to:~~

~~(1) furnish evidence satisfactory to the board, showing~~

~~that the individual:~~

~~(i) is at least 18 years of age;~~

~~(ii) (A) has graduated from high school, earned a Pennsylvania or other state's general educational development diploma; or~~

~~(B) has actively worked within the business of home inspection for a minimum of five years; and~~

~~(iii) meets other criteria established by the board.~~

~~(2) verify the information submitted on the approved and notarized application form; or~~

~~(3) complete a board approved training program or course of study involving the performance of home inspections and pass a valid examination prescribed or approved by the board, where such study program shall be for no less than 120 hours of instruction and include no less than 40 hours of actual in field training.~~

~~(d) Waivers moving from another jurisdiction. The licensing requirements for a home inspector may be waived for a person who moves to this Commonwealth from another jurisdiction, and the person may be granted a license as a home inspector if the person meets all of the following requirements:~~

~~(1) The other jurisdiction grants the same privileges to licensees of Pennsylvania as the Commonwealth grants to licensees of that other jurisdiction.~~

~~(2) The person is licensed in the other jurisdiction.~~

~~(3) The licensing requirements of the other jurisdiction are substantially similar to the requirements of this chapter.~~

~~(4) The person provides a notarized statement that the person has studied, is familiar with and will abide by the~~

~~provisions of this chapter and the administrative regulations promulgated by the board.~~

~~(c) Advertising without license. An individual shall not advertise nor claim to be a licensee and shall not conduct home inspection services for compensation without first obtaining a license issued by the board.~~

~~(f) Ownership of licenses. All licenses issued by the board shall remain the property of the board.~~

~~(g) Information change notification. A licensee shall notify the board within 30 days of any change of:~~

~~(1) name;~~

~~(2) name under which the licensee conducts business;~~

~~(3) business address; or~~

~~(4) lapse, change or cancellation of insurance coverage.~~

~~(h) License renewal. A licensee may renew the license in accordance with the rules and regulations promulgated by the board which shall include the following provisions:~~

~~(1) The home inspector shall furnish evidence showing successful completion of the continuing education requirements of this chapter, pay the renewal fee established by the board and show proof of professional liability insurance as required by section 7509 (relating to liability insurance).~~

~~(2) The board shall send a renewal notice to each licensee at least 60 days prior to the expiration of the license. The notice shall inform the licensee of the need to renew and the requirement to submit an application and to pay the renewal fee. If the board fails to send the notice of expiration within such time period, the licensee shall not be subject to a sanction for failure to renew. If the board~~

~~later sends the renewal notice to the licensee, the licensee must submit a complete application and renewal fee to the board within 45 days of the receipt of the renewal notice or be subject to a sanction for failure to renew.~~

~~(3) Renewal fees shall be paid with a draft, money order, cashier's check, certified or other personal check, or, if payment is made in person, the payment may be made in cash. If the board receives an uncertified personal check for the renewal fee and if the check does not clear the bank, the board may refuse to renew the license.~~

~~(4) Before the end of each license period, the licensee shall complete the continuing education required by the board.~~

~~(i) Inactive licenses. The board may, through the promulgation of rules and regulations:~~

~~(1) Establish an inactive license for licensees who do not actively perform home inspections but wish to maintain the license. This inactive status shall not exceed a term of three years.~~

~~(2) Reduce license and renewal fees for inactive licenses.~~

~~(3) Waive the insurance requirements established in section 7509 for inactive licenses except that the inactive licensee must maintain insurance tail coverage for the first year of inactivity.~~

~~§ 7504.6. Nonresident home inspectors.~~

~~(a) Nonresident licensing. A nonresident individual who the board determines meets the requirements of this chapter and files a written consent may be licensed as a home inspector.~~

~~(b) Nonresident consent form. A nonresident applicant shall~~

~~file with the board a written and notarized consent stating
that, if licensed:~~

~~(1) The applicant agrees to the commencement of any
action arising out of the conduct of the applicant's business
in this Commonwealth in the county in which the events giving
rise to the cause of action occurred.~~

~~(2) The applicant:~~

~~(i) agrees to provide to the board the name and
address of an agent to receive service of process in this
Commonwealth; or~~

~~(ii) consents to the board acting as the applicant's
agent for the purpose of receiving service of process if:~~

~~(A) an agent's name and address have not been
filed with the board or the agent's name and address
on file with the board are incorrect; and~~

~~(B) the applicant agrees that service of process
in accordance with the Pennsylvania Rules of Civil
Procedure is proper service and subjects the
applicant to the jurisdiction of Pennsylvania courts.~~

~~§ 7504.7. Continuing education of home inspectors.~~

~~The board shall promulgate rules and regulations concerning
the continuing education required for the renewal of a home
inspector license and shall:~~

~~(1) Establish procedures for approving organizations
that provide continuing education.~~

~~(2) Prescribe the content, duration and organization of
continuing education courses that contribute to the
competence of home inspectors.~~

~~§ 7504.8. Registration or licensing of home inspectors by
political subdivisions.~~

~~No agency or political subdivision of this Commonwealth,
other than the board, shall impose the following on individuals
licensed under this chapter:~~

~~(1) A registration or licensing requirement for
conducting home inspections.~~

~~(2) A license fee to obtain any local license, except
that this prohibition shall not prevent any local government
from imposing an occupational license tax on any person
operating as a home inspector within the jurisdiction of the
local government.~~

~~§ 7504.9. Disciplinary proceedings by board.~~

~~(a) Disciplinary actions. The board shall take disciplinary
action against or impose sanctions on a licensee for failing to
comply with any provision of this chapter or any rules and
regulations promulgated to carry out this chapter as follows:~~

~~(1) The board may summarily suspend a license for up to
90 days before a final adjudication or during an appeal of
the board's determination if the board finds that the
licensee represents a clear and immediate danger to the
public's health, safety, financial interest or to property if
allowed to perform home inspections. The summary suspension
may be renewed at a hearing before the board for up to 90
days.~~

~~(2) If the board:~~

~~(i) Determines that an individual is not licensed
under this chapter and is engaged in or believed to be
engaged in activities for which a license is required
under this chapter, then the board shall issue an order
to that individual requiring the individual to show cause
why the individual should not be ordered to cease and~~

~~desist from the activities. The show cause order shall set forth a date, time and place for a hearing at which the individual shall appear and show cause why the individual should not be subject to licensing under this chapter.~~

~~(ii) After a hearing, determines that the activities in which the individual is engaged are subject to licensure under this chapter, the board may issue a cease and desist order that identifies the individual and describes activities that are the subject of the order.~~

~~(3) A cease and desist order issued under this section shall be enforceable in the Commonwealth Court.~~

~~(b) Violations of chapter. An individual is in violation of this chapter when the individual commits any of the following:~~

~~(1) Performs or offers to perform home inspections for compensation without being licensed as a home inspector and without being exempt from licensure under this chapter.~~

~~(2) Presents as the individual's own license, the license of another.~~

~~(3) Intentionally gives false or materially misleading information to the board or to a board member in connection with a licensing matter.~~

~~(4) Impersonates another licensee.~~

~~(5) Uses an expired, suspended, revoked or an otherwise restricted license.~~

~~(c) Fee or compensation. The board shall add to any penalty imposed the amount of any fee or other compensation earned by the individual in the commission of the violation. Each transaction involving an unauthorized activity as described in this chapter shall constitute a separate violation.~~

~~(d) Legal advice. The Department of State shall act as the legal adviser for the board and provide any legal assistance necessary to carry out this chapter.~~

~~(e) Revocation or suspension of license. The board shall adopt provisions to revoke or suspend a license pending investigation for any of the following:~~

~~(1) A conviction in any jurisdiction of a misdemeanor involving moral turpitude or of a felony. A plea of nolo contendere shall be considered a conviction.~~

~~(2) An action demonstrating untrustworthiness, incompetence, dishonesty, gross negligence, material misrepresentation, fraud or unethical conduct in any dealings subject to the provisions of this chapter or the rules and regulations promulgated by the board.~~

~~(3) Use of advertising or solicitation that is false, misleading or otherwise deemed unprofessional by the board. All advertisements, contracts, correspondence and other documents utilized by a home inspector shall prominently include the home inspector's name and registration number as a licensee according to this chapter.~~

~~(4) Habitual or excessive use of intoxicants or illegal drugs.~~

~~(5) Failure to supervise adequately and in accordance with rules governing direct supervision an unlicensed inspector performing home inspections under the supervision of the licensed home inspector.~~

~~(6) Any other reason deemed necessary by the board.~~

~~Section 3. Sections 7505(b) and (c) and 7506 of Title 68 are amended to read:~~

~~§ 7505. Consumer remedies.~~

1 * * *

2 ~~(b) Prohibited acts. Any of the following acts engaged in~~
3 ~~by a home inspector, an employer of a home inspector or another~~
4 ~~business or person that controls or has a financial interest in~~
5 ~~the employer of a home inspector shall be deemed to be an unfair~~
6 ~~or deceptive act or practice as defined by section 2(4)(i)~~
7 ~~through (xxi) of the Unfair Trade Practices and Consumer~~
8 ~~Protection Law:~~

9 ~~(1) Performing or offering to perform for an additional~~
10 ~~fee any repairs to a structure with respect to which the home~~
11 ~~inspector, the employer of the home inspector or such other~~
12 ~~business or person has prepared a home inspection report~~
13 ~~within the preceding 12 months, except that this paragraph~~
14 ~~shall not apply to remediation for radon or wood destroying~~
15 ~~insects.~~

16 ~~(2) Inspecting for a fee any property in which the home~~
17 ~~inspector, the employer of the home inspector or such other~~
18 ~~business or person has any financial interest or any interest~~
19 ~~in the transfer of the property, including, without~~
20 ~~limitation, engaging in a pay to play scheme in which the~~
21 ~~home inspector pays or receives a direct or indirect~~
22 ~~consideration for receiving leads toward providing home~~
23 ~~inspection services, or receipt of a commission as an agent,~~
24 ~~unless the financial interest or interest in the transfer of~~
25 ~~the property is disclosed in writing to the buyer before the~~
26 ~~home inspection is performed and the buyer signs an~~
27 ~~acknowledgment of receipt of the disclosure.~~

28 ~~(3) Offering or delivering any commission, referral fee~~
29 ~~or kickback to the seller of the inspected property or to an~~
30 ~~agent for either or both of the seller and the buyer for the~~

1 ~~referral of any business to the home inspector, the employer~~
2 ~~of the home inspector or such other business or person.~~

3 ~~(4) Accepting an engagement to perform a home inspection~~
4 ~~or to prepare a home inspection report in which the~~
5 ~~employment itself or the fee payable for the inspection is~~
6 ~~contingent upon the conclusions in the report, preestablished~~
7 ~~or prescribed findings or the closing of the transaction.~~

8 ~~(5) Participation, by any real estate broker or agent,~~
9 ~~directly or indirectly, in a pay to play scheme in which the~~
10 ~~home inspector pays or receives a direct or indirect~~
11 ~~consideration for receiving leads toward providing home~~
12 ~~inspection services.~~

13 ~~(6) When there is a home warranty company which is~~
14 ~~wholly or appreciably owned or affiliated with a real estate~~
15 ~~brokerage company, failing to disclose to the consumer such~~
16 ~~affiliation prior to contracting with the consumer for home~~
17 ~~inspection services.~~

18 ~~[(c) Exception. A home warranty company that is affiliated~~
19 ~~with or retains the home inspector does not violate subsection~~
20 ~~(b) if the home warranty company performs repairs pursuant to~~
21 ~~claims made under a home warranty contract.].~~

22 ~~* * *~~

23 ~~§ 7506. Required contractual provision regarding home~~
24 ~~inspections.~~

25 ~~Except as provided in this section, a provision of an~~
26 ~~agreement of transfer regarding the right of the buyer to obtain~~
27 ~~a home inspection report and providing for the consequences, if~~
28 ~~any, shall provide that the home inspection be performed by a~~
29 ~~licensee. [full member in good standing of a national home~~
30 ~~inspection association in accordance with the ethical standards~~

~~and code of conduct or practice of that association, provided that a home inspection performed by a person who has not attained full membership in a national home inspection association satisfies the requirements of this section if the person is:~~

~~(1) licensed or registered as a professional engineer under the act of May 23, 1945 (P.L.913, No.367), known as the Engineer, Land Surveyor and Geologist Registration Law;~~

~~(2) licensed or registered under the act of December 14, 1982 (P.L.1227, No.281), known as the Architects Licensure Law; or~~

~~(3) supervised by a full member in good standing of a national home inspection association who agrees to be responsible for the home inspection report by signing the report.}~~

~~A home inspection performed by a person who has not attained licensure satisfies the requirements of this section if the person is directly supervised by a licensee who agrees to be responsible for the home inspection by signing the report.~~

~~Section 4. Section 7507 of Title 68 is amended by adding a subsection to read:~~

~~§ 7507. Contracts with home inspectors.~~

~~* * *~~

~~(c) Information brochure. At the time of the signing of the first written contract to purchase, a real estate broker or salesperson shall distribute an informational brochure, published by the board, educating the consumers about the home inspection process and this chapter and providing the consumer with directions on how to find a licensed home inspector.~~

~~Section 5. Section 7509(a) of Title 68 is amended and the~~

~~section is amended by adding a subsection to read:~~

~~§ 7509. Liability insurance.~~

~~(a) [Required insurance. A home inspector shall maintain insurance against errors and omissions in the performance of a home inspection and general liability, with coverages of not less than \$100,000 per occurrence and \$500,000 in the aggregate and with deductibles of not more than \$2,500.] Professional liability coverage. Every licensee who is engaged in home inspections shall secure, maintain and file with the Secretary of State proof of a certificate of liability coverage, which terms and conditions shall be determined by the Secretary of State in consultation with the board. Every proof of liability coverage required to be filed with the Secretary of State shall provide that cancellation or nonrenewal of the policy shall not be effective unless and until at least ten days' notice of intention to cancel or nonrenew has been received in writing by the Secretary of State.~~

~~* * *~~

~~(c) All required insurance coverage shall:~~

~~(1) Be issued by an insurance company or other legal entity authorized to transact insurance business in this Commonwealth.~~

~~(2) Identify the Commonwealth as an additional insured.~~

~~(3) Provide that cancellation and nonrenewal of the insurance policy is not effective until the board receives no less than ten days' prior written notice of the expiration or earlier termination. Home inspectors shall direct their insurance company to send a notice of cancellation directly to the board.~~

~~(4) Contain any other terms and conditions established~~

1 ~~by the board.~~

2 ~~Section 6. Section 7510 of Title 68 is amended to read:~~

3 ~~§ 7510. Reliance by buyer.~~

4 ~~(a) Reliance. A buyer shall be entitled to rely in good~~
5 ~~faith, without independent investigation, on a written~~
6 ~~representation by a home inspector that the home inspector is:~~

7 ~~(1) licensed or registered as a professional engineer~~
8 ~~under the act of May 23, 1945 (P.L.913, No.367), known as the~~
9 ~~Engineer, Land Surveyor and Geologist Registration Law;~~

10 ~~(2) licensed or registered under the act of December 14,~~
11 ~~1982 (P.L.1227, No.281), known as the Architects Licensure~~
12 ~~Law; or~~

13 ~~(3) a full member in good standing of a national home~~
14 ~~inspection association.]~~

15 ~~licensed to conduct home inspections in this Commonwealth.~~

16 ~~(b) Display of license number. The home inspector shall~~
17 ~~display his assigned license number on all promotional,~~
18 ~~marketing and advertising materials provided to the general~~
19 ~~public.~~

20 ~~(c) License requirement. No person shall conduct a home~~
21 ~~inspection or represent a qualification to conduct a home~~
22 ~~inspection for compensation unless that person is licensed as a~~
23 ~~home inspector under this chapter.~~

24 ~~(d) Business entities. A business entity may not:~~

25 ~~(1) provide or offer to provide home inspection services~~
26 ~~unless each of the home inspectors employed by the business~~
27 ~~entity satisfies all the requirements of this section; or~~

28 ~~(2) use, in connection with the name or signature of the~~
29 ~~business entity, the title "home inspector" to describe the~~
30 ~~business entity's services unless each home inspector~~

~~employed by the business entity satisfies all the
requirements of this chapter.~~

~~Section 7. Section 7511 of Title 68 is amended by adding a
subsection to read:~~

~~§ 7511. Penalties.~~

~~* * *~~

~~(c) Unauthorized practice. Any person subject to an
administrative order issued by the board directing the cessation
of any activity for which a license is required or suspending or
revoking a license previously issued and who directly or
indirectly:~~

~~(1) engages in the business of home inspection;~~

~~(2) holds himself out to the public as being able to
engage in the business of home inspection without a license;~~

~~(3) engages in the business of home inspection after
having his license revoked or suspended; or~~

~~(4) without a license to engage in the business of home
inspection, directly or indirectly employs, permits or
authorizes an unlicensed person to engage in the business of
home inspection;~~

~~commits a summary offense and on the first conviction thereof
shall be sentenced to pay a fine of not more than \$1,000, or,
upon a second or subsequent conviction thereof, shall be
sentenced to pay a fine of not more than \$2,500. Each violation
of this chapter shall be deemed a separate offense.~~

~~Section 8. For one year from the effective date of this
section, an applicant who meets all of the requirements of 68
Pa.C.S. Ch. 75 and this section may be licensed as a home
inspector without having to complete a board approved training
program or course of study involving the performance of home~~

1 ~~inspections. The applicant must:~~

2 ~~(1) Be at least 18 years of age.~~

3 ~~(2) Have graduated from high school or earned a~~
4 ~~Pennsylvania or other state's general educational development~~
5 ~~diploma.~~

6 ~~(3) Have passed a written examination to test competence~~
7 ~~in home inspection practice that was developed pursuant to~~
8 ~~accepted psychometric standards and was administered and~~
9 ~~proctored by an approved and recognized testing organization~~
10 ~~at a physical location to ensure both the security and the~~
11 ~~integrity of the examination.~~

12 ~~(4) Have completed no less than 100 fee paid inspections~~
13 ~~per year over the five years immediately preceding.~~

14 ~~(5) Furnish evidence showing successful completion of~~
15 ~~not less than 16 hours of verifiable continuing education~~
16 ~~during the past year.~~

17 ~~(6) Show proof of professional liability insurance~~
18 ~~consistent with 68 Pa.C.S. § 7509.~~

19 ~~Section 9. This act shall take effect in 120 days.~~

20 SECTION 1. CHAPTER 75 HEADING AND SECTIONS 7501, 7502, 7503, <—
21 7504, 7505, 7506, 7507, 7508, 7509, 7510, 7511, 7512 AND 7513 OF
22 TITLE 68 OF THE PENNSYLVANIA CONSOLIDATED STATUTES ARE REPEALED:

23 [CHAPTER 75

24 HOME INSPECTIONS

25 § 7501. SHORT TITLE OF CHAPTER.

26 THIS CHAPTER SHALL BE KNOWN AND MAY BE CITED AS THE HOME
27 INSPECTION LAW.

28 § 7502. DEFINITIONS AND INDEX OF DEFINITIONS.

29 (A) DEFINITIONS.--THE FOLLOWING WORDS AND PHRASES WHEN USED
30 IN THIS CHAPTER SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS

1 SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

2 "HOME INSPECTION." A NONINVASIVE VISUAL EXAMINATION OF SOME
3 COMBINATION OF THE MECHANICAL, ELECTRICAL OR PLUMBING SYSTEMS OR
4 THE STRUCTURAL AND ESSENTIAL COMPONENTS OF A RESIDENTIAL
5 DWELLING DESIGNED TO IDENTIFY MATERIAL DEFECTS IN THOSE SYSTEMS
6 AND COMPONENTS AND PERFORMED FOR A FEE IN CONNECTION WITH OR
7 PREPARATION FOR A PROPOSED OR POSSIBLE RESIDENTIAL REAL ESTATE
8 TRANSFER. THE TERM ALSO INCLUDES ANY CONSULTATION REGARDING THE
9 PROPERTY THAT IS REPRESENTED TO BE A HOME INSPECTION OR THAT IS
10 DESCRIBED BY ANY CONFUSINGLY SIMILAR TERM. THE TERM DOES NOT
11 INCLUDE AN EXAMINATION OF A SINGLE SYSTEM OR COMPONENT OF A
12 RESIDENTIAL DWELLING SUCH AS, FOR EXAMPLE, ITS ELECTRICAL OR
13 PLUMBING SYSTEM OR ITS ROOF. THE TERM ALSO DOES NOT INCLUDE AN
14 EXAMINATION THAT IS LIMITED TO INSPECTION FOR OR OF ONE OR MORE
15 OF THE FOLLOWING: WOOD DESTROYING INSECTS, UNDERGROUND TANKS AND
16 WELLS, SEPTIC SYSTEMS, SWIMMING POOLS AND SPAS, ALARM SYSTEMS,
17 AIR AND WATER QUALITY, TENNIS COURTS AND PLAYGROUND EQUIPMENT,
18 POLLUTANTS, TOXIC CHEMICALS AND ENVIRONMENTAL HAZARDS.

19 "HOME INSPECTION REPORT." A WRITTEN REPORT ON THE RESULTS OF
20 A HOME INSPECTION.

21 "HOME INSPECTOR." AN INDIVIDUAL WHO PERFORMS A HOME
22 INSPECTION.

23 "NATIONAL HOME INSPECTORS ASSOCIATION." ANY NATIONAL
24 ASSOCIATION OF HOME INSPECTORS THAT:

25 (1) IS OPERATED ON A NOT-FOR-PROFIT BASIS AND IS NOT
26 OPERATED AS A FRANCHISE.

27 (2) HAS MEMBERS IN MORE THAN TEN STATES.

28 (3) REQUIRES THAT A PERSON MAY NOT BECOME A FULL MEMBER
29 UNLESS THE PERSON HAS PERFORMED OR PARTICIPATED IN MORE THAN
30 100 HOME INSPECTIONS AND HAS PASSED A RECOGNIZED OR

1 ACCREDITED EXAMINATION TESTING KNOWLEDGE OF THE PROPER
2 PROCEDURES FOR CONDUCTING A HOME INSPECTION.

3 (4) REQUIRES THAT ITS MEMBERS COMPLY WITH A CODE OF
4 CONDUCT AND ATTEND CONTINUING PROFESSIONAL EDUCATION CLASSES
5 AS AN ONGOING CONDITION OF MEMBERSHIP.

6 (B) INDEX OF OTHER DEFINITIONS.--THE FOLLOWING IS A
7 NONEXCLUSIVE LIST OF OTHER DEFINITIONS APPLYING TO THIS CHAPTER
8 AND THE SECTIONS IN WHICH THEY APPEAR:

9 "AGENT." SECTION 7102 (RELATING TO DEFINITIONS).

10 "AGREEMENT OF TRANSFER." SECTION 7102 (RELATING TO
11 DEFINITIONS).

12 "BUYER." SECTION 7102 (RELATING TO DEFINITIONS).

13 "MATERIAL DEFECT." SECTION 7102 (RELATING TO DEFINITIONS).

14 "RESIDENTIAL REAL ESTATE TRANSFER." SECTION 7103 (RELATING
15 TO APPLICATION OF PART).

16 "SELLER." SECTION 7102 (RELATING TO DEFINITIONS).

17 § 7503. RELATIONSHIP TO OTHER LAWS.

18 (A) GENERAL RULE.--NOTHING IN THIS CHAPTER SHALL BE
19 CONSTRUED TO ALLOW A HOME INSPECTOR WHO IS NOT REGISTERED OR
20 LICENSED UNDER ONE OR MORE OF THE FOLLOWING LAWS TO PERFORM ANY
21 ACTIVITY THAT WOULD CONSTITUTE THE PRACTICE OF THE PROFESSION
22 REGULATED BY THAT LAW:

23 (1) THE ACT OF MAY 23, 1945 (P.L.913, NO.367), KNOWN AS
24 THE ENGINEER, LAND SURVEYOR AND GEOLOGIST REGISTRATION LAW.

25 (2) THE ACT OF JANUARY 24, 1966 (1965 P.L.1535, NO.537),
26 KNOWN AS THE PENNSYLVANIA SEWAGE FACILITIES ACT.

27 (3) THE ACT OF MARCH 1, 1974 (P.L.90, NO.24), KNOWN AS
28 THE PENNSYLVANIA PESTICIDE CONTROL ACT OF 1973.

29 (4) THE ACT OF DECEMBER 14, 1982 (P.L.1227, NO.281),
30 KNOWN AS THE ARCHITECTS LICENSURE LAW.

(5) THE ACT OF JULY 9, 1987 (P.L.238, NO.43), KNOWN AS
THE RADON CERTIFICATION ACT.

(6) THE ACT OF JULY 10, 1990 (P.L.404, NO.98), KNOWN AS
THE REAL ESTATE APPRAISERS CERTIFICATION ACT.

(B) EXCLUSIONS.--THIS CHAPTER SHALL NOT:

(1) APPLY TO A PERSON REGISTERED OR LICENSED UNDER AN
ACT REFERRED TO IN SUBSECTION (A) WHEN ACTING PURSUANT TO HIS
REGISTRATION OR LICENSE.

(2) APPLY TO AN OFFICER OR EMPLOYEE OF A MUNICIPALITY OR
LOCAL AUTHORITY WHEN ACTING IN HIS OFFICIAL CAPACITY.

(3) AFFECT THE OBLIGATIONS OR IMMUNITIES OF A PERSON
LICENSED UNDER THE ACT OF FEBRUARY 19, 1980 (P.L.15, NO.9),
KNOWN AS THE REAL ESTATE LICENSING AND REGISTRATION ACT, THAT
ARE IMPOSED OR PROVIDED BY THAT ACT OR CHAPTER 73 (RELATING
TO SELLER DISCLOSURES) WHEN THE PERSON IS ACTING PURSUANT TO
HIS LICENSE.

(4) AFFECT THE OBLIGATIONS OR IMMUNITIES OF A PERSON
CERTIFIED UNDER THE REAL ESTATE APPRAISERS CERTIFICATION ACT
WHEN THE PERSON IS ACTING PURSUANT TO THE PERSON'S LICENSE.

§ 7504. DUTY OF CARE OF HOME INSPECTORS.

(A) GENERAL RULE.--IT IS THE DUTY OF A HOME INSPECTOR TO
CONDUCT A HOME INSPECTION WITH THE DEGREE OF CARE THAT A
REASONABLY PRUDENT HOME INSPECTOR WOULD EXERCISE.

(B) STANDARD.--IN ASCERTAINING THE DEGREE OF CARE THAT WOULD
BE EXERCISED BY A REASONABLY PRUDENT HOME INSPECTOR, THE COURT
SHALL CONSIDER THE STANDARDS OF PRACTICE AND CODES OF ETHICS OF
NATIONAL HOME INSPECTOR ASSOCIATIONS.

§ 7505. CONSUMER REMEDIES.

(A) GENERAL RULE.--THE PERFORMANCE OF A HOME INSPECTION IS A
SERVICE THAT IS SUBJECT TO THE ACT OF DECEMBER 17, 1968

(P.L.1224, NO.387), KNOWN AS THE UNFAIR TRADE PRACTICES AND
CONSUMER PROTECTION LAW.

(B) PROHIBITED ACTS.--ANY OF THE FOLLOWING ACTS ENGAGED IN
BY A HOME INSPECTOR, AN EMPLOYER OF A HOME INSPECTOR OR ANOTHER
BUSINESS OR PERSON THAT CONTROLS OR HAS A FINANCIAL INTEREST IN
THE EMPLOYER OF A HOME INSPECTOR SHALL BE DEEMED TO BE AN UNFAIR
OR DECEPTIVE ACT OR PRACTICE AS DEFINED BY SECTION 2(4)(I)
THROUGH (XXI) OF THE UNFAIR TRADE PRACTICES AND CONSUMER
PROTECTION LAW:

(1) PERFORMING OR OFFERING TO PERFORM FOR AN ADDITIONAL
FEE ANY REPAIRS TO A STRUCTURE WITH RESPECT TO WHICH THE HOME
INSPECTOR, THE EMPLOYER OF THE HOME INSPECTOR OR SUCH OTHER
BUSINESS OR PERSON HAS PREPARED A HOME INSPECTION REPORT
WITHIN THE PRECEDING 12 MONTHS, EXCEPT THAT THIS PARAGRAPH
SHALL NOT APPLY TO REMEDIATION FOR RADON OR WOOD DESTROYING
INSECTS.

(2) INSPECTING FOR A FEE ANY PROPERTY IN WHICH THE HOME
INSPECTOR, THE EMPLOYER OF THE HOME INSPECTOR OR SUCH OTHER
BUSINESS OR PERSON HAS ANY FINANCIAL INTEREST OR ANY INTEREST
IN THE TRANSFER OF THE PROPERTY, INCLUDING WITHOUT LIMITATION
RECEIPT OF A COMMISSION AS AN AGENT, UNLESS THE FINANCIAL
INTEREST OR INTEREST IN THE TRANSFER OF THE PROPERTY IS
DISCLOSED IN WRITING TO THE BUYER BEFORE THE HOME INSPECTION
IS PERFORMED AND THE BUYER SIGNS AN ACKNOWLEDGMENT OF RECEIPT
OF THE DISCLOSURE.

(3) OFFERING OR DELIVERING ANY COMMISSION, REFERRAL FEE
OR KICKBACK TO THE SELLER OF THE INSPECTED PROPERTY OR TO AN
AGENT FOR EITHER OR BOTH OF THE SELLER AND THE BUYER FOR THE
REFERRAL OF ANY BUSINESS TO THE HOME INSPECTOR, THE EMPLOYER
OF THE HOME INSPECTOR OR SUCH OTHER BUSINESS OR PERSON.

1 (4) ACCEPTING AN ENGAGEMENT TO PERFORM A HOME INSPECTION
2 OR TO PREPARE A HOME INSPECTION REPORT IN WHICH THE
3 EMPLOYMENT ITSELF OR THE FEE PAYABLE FOR THE INSPECTION IS
4 CONTINGENT UPON THE CONCLUSIONS IN THE REPORT, PREESTABLISHED
5 OR PRESCRIBED FINDINGS OR THE CLOSING OF THE TRANSACTION.

6 (C) EXCEPTION.--A HOME WARRANTY COMPANY THAT IS AFFILIATED
7 WITH OR RETAINS THE HOME INSPECTOR DOES NOT VIOLATE SUBSECTION
8 (B) IF THE HOME WARRANTY COMPANY PERFORMS REPAIRS PURSUANT TO
9 CLAIMS MADE UNDER A HOME WARRANTY CONTRACT.

10 (D) REMEDIES.--IN ADDITION TO ANY OTHER REMEDIES AVAILABLE
11 UNDER THE UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION LAW OR
12 OTHER APPLICABLE PROVISION OF LAW, THE OWNER OF A PROPERTY ON
13 WHICH REPAIRS ARE PERFORMED IN VIOLATION OF SUBSECTION (B)(1)
14 SHALL BE ENTITLED TO A FULL REFUND OF ANY MONEYS PAID FOR THOSE
15 REPAIRS, AND ANY PROMISSORY NOTE OR OTHER OBLIGATION TO PAY
16 GIVEN TO THE PERSON PERFORMING THOSE REPAIRS SHALL BE VOID.

17 § 7506. REQUIRED CONTRACTUAL PROVISION REGARDING HOME
18 INSPECTIONS.

19 EXCEPT AS PROVIDED IN THIS SECTION, A PROVISION OF AN
20 AGREEMENT OF TRANSFER REGARDING THE RIGHT OF THE BUYER TO OBTAIN
21 A HOME INSPECTION REPORT AND PROVIDING FOR THE CONSEQUENCES, IF
22 ANY, SHALL PROVIDE THAT THE HOME INSPECTION BE PERFORMED BY A
23 FULL MEMBER IN GOOD STANDING OF A NATIONAL HOME INSPECTION
24 ASSOCIATION IN ACCORDANCE WITH THE ETHICAL STANDARDS AND CODE OF
25 CONDUCT OR PRACTICE OF THAT ASSOCIATION, PROVIDED THAT A HOME
26 INSPECTION PERFORMED BY A PERSON WHO HAS NOT ATTAINED FULL
27 MEMBERSHIP IN A NATIONAL HOME INSPECTION ASSOCIATION SATISFIES
28 THE REQUIREMENTS OF THIS SECTION IF THE PERSON IS:

29 (1) LICENSED OR REGISTERED AS A PROFESSIONAL ENGINEER
30 UNDER THE ACT OF MAY 23, 1945 (P.L.913, NO.367), KNOWN AS THE

ENGINEER, LAND SURVEYOR AND GEOLOGIST REGISTRATION LAW;

(2) LICENSED OR REGISTERED UNDER THE ACT OF DECEMBER 14, 1982 (P.L.1227, NO.281), KNOWN AS THE ARCHITECTS LICENSURE LAW; OR

(3) SUPERVISED BY A FULL MEMBER IN GOOD STANDING OF A NATIONAL HOME INSPECTION ASSOCIATION WHO AGREES TO BE RESPONSIBLE FOR THE HOME INSPECTION REPORT BY SIGNING THE REPORT.

§ 7507. CONTRACTS WITH HOME INSPECTORS.

(A) PROHIBITED PROVISIONS.--THE FOLLOWING TYPES OF PROVISIONS IN A CONTRACT WITH A HOME INSPECTOR FOR THE PERFORMANCE OF A HOME INSPECTION ARE CONTRARY TO PUBLIC POLICY AND SHALL BE VOID:

(1) A LIMITATION ON THE LIABILITY OF THE HOME INSPECTOR FOR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT;

(2) A WAIVER OR MODIFICATION OF ANY PROVISION OF THIS CHAPTER.

(B) SCOPE OF INSPECTION.--THE SCOPE OF A HOME INSPECTION, THE SERVICES TO BE PERFORMED AND THE SYSTEMS AND CONDITIONS TO BE INSPECTED OR EXCLUDED FROM INSPECTION MAY BE DEFINED BY A CONTRACT BETWEEN THE HOME INSPECTOR AND THE CLIENT.

§ 7508. HOME INSPECTION REPORTS.

(A) REQUIRED CONTENTS.--A HOME INSPECTION REPORT MUST BE IN WRITING AND SHALL INCLUDE:

(1) A DESCRIPTION OF THE SCOPE OF THE INSPECTION, INCLUDING WITHOUT LIMITATION AN IDENTIFICATION OF THE STRUCTURAL ELEMENTS, SYSTEMS AND SUBSYSTEMS COVERED BY THE REPORT.

(2) A DESCRIPTION OF ANY MATERIAL DEFECTS NOTED DURING THE INSPECTION, ALONG WITH ANY RECOMMENDATION THAT CERTAIN

1 EXPERTS BE RETAINED TO DETERMINE THE EXTENT OF THE DEFECTS
2 AND ANY CORRECTIVE ACTION THAT SHOULD BE TAKEN. A "MATERIAL
3 DEFECT" AS DEFINED IN SECTION 7102 (RELATING TO DEFINITIONS)
4 THAT POSES AN UNREASONABLE RISK TO PEOPLE ON THE PROPERTY
5 SHALL BE CONSPICUOUSLY IDENTIFIED AS SUCH.

6 (3) THE FOLLOWING STATEMENTS, SET FORTH CONSPICUOUSLY:

7 "A HOME INSPECTION IS INTENDED TO ASSIST IN
8 EVALUATION OF THE OVERALL CONDITION OF THE DWELLING. THE
9 INSPECTION IS BASED ON OBSERVATION OF THE VISIBLE AND
10 APPARENT CONDITION OF THE STRUCTURE AND ITS COMPONENTS ON
11 THE DATE OF INSPECTION."

12 "THE RESULTS OF THIS HOME INSPECTION ARE NOT INTENDED
13 TO MAKE ANY REPRESENTATION REGARDING THE PRESENCE OR
14 ABSENCE OF LATENT OR CONCEALED DEFECTS THAT ARE NOT
15 REASONABLY ASCERTAINABLE IN A COMPETENTLY PERFORMED HOME
16 INSPECTION. NO WARRANTY OR GUARANTY IS EXPRESSED OR
17 IMPLIED."

18 "IF THE PERSON CONDUCTING YOUR HOME INSPECTION IS NOT
19 A LICENSED STRUCTURAL ENGINEER OR OTHER PROFESSIONAL
20 WHOSE LICENSE AUTHORIZES THE RENDERING OF AN OPINION AS
21 TO THE STRUCTURAL INTEGRITY OF A BUILDING OR ITS OTHER
22 COMPONENT PARTS, YOU MAY BE ADVISED TO SEEK A
23 PROFESSIONAL OPINION AS TO ANY DEFECTS OR CONCERNS
24 MENTIONED IN THE REPORT."

25 "THIS HOME INSPECTION REPORT IS NOT TO BE CONSTRUED
26 AS AN APPRAISAL AND MAY NOT BE USED AS SUCH FOR ANY
27 PURPOSE."

28 (B) CONFIDENTIALITY.--EXCEPT AS OTHERWISE REQUIRED BY LAW, A
29 HOME INSPECTOR SHALL NOT DELIVER A HOME INSPECTION REPORT TO ANY
30 PERSON OTHER THAN THE CLIENT OF THE HOME INSPECTOR WITHOUT THE

1 CLIENT'S CONSENT. THE SELLER SHALL HAVE THE RIGHT, UPON REQUEST,
2 TO RECEIVE WITHOUT CHARGE A COPY OF A HOME INSPECTION REPORT
3 FROM THE PERSON FOR WHOM IT WAS PREPARED.

4 (C) REPAIR ESTIMATES PROHIBITED.--A HOME INSPECTOR SHALL NOT
5 EXPRESS EITHER ORALLY OR IN WRITING AN ESTIMATE OF THE COST TO
6 REPAIR ANY DEFECT FOUND DURING A HOME INSPECTION, EXCEPT THAT
7 SUCH AN ESTIMATE MAY BE INCLUDED IN A HOME INSPECTION REPORT IF:

8 (1) THE REPORT IDENTIFIES THE SOURCE OF THE ESTIMATE;

9 (2) THE ESTIMATE IS STATED AS A RANGE OF COSTS; AND

10 (3) THE REPORT STATES THAT THE PARTIES SHOULD CONSIDER
11 OBTAINING AN ESTIMATE FROM A CONTRACTOR WHO PERFORMS THE TYPE
12 OF REPAIR INVOLVED.

13 § 7509. LIABILITY INSURANCE.

14 (A) REQUIRED INSURANCE.--A HOME INSPECTOR SHALL MAINTAIN
15 INSURANCE AGAINST ERRORS AND OMISSIONS IN THE PERFORMANCE OF A
16 HOME INSPECTION AND GENERAL LIABILITY, WITH COVERAGES OF NOT
17 LESS THAN \$100,000 PER OCCURRENCE AND \$500,000 IN THE AGGREGATE
18 AND WITH DEDUCTIBLES OF NOT MORE THAN \$2,500.

19 (B) TERM.--

20 (1) EXCEPT AS SET FORTH IN PARAGRAPH (2), A HOME
21 INSPECTOR SHALL MAINTAIN INSURANCE UNDER SUBSECTION (A) FOR
22 AT LEAST ONE YEAR AFTER THE LATEST HOME INSPECTION REPORT THE
23 HOME INSPECTOR DELIVERS.

24 (2) PARAGRAPH (1) SHALL NOT APPLY TO A HOME INSPECTION
25 REPORT THAT WAS DELIVERED PRIOR TO THE EFFECTIVE DATE OF THIS
26 SECTION.

27 § 7510. RELIANCE BY BUYER.

28 A BUYER SHALL BE ENTITLED TO RELY IN GOOD FAITH, WITHOUT
29 INDEPENDENT INVESTIGATION, ON A WRITTEN REPRESENTATION BY A HOME
30 INSPECTOR THAT THE HOME INSPECTOR IS:

1 (1) LICENSED OR REGISTERED AS A PROFESSIONAL ENGINEER
2 UNDER THE ACT OF MAY 23, 1945 (P.L.913, NO.367), KNOWN AS THE
3 ENGINEER, LAND SURVEYOR AND GEOLOGIST REGISTRATION LAW;

4 (2) LICENSED OR REGISTERED UNDER THE ACT OF DECEMBER 14,
5 1982 (P.L.1227, NO.281), KNOWN AS THE ARCHITECTS LICENSURE
6 LAW; OR

7 (3) A FULL MEMBER IN GOOD STANDING OF A NATIONAL HOME
8 INSPECTION ASSOCIATION.

9 § 7511. PENALTIES.

10 (A) CRIMINAL PENALTY.--A PERSON WHO VIOLATES SECTION 7509
11 (RELATING TO LIABILITY INSURANCE) OR WHO PROVIDES A FALSE
12 REPRESENTATION UNDER SECTION 7510 (RELATING TO RELIANCE BY
13 BUYER) COMMITS A SUMMARY OFFENSE AND, UPON CONVICTION THEREOF
14 FOR A FIRST OFFENSE, SHALL BE SENTENCED TO PAY A FINE NOT
15 EXCEEDING \$500 OR TO IMPRISONMENT FOR NOT MORE THAN THREE
16 MONTHS, OR BOTH, AND FOR A SECOND OR SUBSEQUENT OFFENSE COMMITS
17 A MISDEMEANOR OF THE THIRD DEGREE AND, UPON CONVICTION THEREOF,
18 SHALL BE SENTENCED TO PAY A FINE OF NOT LESS THAN \$2,000 BUT NOT
19 MORE THAN \$5,000 OR TO IMPRISONMENT FOR NOT LESS THAN ONE YEAR
20 BUT NOT MORE THAN TWO YEARS, OR BOTH.

21 (B) FINE.--A PERSON WHO VIOLATES ANY PROVISION OF SECTION
22 7508 (RELATING TO HOME INSPECTION REPORTS) SHALL, UPON
23 CONVICTION IN A SUMMARY PROCEEDING BEFORE A MAGISTERIAL DISTRICT
24 JUDGE, BE SENTENCED TO PAY A FINE NOT EXCEEDING \$500.

25 § 7512. STATUTE OF LIMITATIONS.

26 AN ACTION TO RECOVER DAMAGES ARISING FROM A HOME INSPECTION
27 REPORT MUST BE COMMENCED WITHIN ONE YEAR AFTER THE DATE THE
28 REPORT IS DELIVERED.

29 § 7513. ENGINEERS AND ARCHITECTS.

30 NOTWITHSTANDING SECTION 7503(B)(1) (RELATING TO RELATIONSHIP

1 TO OTHER LAWS), THE FOLLOWING SECTIONS: 7505 (RELATING TO
2 CONSUMER REMEDIES), 7507(A)(1) AND (B) (RELATING TO CONTRACTS
3 WITH HOME INSPECTORS), 7508 (RELATING TO HOME INSPECTION
4 REPORTS) AND 7509 (RELATING TO LIABILITY INSURANCE) SHALL APPLY
5 TO A PERSON LICENSED OR REGISTERED AS A PROFESSIONAL ENGINEER
6 UNDER THE ACT OF MAY 23, 1945 (P.L.913, NO.367), KNOWN AS THE
7 ENGINEER, LAND SURVEYOR AND GEOLOGIST REGISTRATION LAW, OR A
8 PERSON LICENSED OR REGISTERED UNDER THE ACT OF DECEMBER 14, 1982
9 (P.L.1227, NO.281), KNOWN AS THE ARCHITECTS LICENSURE LAW, WHEN
10 PERFORMING A HOME INSPECTION.]

11 SECTION 2. TITLE 68 IS AMENDED BY ADDING A CHAPTER TO READ:

12 CHAPTER 75A

13 HOME INSPECTIONS

14 SEC.

15 75A01. SCOPE.

16 75A02. DEFINITIONS.

17 75A03. PENNSYLVANIA BOARD OF HOME INSPECTORS.

18 75A04. POWERS AND DUTIES OF BOARD.

19 75A05. LICENSURE.

20 75A06. QUALIFICATIONS.

21 75A07. (RESERVED).

22 75A08. HOME INSPECTION REPORTS.

23 75A09. LIABILITY INSURANCE.

24 75A10. HOME INSPECTORS IN OTHER STATES, TERRITORIES OR

25 DOMINION OF CANADA.

26 75A11. DURATION OF LICENSE.

27 75A12. REPORTING OF MULTIPLE LICENSURE.

28 75A13. RELATIONSHIP TO OTHER LAWS.

29 75A14. UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION LAW

30 REMEDIES.

1 75A15. CONTRACTS WITH HOME INSPECTORS.
2 75A16. FEES, FINES AND CIVIL PENALTIES.
3 75A17. VIOLATION.
4 75A18. REFUSAL, SUSPENSION OR REVOCATION OF LICENSE.
5 75A19. SUSPENSIONS AND REVOCATIONS.
6 75A20. INTERNS.
7 75A21. REINSTATEMENT OF LICENSE.
8 75A22. SURRENDER OF SUSPENDED OR REVOKED LICENSE.
9 75A23. INJUNCTION.
10 75A24. SUBPOENAS AND OATHS.
11 75A25. STATUTE OF LIMITATIONS.
12 75A26. ENGINEERS AND ARCHITECTS.
13 § 75A01. SCOPE.
14 THIS CHAPTER RELATES TO HOME INSPECTIONS.
15 § 75A02. DEFINITIONS.
16 (A) DEFINITIONS.--THE FOLLOWING WORDS AND PHRASES WHEN USED
17 IN THIS CHAPTER SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
18 SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:
19 "AGENT." AS DEFINED UNDER SECTION 7102 (RELATING TO
20 DEFINITIONS).
21 "AGREEMENT OF TRANSFER." AS DEFINED UNDER SECTION 7102
22 (RELATING TO DEFINITIONS).
23 "APPLICANT." AN INDIVIDUAL WHO APPLIES FOR A LICENSE AS A
24 HOME INSPECTOR.
25 "BOARD." THE PENNSYLVANIA BOARD OF HOME INSPECTORS.
26 "BUREAU." THE BUREAU OF PROFESSIONAL AND OCCUPATIONAL
27 AFFAIRS IN THE DEPARTMENT OF STATE.
28 "BUYER." AS DEFINED UNDER SECTION 7102 (RELATING TO
29 DEFINITIONS).
30 "CLIENT." AN INDIVIDUAL WHO CONTRACTS IN WRITING WITH A

1 LICENSEE TO OBTAIN A HOME INSPECTION AND SUBSEQUENT WRITTEN HOME
2 INSPECTION REPORT.

3 "COMMISSIONER." THE COMMISSIONER OF THE BUREAU OF
4 PROFESSIONAL AND OCCUPATIONAL AFFAIRS IN THE DEPARTMENT OF
5 STATE.

6 "DEPARTMENT." THE DEPARTMENT OF STATE OF THE COMMONWEALTH.

7 "DIRECT SUPERVISION." A HOME INSPECTION PERFORMED BY A HOME
8 INSPECTOR WHO IS NOT A LICENSEE IN THE PRESENCE OF AND UNDER THE
9 TUTELAGE OF A SUPERVISING LICENSEE.

10 "HOME INSPECTION." A NONINVASIVE VISUAL EXAMINATION OF SOME
11 COMBINATION OF THE MECHANICAL, ELECTRICAL OR PLUMBING SYSTEMS OR
12 THE STRUCTURAL AND ESSENTIAL COMPONENTS OF A RESIDENTIAL
13 DWELLING DESIGNED TO IDENTIFY MATERIAL DEFECTS IN THOSE SYSTEMS
14 AND COMPONENTS AND PERFORMED FOR A FEE IN CONNECTION WITH OR
15 PREPARATION FOR A PROPOSED OR POSSIBLE RESIDENTIAL REAL ESTATE
16 TRANSFER. THE TERM INCLUDES ANY CONSULTATION REGARDING THE
17 PROPERTY THAT IS REPRESENTED TO BE A HOME INSPECTION OR THAT IS
18 DESCRIBED BY ANY SIMILAR TERM. THE TERM DOES NOT INCLUDE ANY OF
19 THE FOLLOWING:

20 (1) AN EXAMINATION OF A SINGLE SYSTEM OR COMPONENT OF A
21 RESIDENTIAL DWELLING SUCH AS ITS ELECTRICAL OR PLUMBING
22 SYSTEM OR ITS ROOF.

23 (2) AN EXAMINATION THAT IS LIMITED TO INSPECTION FOR OR
24 OF ONE OR MORE OF THE FOLLOWING:

25 (I) WOOD-DESTROYING INSECTS.

26 (II) UNDERGROUND TANKS AND WELLS.

27 (III) SEPTIC SYSTEMS.

28 (IV) SWIMMING POOLS AND SPAS.

29 (V) ALARM SYSTEMS.

30 (VI) AIR AND WATER QUALITY.

1 (VII) TENNIS COURTS AND PLAYGROUND EQUIPMENT.

2 (VIII) POLLUTANTS.

3 (IX) TOXIC CHEMICALS.

4 (X) ENVIRONMENTAL HAZARDS.

5 (XI) MOLD.

6 (XII) BIOLOGICAL ORGANISMS.

7 "HOME INSPECTION REPORT." A REPORT AS REQUIRED UNDER SECTION
8 75A08 (RELATING TO HOME INSPECTION REPORTS).

9 "HOME INSPECTOR." AN INDIVIDUAL WHO PERFORMS A HOME
10 INSPECTION AND IS LICENSED UNDER THIS CHAPTER.

11 "MATERIAL DEFECT." AS DEFINED UNDER SECTION 7102 (RELATING
12 TO DEFINITIONS).

13 "RESIDENTIAL DWELLING." A STRUCTURE CONSISTING OF AT LEAST
14 ONE BUT NOT MORE THAN FOUR UNITS, EACH DESIGNED FOR OCCUPANCY BY
15 A SINGLE FAMILY, WHETHER THE UNIT OR UNITS ARE OCCUPIED OR
16 UNOCCUPIED.

17 "RESIDENTIAL REAL ESTATE TRANSFER." AS DEFINED UNDER SECTION
18 7103 (RELATING TO APPLICATION OF PART).

19 "SELLER." AS DEFINED UNDER SECTION 7102 (RELATING TO
20 DEFINITIONS).

21 "WOOD DESTROYING INSECT." THE TERM INCLUDES TERMITES,
22 CARPENTER ANTS, CARPENTER BEES AND REINFESTING WOOD BORING
23 BEETLES.

24 § 75A03. PENNSYLVANIA BOARD OF HOME INSPECTORS.

25 (A) ESTABLISHMENT.--THERE IS ESTABLISHED THE PENNSYLVANIA
26 BOARD OF HOME INSPECTORS WITHIN THE BUREAU.

27 (B) COMPOSITION.--THE BOARD SHALL CONSIST OF THE FOLLOWING
28 MEMBERS:

29 (1) THE COMMISSIONER OR A DESIGNEE.

30 (2) THE FOLLOWING MEMBERS, WHO SHALL BE CITIZENS OF THE

1 UNITED STATES AND RESIDENTS OF THIS COMMONWEALTH, APPOINTED
2 BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE:

3 (I) TWO MEMBERS REPRESENTING THE PUBLIC AT LARGE.

4 (II) FIVE PROFESSIONAL MEMBERS. PROFESSIONAL MEMBERS
5 SHALL HAVE COMPLETED NO LESS THAN 100 FEE-PAID HOME
6 INSPECTIONS IN THIS COMMONWEALTH OVER THE FIVE YEARS
7 IMMEDIATELY PRECEDING APPOINTMENT TO THE BOARD. EXCEPT AS
8 SET FORTH UNDER SUBSECTION (F), PROFESSIONAL MEMBERS
9 SHALL BE LICENSED UNDER THIS CHAPTER AS HOME INSPECTORS.

10 (III) THE ATTORNEY GENERAL OR A DESIGNEE.

11 (C) MEETING.--THE BOARD SHALL MEET WITHIN 30 DAYS AFTER THE
12 APPOINTMENT OF THE INITIAL MEMBERS AND SHALL DO ALL OF THE
13 FOLLOWING:

14 (1) ESTABLISH PROCEDURES FOR THE BOARD'S OPERATION AND
15 ADMINISTRATION OF THIS CHAPTER.

16 (2) DEVELOP APPLICATION FORMS FOR LICENSURE.

17 (3) CIRCULATE APPLICATION FORMS.

18 (4) CREATE PROGRAM GUIDELINES TO EDUCATE THE PUBLIC
19 REGARDING LICENSURE REQUIREMENTS UNDER THIS CHAPTER.

20 (D) TERM OF MEMBERSHIP.--EXCEPT AS PROVIDED UNDER SUBSECTION
21 (E), PROFESSIONAL AND PUBLIC MEMBERS SHALL SERVE A TERM OF FOUR
22 YEARS OR UNTIL A SUCCESSOR HAS BEEN APPOINTED AND QUALIFIED BUT
23 IN NO EVENT LONGER THAN SIX MONTHS BEYOND THE FOUR-YEAR PERIOD.
24 IN THE EVENT THAT A MEMBER DIES OR RESIGNS OR OTHERWISE IS
25 DISQUALIFIED DURING THE TERM OF OFFICE, A SUCCESSOR SHALL BE
26 APPOINTED IN THE SAME WAY AND WITH THE SAME QUALIFICATIONS AND
27 SHALL HOLD OFFICE FOR AN UNEXPIRED TERM. A PROFESSIONAL OR
28 PUBLIC MEMBER SHALL NOT BE ELIGIBLE TO HOLD MORE THAN TWO
29 CONSECUTIVE TERMS.

30 (E) INITIAL APPOINTMENTS.--FOR PROFESSIONAL AND PUBLIC

MEMBERS FIRST APPOINTED TO THE BOARD UNDER THIS CHAPTER, THE
TERM OF OFFICE SHALL BE AS FOLLOWS:

(1) THREE MEMBERS SHALL SERVE FOR A TERM OF FOUR YEARS.

(2) TWO MEMBERS SHALL SERVE FOR A TERM OF THREE YEARS.

(3) ONE MEMBER SHALL SERVE FOR A TERM OF TWO YEARS.

(F) PROFESSIONAL MEMBERS AND FIRST APPOINTMENTS.--

(1) A PROFESSIONAL MEMBER INITIALLY APPOINTED TO THE
BOARD UNDER THIS CHAPTER NEED NOT BE LICENSED AT THE TIME OF
APPOINTMENT BUT AT THE TIME OF APPOINTMENT MUST HAVE
SATISFIED ELIGIBILITY REQUIREMENTS FOR LICENSURE. ALL
PROFESSIONAL MEMBERS SUBSEQUENTLY APPOINTED SHALL POSSESS THE
REQUIRED LICENSE.

(2) A BOARD MEMBER THAT BECOMES A HOME INSPECTOR SHALL
OBTAIN THE REQUISITE LICENSE WITHIN SIX MONTHS OF THE DATE
THE INITIAL LICENSES ARE ISSUED. IF A BOARD MEMBER DOES NOT
OBTAIN THE REQUISITE LICENSE WITHIN SIX MONTHS OF THE
EFFECTIVE DATE OF THIS SECTION, THE BOARD MEMBER SHALL BE
CONSIDERED TO HAVE RESIGNED FROM THE BOARD ON THAT DATE.

(G) QUORUM.--A MAJORITY OF THE MEMBERS OF THE BOARD SHALL
CONSTITUTE A QUORUM. A MEMBER MAY NOT BE COUNTED AS PART OF A
QUORUM OR VOTE ON ANY ISSUE UNLESS THE MEMBER IS PHYSICALLY IN
ATTENDANCE AT THE MEETING.

(H) CHAIRPERSON.--THE BOARD SHALL SELECT ANNUALLY A
CHAIRPERSON FROM AMONG ITS MEMBERS.

(I) EXPENSES.--WITH THE EXCEPTION OF THE COMMISSIONER AND
THE ATTORNEY GENERAL, EACH MEMBER OF THE BOARD SHALL RECEIVE \$60
PER DIEM WHEN ACTUALLY ATTENDING TO THE WORK OF THE BOARD. A
MEMBER SHALL ALSO RECEIVE THE AMOUNT OF REASONABLE TRAVELING,
HOTEL AND OTHER NECESSARY EXPENSES INCURRED IN THE PERFORMANCE
OF THE MEMBER'S DUTIES IN ACCORDANCE WITH COMMONWEALTH

1 REGULATIONS.

2 (J) FORFEITURE.--A PROFESSIONAL OR PUBLIC MEMBER WHO FAILS
3 TO ATTEND THREE MEETINGS IN 18 MONTHS SHALL FORFEIT THE MEMBER'S
4 SEAT UNLESS THE COMMISSIONER, UPON WRITTEN REQUEST FROM THE
5 MEMBER, FINDS THAT THE MEMBER SHOULD BE EXCUSED FROM A MEETING
6 BECAUSE OF ILLNESS OR THE DEATH OF A FAMILY MEMBER.

7 (K) TRAINING SEMINARS.--A PUBLIC MEMBER WHO FAILS TO ATTEND
8 TWO CONSECUTIVE STATUTORILY MANDATED TRAINING SEMINARS IN
9 ACCORDANCE WITH SECTION 813(E) OF THE ACT OF APRIL 9, 1929
10 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929,
11 SHALL FORFEIT THE MEMBER'S SEAT UNLESS THE COMMISSIONER, UPON
12 WRITTEN REQUEST FROM THE PUBLIC MEMBER, FINDS THAT THE PUBLIC
13 MEMBER SHOULD BE EXCUSED FROM A MEETING BECAUSE OF ILLNESS OR
14 THE DEATH OF A FAMILY MEMBER.

15 (L) FREQUENCY OF MEETINGS.--THE BOARD SHALL MEET AT LEAST
16 FOUR TIMES PER YEAR IN THE CITY OF HARRISBURG AND AT ADDITIONAL
17 TIMES AS MAY BE NECESSARY TO CONDUCT THE BUSINESS OF THE BOARD.

18 § 75A04. POWERS AND DUTIES OF BOARD.

19 THE BOARD SHALL HAVE THE FOLLOWING POWERS AND DUTIES:

20 (1) TO PROVIDE FOR AND REGULATE THE LICENSING OF
21 INDIVIDUALS, INCLUDING INTERNS, ENGAGED IN HOME INSPECTION.

22 (2) TO ISSUE LICENSES, RENEW LICENSES, REINSTATE
23 LICENSES, REFUSE TO RENEW, SUSPEND AND REVOKE LICENSES AS
24 PROVIDED UNDER THIS CHAPTER.

25 (3) TO ADMINISTER AND ENFORCE THE PROVISIONS OF THIS
26 CHAPTER.

27 (4) TO REVIEW APPLICATIONS FOR LICENSURE AND TO
28 DETERMINE THE ELIGIBILITY OF AN INDIVIDUAL APPLYING FOR
29 LICENSURE.

30 (5) TO PROMOTE EDUCATIONAL INITIATIVES TO PROTECT

1 CONSUMERS WHO CONTRACT FOR HOME INSPECTION SERVICES.

2 (6) TO PROMULGATE AND ENFORCE REGULATIONS, NOT
3 INCONSISTENT WITH THIS CHAPTER, AS NECESSARY ONLY TO CARRY
4 OUT THE PROVISIONS OF THIS CHAPTER. THIS PARAGRAPH INCLUDES
5 THE SETTING OF FEES AND THE ADOPTION OF STANDARDS FOR
6 CERTIFICATION OF HOME INSPECTORS. REGULATIONS SHALL BE
7 ADOPTED IN CONFORMITY WITH THE PROVISIONS OF THE ACT OF JULY
8 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE COMMONWEALTH
9 DOCUMENTS LAW AND THE ACT OF JUNE 25, 1982 (P.L.633, NO.181),
10 KNOWN AS THE REGULATORY REVIEW ACT.

11 (7) TO KEEP MINUTES AND RECORDS OF ALL PROCEEDINGS.

12 (8) TO SUBMIT ANNUALLY TO THE DEPARTMENT AN ESTIMATE OF
13 FINANCIAL REQUIREMENTS OF THE BOARD FOR ITS ADMINISTRATIVE,
14 LEGAL AND OTHER EXPENSES.

15 (9) TO SUBMIT ANNUALLY A REPORT TO THE CONSUMER
16 PROTECTION AND PROFESSIONAL LICENSURE COMMITTEE OF THE SENATE
17 AND THE PROFESSIONAL LICENSURE COMMITTEE OF THE HOUSE OF
18 REPRESENTATIVES. THE REPORT SHALL INCLUDE A DESCRIPTION OF
19 THE TYPES OF COMPLAINTS RECEIVED, STATUS OF CASES, THE ACTION
20 WHICH HAS BEEN TAKEN AND THE LENGTH OF TIME FROM INITIAL
21 COMPLAINT TO FINAL RESOLUTION.

22 (10) TO SUBMIT ANNUALLY TO THE APPROPRIATIONS COMMITTEE
23 OF THE SENATE AND THE APPROPRIATIONS COMMITTEE OF THE HOUSE
24 OF REPRESENTATIVES, 15 DAYS AFTER THE GOVERNOR HAS SUBMITTED
25 A BUDGET TO THE GENERAL ASSEMBLY, A COPY OF THE BUDGET
26 REQUEST FOR THE UPCOMING FISCAL YEAR WHICH THE BOARD
27 PREVIOUSLY SUBMITTED TO THE DEPARTMENT.

28 (11) TO PRESCRIBE THE FORM OF LICENSES, APPLICATIONS AND
29 OTHER DOCUMENTS THAT ARE REQUIRED FOR HOME INSPECTORS TO BE
30 LICENSED UNDER THIS CHAPTER.

1 (12) TO GRANT, DENY, SUSPEND AND REVOKE APPROVAL OF
2 EXAMINATIONS AND COURSES OF STUDY REGARDING HOME INSPECTIONS,
3 ESTABLISH STANDARDS FOR CONTINUING HOME INSPECTION EDUCATION,
4 INCLUDING THE SUBJECT MATTER AND CONTENT OF COURSES OF STUDY
5 AND THE SELECTION OF INSTRUCTORS AND APPROVE OTHER EQUIVALENT
6 EDUCATIONAL PROGRAMS AND ESTABLISH PROCEDURES FOR THE
7 ISSUANCE OF CREDIT UPON SATISFACTORY PROOF OF THE COMPLETION
8 OF THESE PROGRAMS.

9 (13) TO ESTABLISH AND MAINTAIN A CURRENT LIST OF HOME
10 INSPECTORS WHO ARE LICENSED. THIS LIST SHALL BE AVAILABLE FOR
11 PUBLIC INSPECTION, INCLUDING ON AN INTERNET WEBSITE.

12 (14) TO ESTABLISH CONTINUING EDUCATION REQUIREMENTS OF
13 NOT LESS THAN 32 HOURS BIENNIALY FOR LICENSEES IN ACCORDANCE
14 WITH THIS CHAPTER.

15 (15) TO REQUIRE ALL FEE-PAID HOME INSPECTIONS TO BE
16 CONDUCTED IN ACCORDANCE WITH THE STANDARDS OF PRACTICE
17 ESTABLISHED BY THE BOARD.

18 (16) TO ADOPT STANDARDS OF PRACTICE FOR LICENSEES.
19 § 75A05. LICENSURE.

20 (A) GENERAL RULE.--AN INDIVIDUAL MAY NOT PERFORM HOME
21 INSPECTIONS, OFFER HIMSELF FOR EMPLOYMENT AS AN INDIVIDUAL WHO
22 PERFORMS HOME INSPECTIONS OR HOLD HIMSELF OUT AS A HOME
23 INSPECTOR UNLESS LICENSED BY THE BOARD.

24 (B) BUSINESS ENTITIES.--AN INDIVIDUAL, CORPORATION,
25 PARTNERSHIP, FIRM OR OTHER ENTITY SHALL NOT EMPLOY AN INDIVIDUAL
26 TO PERFORM A HOME INSPECTION OR ALLOW OR DIRECT AN INDIVIDUAL TO
27 PERFORM A HOME INSPECTION UNLESS THE INDIVIDUAL IS LICENSED
28 UNDER THIS CHAPTER.

29 § 75A06. QUALIFICATIONS.

30 (A) GENERAL RULE.--TO BE ELIGIBLE TO APPLY FOR LICENSURE, AN

1 APPLICANT MUST FULFILL ALL OF THE FOLLOWING REQUIREMENTS:

2 (1) BE OF GOOD MORAL CHARACTER.

3 (2) BE 18 YEARS OF AGE OR OLDER.

4 (3) EXCEPT AS PROVIDED UNDER SUBSECTION (A.1), HAVE
5 SUCCESSFULLY COMPLETED THE PENNSYLVANIA PEST MANAGEMENT
6 ASSOCIATION ACCREDITED WOOD DESTROYING INSECT INSPECTORS
7 TRAINING COURSE.

8 (4) HAVE SUCCESSFULLY COMPLETED AN EXAMINATION APPROVED
9 AND ADMINISTERED BY A THIRD-PARTY TESTING ORGANIZATION.

10 (5) PAY THE FEE SET BY THE BOARD.

11 (A.1) CATEGORY 12 CERTIFICATION.--

12 (1) IF A HOME INSPECTOR OR PEST INSPECTOR CHOOSES TO
13 OFFER WOOD DESTROYING INSECT INSPECTION SERVICES FOR REAL
14 ESTATE TRANSACTIONS IN THIS COMMONWEALTH, THE INSPECTOR SHALL
15 BE A LICENSED PEST CONTROL OPERATOR WITH CATEGORY 12
16 CERTIFICATION OR SHALL BE A DEPARTMENT OF AGRICULTURE
17 LICENSED INSPECTOR WITH CATEGORY 12 NA CERTIFICATION AND
18 SHALL HAVE SUCCESSFULLY COMPLETED THE PENNSYLVANIA PEST
19 MANAGEMENT ASSOCIATION ACCREDITED WOOD DESTROYING INSECT
20 INSPECTORS TRAINING COURSE, OR ITS EQUIVALENT, AND SHALL BE
21 CURRENTLY ACCREDITED.

22 (2) IN THE EVENT THAT AN ANCILLARY SERVICE IS PERFORMED
23 BY A LICENSED HOME INSPECTOR, THE INSPECTOR SHALL, IN
24 ADDITION TO THE REQUIREMENTS UNDER PARAGRAPH (1), BE LICENSED
25 OR CERTIFIED TO PERFORM THAT SERVICE AS REQUIRED BY STATE
26 REGULATION. INSPECTORS FOUND TO BE PERFORMING ANCILLARY
27 INSPECTIONS FOR THE HOME-BUYING PUBLIC WITHOUT THE REQUIRED
28 LICENSE OR CERTIFICATION SHALL BE SUBJECT TO DISCIPLINE BY
29 THE BOARD.

30 (B) CONVICTIONS PROHIBITED.--

1 (1) THE BOARD SHALL NOT ISSUE A LICENSE TO AN INDIVIDUAL
2 WHO HAS BEEN CONVICTED OF A FELONY UNDER THE ACT OF APRIL 14,
3 1972 (P.L.233, NO.64), KNOWN AS THE CONTROLLED SUBSTANCE,
4 DRUG, DEVICE AND COSMETIC ACT, OR AN OFFENSE UNDER THE LAWS
5 OF ANOTHER JURISDICTION WHICH IF COMMITTED IN THIS
6 COMMONWEALTH WOULD BE A FELONY UNDER THE CONTROLLED
7 SUBSTANCE, DRUG, DEVICE AND COSMETIC ACT, UNLESS ALL OF THE
8 FOLLOWING APPLY:

9 (I) AT LEAST FIVE YEARS HAVE ELAPSED FROM THE DATE
10 OF CONVICTION.

11 (II) THE INDIVIDUAL SATISFACTORILY DEMONSTRATES TO
12 THE BOARD THAT THE INDIVIDUAL HAS MADE SIGNIFICANT
13 PROGRESS IN PERSONAL REHABILITATION SINCE THE CONVICTION
14 SUCH THAT LICENSURE OF THE INDIVIDUAL SHOULD NOT BE
15 EXPECTED TO CREATE A SUBSTANTIAL RISK OF HARM TO THE
16 HEALTH AND SAFETY OF HOME INSPECTORS, TRAINEES OR THE
17 PUBLIC OR A SUBSTANTIAL RISK OF FURTHER CRIMINAL
18 VIOLATIONS.

19 (III) THE INDIVIDUAL SATISFIES THE QUALIFICATIONS
20 PROVIDED UNDER THIS CHAPTER.

21 (2) AN INDIVIDUAL'S STATEMENT ON THE APPLICATION
22 DECLARING THE ABSENCE OF A CONVICTION SHALL BE DEEMED
23 SATISFACTORY EVIDENCE OF THE ABSENCE OF A CONVICTION UNLESS
24 THE BOARD HAS EVIDENCE TO THE CONTRARY.

25 § 75A07. (RESERVED).

26 § 75A08. HOME INSPECTION REPORTS.

27 (A) REQUIRED CONTENTS.--A HOME INSPECTION REPORT MUST BE IN
28 WRITING AND SHALL INCLUDE:

29 (1) A DESCRIPTION OF THE SCOPE OF THE INSPECTION,
30 INCLUDING WITHOUT LIMITATION AN IDENTIFICATION OF THE

1 STRUCTURAL ELEMENTS, SYSTEMS AND SUBSYSTEMS COVERED BY THE
2 REPORT.

3 (2) A DESCRIPTION OF ANY MATERIAL DEFECTS NOTED DURING
4 THE INSPECTION, ALONG WITH ANY RECOMMENDATION THAT CERTAIN
5 EXPERTS BE RETAINED TO DETERMINE THE EXTENT OF THE DEFECTS
6 AND ANY CORRECTIVE ACTION THAT SHOULD BE TAKEN. A MATERIAL
7 DEFECT THAT POSES AN UNREASONABLE RISK TO PEOPLE ON THE
8 PROPERTY SHALL BE CONSPICUOUSLY IDENTIFIED AS SUCH.

9 (3) THE FOLLOWING STATEMENTS, SET FORTH CONSPICUOUSLY:

10 A HOME INSPECTION IS INTENDED TO ASSIST IN EVALUATION
11 OF THE OVERALL CONDITION OF THE DWELLING. THE INSPECTION
12 IS BASED ON OBSERVATION OF THE VISIBLE AND APPARENT
13 CONDITION OF THE STRUCTURE AND ITS COMPONENTS ON THE DATE
14 OF INSPECTION.

15 THE RESULTS OF THIS HOME INSPECTION ARE NOT INTENDED
16 TO MAKE ANY REPRESENTATION REGARDING THE PRESENCE OR
17 ABSENCE OF LATENT OR CONCEALED DEFECTS THAT ARE NOT
18 REASONABLY ASCERTAINABLE IN A COMPETENTLY PERFORMED HOME
19 INSPECTION. NO WARRANTY OR GUARANTY IS EXPRESSED OR
20 IMPLIED.

21 IF THE PERSON CONDUCTING YOUR HOME INSPECTION IS NOT
22 A LICENSED STRUCTURAL ENGINEER OR OTHER PROFESSIONAL
23 WHOSE LICENSE AUTHORIZES THE RENDERING OF AN OPINION AS
24 TO THE STRUCTURAL INTEGRITY OF A BUILDING OR ITS OTHER
25 COMPONENT PARTS, YOU MAY BE ADVISED TO SEEK A
26 PROFESSIONAL OPINION AS TO ANY DEFECTS OR CONCERNS
27 MENTIONED IN THE REPORT.

28 THIS HOME INSPECTION REPORT IS NOT TO BE CONSTRUED AS
29 AN APPRAISAL AND MAY NOT BE USED AS SUCH FOR ANY PURPOSE.

30 (B) CONFIDENTIALITY.--EXCEPT AS OTHERWISE REQUIRED BY LAW, A

1 HOME INSPECTOR SHALL NOT DELIVER A HOME INSPECTION REPORT TO ANY
2 PERSON OTHER THAN THE CLIENT OF THE HOME INSPECTOR WITHOUT THE
3 CLIENT'S CONSENT. NOTWITHSTANDING THIS SUBSECTION, IF THE
4 INSPECTION IS FOR THE SALE OF A RESIDENCE, THE SELLER SHALL HAVE
5 THE RIGHT, UPON REQUEST, TO RECEIVE WITHOUT CHARGE A COPY OF A
6 HOME INSPECTION REPORT FROM THE PERSON FOR WHOM IT WAS PREPARED.

7 (C) REPAIR ESTIMATES PROHIBITED.--A HOME INSPECTOR SHALL NOT
8 EXPRESS EITHER ORALLY OR IN WRITING AN ESTIMATE OF THE COST TO
9 REPAIR ANY DEFECT FOUND DURING A HOME INSPECTION.

10 § 75A09. LIABILITY INSURANCE.

11 (A) REQUIRED INSURANCE.--A HOME INSPECTOR SHALL MAINTAIN
12 GENERAL LIABILITY INSURANCE IN THE PERFORMANCE OF A HOME
13 INSPECTION AND GENERAL LIABILITY, WITH COVERAGES OF NOT LESS
14 THAN \$100,000 PER OCCURRENCE AND \$500,000 IN THE AGGREGATE.

15 (B) TERM.--

16 (1) EXCEPT AS SET FORTH IN PARAGRAPH (2), A HOME
17 INSPECTOR SHALL MAINTAIN INSURANCE UNDER SUBSECTION (A) FOR
18 AT LEAST ONE YEAR AFTER THE LATEST HOME INSPECTION REPORT WAS
19 DELIVERED.

20 (2) PARAGRAPH (1) SHALL NOT APPLY TO A HOME INSPECTION
21 REPORT THAT WAS DELIVERED PRIOR TO THE EFFECTIVE DATE OF THIS
22 SECTION.

23 § 75A10. HOME INSPECTORS IN OTHER STATES, TERRITORIES OR
24 DOMINION OF CANADA.

25 THE BOARD MAY ISSUE A LICENSE TO AN INDIVIDUAL WHO HAS
26 LICENSURE OR ITS EQUIVALENT AS A HOME INSPECTOR IN ANY OTHER
27 STATE OR TERRITORY OF THE UNITED STATES OR THE DOMINION OF
28 CANADA IF ALL OF THE FOLLOWING REQUIREMENTS ARE MET:

29 (1) THE OTHER JURISDICTION GRANTS THE SAME PRIVILEGES TO
30 LICENSEES OF PENNSYLVANIA AS THE COMMONWEALTH GRANTS TO

1 LICENSEES OF THAT OTHER JURISDICTION.

2 (2) THE PERSON IS LICENSED OR ITS EQUIVALENT IN THE
3 OTHER JURISDICTION AND HAS SUCCESSFULLY PASSED THE EXAM.

4 (3) THE LICENSING REQUIREMENTS OF THE OTHER JURISDICTION
5 ARE SUBSTANTIALLY SIMILAR TO THE LICENSING REQUIREMENTS OF
6 THIS CHAPTER.

7 (4) THE PERSON PROVIDES A NOTARIZED STATEMENT THAT THE
8 PERSON HAS STUDIED, IS FAMILIAR WITH AND WILL ABIDE BY THE
9 PROVISIONS OF THIS CHAPTER AND THE ADMINISTRATIVE REGULATIONS
10 PROMULGATED BY THE BOARD.

11 (5) THE INDIVIDUAL PAYS THE REQUIRED FEE.

12 § 75A11. DURATION OF LICENSE.

13 (A) DURATION OF LICENSE.--A LICENSE ISSUED UNDER THIS
14 CHAPTER SHALL BE ON A BIENNIAL BASIS. THE BIENNIAL EXPIRATION
15 DATE SHALL BE ESTABLISHED BY THE BOARD. APPLICATION FOR RENEWAL
16 OF A LICENSE SHALL BIENNIALY BE FORWARDED TO AN INDIVIDUAL
17 HOLDING A CURRENT LICENSE PRIOR TO THE EXPIRATION DATE OF THE
18 CURRENT RENEWAL BIENNIUM.

19 (B) INACTIVE STATUS.--AN INDIVIDUAL LICENSED UNDER THIS
20 CHAPTER MAY REQUEST AN APPLICATION FOR INACTIVE STATUS. THE
21 APPLICATION FORM MAY BE COMPLETED AND RETURNED TO THE BOARD.
22 UPON RECEIPT OF AN APPLICATION, THE INDIVIDUAL SHALL BE
23 MAINTAINED ON INACTIVE STATUS WITHOUT FEE AND SHALL BE ENTITLED
24 TO APPLY FOR A LICENSURE RENEWAL AT ANY TIME AFTER COMPLYING
25 WITH THE REQUIREMENTS FOR CONTINUING EDUCATION. AN INDIVIDUAL
26 WHO REQUESTS THE BOARD TO ACTIVATE THE INDIVIDUAL'S LICENSE AND
27 WHO HAS BEEN ON INACTIVE STATUS FOR A PERIOD OF THREE
28 CONSECUTIVE YEARS SHALL, PRIOR TO RECEIVING AN ACTIVE LICENSE,
29 SATISFY THE REQUIREMENTS OF THE BOARD'S REGULATIONS FOR ENSURING
30 CONTINUED COMPETENCE, INCLUDING HOLDING CURRENT CERTIFICATION

1 AND REMITTING THE REQUIRED FEE. THE BOARD SHALL PROMULGATE
2 REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SUBSECTION.

3 § 75A12. REPORTING OF MULTIPLE LICENSURE.

4 A HOME INSPECTOR WHO IS ALSO LICENSED TO PERFORM HOME
5 INSPECTIONS IN ANY OTHER STATE, TERRITORY OR POSSESSION OF THE
6 UNITED STATES OR ANY OTHER COUNTRY SHALL REPORT THIS INFORMATION
7 TO THE BOARD ON THE BIENNIAL REGISTRATION APPLICATION. A
8 LICENSEE SHALL REPORT ANY DISCIPLINARY ACTION REGARDING A
9 LICENSE TAKEN IN ANOTHER STATE, TERRITORY, POSSESSION OF THE
10 UNITED STATES OR ANY OTHER COUNTRY TO THE BOARD ON THE BIENNIAL
11 REGISTRATION APPLICATION OR WITHIN 90 DAYS OF FINAL DISPOSITION,
12 WHICHEVER IS SOONER. MULTIPLE LICENSURE SHALL BE NOTED BY THE
13 BOARD ON THE HOME INSPECTOR'S RECORD, AND THE STATE, TERRITORY,
14 POSSESSION OR COUNTRY SHALL BE NOTIFIED OF ANY DISCIPLINARY
15 ACTIONS TAKEN BY THE BOARD AGAINST THE LICENSEE IN THIS
16 COMMONWEALTH.

17 § 75A13. RELATIONSHIP TO OTHER LAWS.

18 (A) GENERAL RULE.--NOTHING IN THIS CHAPTER SHALL BE
19 CONSTRUED TO ALLOW A HOME INSPECTOR WHO IS NOT REGISTERED OR
20 LICENSED UNDER ONE OR MORE OF THE FOLLOWING LAWS TO PERFORM ANY
21 ACTIVITY THAT WOULD CONSTITUTE THE PRACTICE OF THE PROFESSION
22 REGULATED BY THAT LAW:

23 (1) THE ACT OF MAY 23, 1945 (P.L.913, NO.367), KNOWN AS
24 THE ENGINEER, LAND SURVEYOR AND GEOLOGIST REGISTRATION LAW.

25 (2) THE ACT OF JANUARY 24, 1966 (1965 P.L.1535, NO.537),
26 KNOWN AS THE PENNSYLVANIA SEWAGE FACILITIES ACT.

27 (3) THE ACT OF MARCH 1, 1974 (P.L.90, NO.24), KNOWN AS
28 THE PENNSYLVANIA PESTICIDE CONTROL ACT OF 1973.

29 (4) THE ACT OF DECEMBER 14, 1982 (P.L.1227, NO.281),
30 KNOWN AS THE ARCHITECTS LICENSURE LAW.

1 (5) THE ACT OF JULY 9, 1987 (P.L.238, NO.43), KNOWN AS
2 THE RADON CERTIFICATION ACT.

3 (6) THE ACT OF JULY 10, 1990 (P.L.404, NO.98), KNOWN AS
4 THE REAL ESTATE APPRAISERS CERTIFICATION ACT.

5 (B) EXCLUSIONS.--THIS CHAPTER SHALL NOT:

6 (1) APPLY TO A PERSON REGISTERED OR LICENSED UNDER AN
7 ACT REFERRED TO IN SUBSECTION (A) WHEN ACTING PURSUANT TO HIS
8 REGISTRATION OR LICENSE.

9 (2) APPLY TO AN OFFICER OR EMPLOYEE OF A MUNICIPALITY OR
10 LOCAL AUTHORITY WHEN ACTING IN HIS OFFICIAL CAPACITY.

11 (3) AFFECT THE OBLIGATIONS OR IMMUNITIES OF A PERSON
12 LICENSED UNDER THE ACT OF FEBRUARY 19, 1980 (P.L.15, NO.9),
13 KNOWN AS THE REAL ESTATE LICENSING AND REGISTRATION ACT, THAT
14 ARE IMPOSED OR PROVIDED BY THAT ACT OR CHAPTER 73 (RELATING
15 TO SELLER DISCLOSURES) WHEN THE PERSON IS ACTING PURSUANT TO
16 HIS LICENSE.

17 (4) AFFECT THE OBLIGATIONS OR IMMUNITIES OF A PERSON
18 CERTIFIED UNDER THE REAL ESTATE APPRAISERS CERTIFICATION ACT
19 WHEN THE PERSON IS ACTING PURSUANT TO THE PERSON'S LICENSE.

20 § 75A14. UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION LAW
21 REMEDIES.

22 (A) GENERAL RULE.--THE PERFORMANCE OF A HOME INSPECTION IS A
23 SERVICE THAT IS SUBJECT TO THE ACT OF DECEMBER 17, 1968
24 (P.L.1224, NO.387), KNOWN AS THE UNFAIR TRADE PRACTICES AND
25 CONSUMER PROTECTION LAW.

26 (B) PROHIBITED ACTS.--ANY OF THE FOLLOWING ACTS ENGAGED IN
27 BY A HOME INSPECTOR, AN EMPLOYER OF A HOME INSPECTOR OR ANOTHER
28 BUSINESS OR PERSON THAT CONTROLS OR HAS A FINANCIAL INTEREST IN
29 THE EMPLOYER OF A HOME INSPECTOR SHALL BE DEEMED TO BE AN UNFAIR
30 OR DECEPTIVE ACT OR PRACTICE AS DEFINED BY SECTION 2(4)(I)

1 THROUGH (XXI) OF THE UNFAIR TRADE PRACTICES AND CONSUMER
2 PROTECTION LAW:

3 (1) PERFORMING OR OFFERING TO PERFORM FOR AN ADDITIONAL
4 FEE ANY REPAIRS TO A STRUCTURE WITH RESPECT TO WHICH THE HOME
5 INSPECTOR, THE EMPLOYER OF THE HOME INSPECTOR OR SUCH OTHER
6 BUSINESS OR PERSON HAS PREPARED A HOME INSPECTION REPORT
7 WITHIN THE PRECEDING 12 MONTHS, EXCEPT THAT THIS PARAGRAPH
8 SHALL NOT APPLY TO REMEDIATION FOR RADON OR WOOD DESTROYING
9 INSECTS.

10 (2) INSPECTING FOR A FEE ANY PROPERTY IN WHICH THE HOME
11 INSPECTOR, THE EMPLOYER OF THE HOME INSPECTOR OR SUCH OTHER
12 BUSINESS OR PERSON HAS ANY FINANCIAL INTEREST OR ANY INTEREST
13 IN THE TRANSFER OF THE PROPERTY, INCLUDING WITHOUT LIMITATION
14 RECEIPT OF A COMMISSION AS AN AGENT, UNLESS THE FINANCIAL
15 INTEREST OR INTEREST IN THE TRANSFER OF THE PROPERTY IS
16 DISCLOSED IN WRITING TO THE BUYER BEFORE THE HOME INSPECTION
17 IS PERFORMED AND THE BUYER SIGNS AN ACKNOWLEDGMENT OF RECEIPT
18 OF THE DISCLOSURE.

19 (3) OFFERING OR DELIVERING ANY COMMISSION, REFERRAL FEE
20 OR KICKBACK TO THE SELLER OF THE INSPECTED PROPERTY OR TO AN
21 AGENT FOR EITHER OR BOTH OF THE SELLER AND THE BUYER FOR THE
22 REFERRAL OF ANY BUSINESS TO THE HOME INSPECTOR, THE EMPLOYER
23 OF THE HOME INSPECTOR OR SUCH OTHER BUSINESS OR PERSON.

24 (4) ACCEPTING AN ENGAGEMENT TO PERFORM A HOME INSPECTION
25 OR TO PREPARE A HOME INSPECTION REPORT IN WHICH THE
26 EMPLOYMENT ITSELF OR THE FEE PAYABLE FOR THE INSPECTION IS
27 CONTINGENT UPON THE CONCLUSIONS IN THE REPORT, PREESTABLISHED
28 OR PRESCRIBED FINDINGS OR THE CLOSING OF THE TRANSACTION.

29 (C) EXCEPTION.--A HOME WARRANTY COMPANY THAT IS AFFILIATED
30 WITH OR RETAINS THE HOME INSPECTOR DOES NOT VIOLATE SUBSECTION

1 (B) IF THE HOME WARRANTY COMPANY PERFORMS REPAIRS PURSUANT TO
2 CLAIMS MADE UNDER A HOME WARRANTY CONTRACT.

3 (D) CONSUMER REMEDIES.--IN ADDITION TO ANY OTHER REMEDIES
4 AVAILABLE UNDER THE UNFAIR TRADE PRACTICES AND CONSUMER
5 PROTECTION LAW OR OTHER APPLICABLE PROVISION OF LAW, THE OWNER
6 OF A PROPERTY ON WHICH REPAIRS ARE PERFORMED IN VIOLATION OF
7 SUBSECTION (B)(1) SHALL BE ENTITLED TO A FULL REFUND OF ANY
8 MONEYS PAID FOR THOSE REPAIRS, AND ANY PROMISSORY NOTE OR OTHER
9 OBLIGATION TO PAY GIVEN TO THE PERSON PERFORMING THOSE REPAIRS
10 SHALL BE VOID.

11 § 75A15. CONTRACTS WITH HOME INSPECTORS.

12 (A) PROHIBITED PROVISIONS.--ANY OF THE FOLLOWING TYPES OF
13 PROVISIONS IN A CONTRACT WITH A HOME INSPECTOR FOR THE
14 PERFORMANCE OF A HOME INSPECTION ARE CONTRARY TO PUBLIC POLICY
15 AND SHALL BE VOID:

16 (1) A LIMITATION ON THE LIABILITY OF THE HOME INSPECTOR
17 FOR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

18 (2) A WAIVER OR MODIFICATION OF ANY PROVISION OF THIS
19 CHAPTER.

20 (B) SCOPE OF INSPECTION.--THE SCOPE OF A HOME INSPECTION,
21 THE SERVICES TO BE PERFORMED AND THE SYSTEMS AND CONDITIONS TO
22 BE INSPECTED OR EXCLUDED FROM INSPECTION MAY BE DEFINED BY A
23 CONTRACT BETWEEN THE HOME INSPECTOR AND THE CLIENT.

24 (C) REQUIRED CONTRACTUAL PROVISION REGARDING HOME
25 INSPECTIONS.--EXCEPT AS PROVIDED UNDER THIS SECTION, A PROVISION
26 OF AN AGREEMENT OF TRANSFER REGARDING THE RIGHT OF THE BUYER TO
27 OBTAIN A HOME INSPECTION REPORT AND PROVIDING FOR THE
28 CONSEQUENCES, IF ANY, SHALL PROVIDE THAT THE HOME INSPECTION BE
29 PERFORMED BY A FULL MEMBER IN GOOD STANDING OF A NATIONAL HOME
30 INSPECTION ASSOCIATION IN ACCORDANCE WITH THE ETHICAL STANDARDS

1 AND CODE OF CONDUCT OR PRACTICE OF THAT ASSOCIATION, EXCEPT THAT
2 A HOME INSPECTION PERFORMED BY A PERSON WHO HAS NOT ATTAINED
3 FULL MEMBERSHIP IN A NATIONAL HOME INSPECTION ASSOCIATION
4 SATISFIES THE REQUIREMENTS OF THIS SECTION IF THE PERSON IS:

5 (1) LICENSED OR REGISTERED AS A PROFESSIONAL ENGINEER
6 UNDER THE ACT OF MAY 23, 1945 (P.L.913, NO.367), KNOWN AS THE
7 ENGINEER, LAND SURVEYOR AND GEOLOGIST REGISTRATION LAW;

8 (2) LICENSED OR REGISTERED UNDER THE ACT OF DECEMBER 14,
9 1982 (P.L.1227, NO.281), KNOWN AS THE ARCHITECTS LICENSURE
10 LAW; OR

11 (3) SUPERVISED BY A FULL MEMBER IN GOOD STANDING OF A
12 NATIONAL HOME INSPECTION ASSOCIATION WHO AGREES TO BE
13 RESPONSIBLE FOR THE HOME INSPECTION REPORT BY SIGNING THE
14 REPORT.

15 § 75A16. FEES, FINES AND CIVIL PENALTIES.

16 (A) FEES.--ALL FEES REQUIRED UNDER THIS CHAPTER SHALL BE
17 FIXED BY THE BOARD BY REGULATION AND SHALL BE SUBJECT TO THE ACT
18 OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS THE REGULATORY
19 REVIEW ACT. IF THE REVENUES RAISED BY THE FEES, FINES AND CIVIL
20 PENALTIES IMPOSED UNDER THIS CHAPTER ARE NOT SUFFICIENT TO MEET
21 EXPENDITURES OVER A TWO-YEAR PERIOD, THE BOARD SHALL INCREASE
22 THOSE FEES BY REGULATION SO THAT PROJECTED REVENUES WILL MEET OR
23 EXCEED PROJECTED EXPENDITURES.

24 (B) DEPOSIT OF FEES.--ALL FEES, FINES AND CIVIL PENALTIES
25 IMPOSED IN ACCORDANCE WITH THIS CHAPTER SHALL BE PAID INTO THE
26 PROFESSIONAL LICENSURE AUGMENTATION ACCOUNT.

27 (C) PERMITTED FEES.--THE BOARD MAY CHARGE A FEE, AS SET BY
28 THE BOARD BY REGULATION, FOR LICENSURE, FOR RENEWING LICENSURE
29 AND FOR OTHER SERVICES OF THE BOARD AS PERMITTED UNDER THIS
30 CHAPTER OR BY REGULATION.

1 § 75A17. VIOLATION.

2 (A) CRIMINAL PENALTY.--A PERSON VIOLATING A PROVISION OF
3 THIS CHAPTER OR A REGULATION OF THE BOARD COMMITS A MISDEMEANOR
4 OF THE THIRD DEGREE AND SHALL, UPON CONVICTION, BE SENTENCED TO
5 PAY A FINE OF NOT MORE THAN \$2,500 OR TO IMPRISONMENT FOR NOT
6 MORE THAN SIX MONTHS FOR THE FIRST VIOLATION. A PERSON CONVICTED
7 OF A SECOND OR SUBSEQUENT VIOLATION SHALL BE SENTENCED TO PAY A
8 FINE OF NOT MORE THAN \$5,000 OR TO IMPRISONMENT FOR NOT LESS
9 THAN SIX MONTHS OR MORE THAN ONE YEAR, OR BOTH.

10 (B) CIVIL PENALTY.--IN ADDITION TO ANY OTHER CIVIL REMEDY OR
11 CRIMINAL PENALTY PROVIDED FOR UNDER THIS CHAPTER, THE BOARD, BY
12 A VOTE OF THE MAJORITY OF THE MAXIMUM NUMBER OF THE AUTHORIZED
13 MEMBERSHIP OF THE BOARD AS PROVIDED BY LAW OR BY A VOTE OF THE
14 MAJORITY OF THE DULY QUALIFIED AND CONFIRMED MEMBERSHIP OR A
15 MINIMUM OF FIVE MEMBERS, WHICHEVER IS GREATER, MAY LEVY A CIVIL
16 PENALTY OF UP TO \$10,000 ON ANY OF THE FOLLOWING:

17 (1) A HOME INSPECTOR WHO VIOLATES A PROVISION OF THIS
18 CHAPTER.

19 (2) AN INDIVIDUAL WHO PERFORMS HOME INSPECTIONS WITHOUT
20 A LICENSE, AS REQUIRED BY THIS CHAPTER.

21 (C) PROCEDURE.--THE BOARD SHALL LEVY THE CIVIL PENALTY UNDER
22 SUBSECTION (B) ONLY AFTER AFFORDING THE ACCUSED THE OPPORTUNITY
23 FOR A HEARING AS PROVIDED UNDER 2 PA.C.S. (RELATING TO
24 ADMINISTRATIVE LAW AND PROCEDURE).

25 § 75A18. REFUSAL, SUSPENSION OR REVOCATION OF LICENSE.

26 (A) GENERAL RULE.--THE BOARD SHALL HAVE THE AUTHORITY TO
27 REFUSE, SUSPEND OR REVOKE A LICENSE OR DISCIPLINE FOR UNLICENSED
28 ACTIVITY IN A CASE WHERE THE BOARD FINDS ANY OF THE FOLLOWING:

29 (1) THE LICENSEE IS NEGLIGENT OR INCOMPETENT IN
30 PERFORMING A HOME INSPECTION.

1 (2) THE LICENSEE HAS WILLFULLY OR REPEATEDLY VIOLATED
2 ANY OF THE PROVISIONS OF THIS CHAPTER OR A REGULATION OF THE
3 BOARD.

4 (3) THE LICENSEE OR INDIVIDUAL HAS COMMITTED FRAUD OR
5 DECEIT IN ANY OF THE FOLLOWING:

6 (I) PERFORMING HOME INSPECTIONS.

7 (II) SECURING LICENSURE OR CERTIFICATION.

8 (III) ADVERTISING.

9 (IV) PERFORMING OR OFFERING TO PERFORM HOME
10 INSPECTIONS FOR COMPENSATION WITHOUT BEING LICENSED AS A
11 HOME INSPECTOR AND WITHOUT BEING EXEMPT FROM LICENSURE
12 UNDER THIS CHAPTER.

13 (V) PRESENTING AS THE INDIVIDUAL'S OWN LICENSE, THE
14 LICENSE OF ANOTHER.

15 (VI) INTENTIONALLY GIVING FALSE OR MATERIALLY
16 MISLEADING INFORMATION TO THE BOARD OR TO A BOARD OR
17 STAFF MEMBER IN CONNECTION WITH A LICENSING MATTER.

18 (VII) USING AN EXPIRED, SUSPENDED, REVOKED OR
19 OTHERWISE RESTRICTED LICENSE.

20 (VIII) PERFORMING OR OFFERING TO PERFORM FOR AN
21 ADDITIONAL FEE ANY REPAIRS TO A STRUCTURE WITH RESPECT TO
22 WHICH THE HOME INSPECTOR, THE EMPLOYER OF THE HOME
23 INSPECTOR OR OTHER BUSINESS OR PERSON HAS PREPARED A HOME
24 INSPECTION REPORT WITHIN THE PRECEDING 12 MONTHS, EXCEPT
25 THAT THIS SUBPARAGRAPH SHALL NOT APPLY TO REMEDIATION FOR
26 RADON OR WOOD DESTROYING INSECTS.

27 (IX) PARTICIPATION, BY ANY REAL ESTATE BROKER OR
28 AGENT, DIRECTLY OR INDIRECTLY, IN AN ACTION IN WHICH THE
29 HOME INSPECTOR PAYS OR RECEIVES A DIRECT OR INDIRECT
30 CONSIDERATION FOR RECEIVING LEADS TOWARD PROVIDING HOME

1 INSPECTION SERVICES.

2 (4) THE LICENSEE HAS BEEN CONVICTED OF A FELONY OR A
3 CRIME OF MORAL TURPITUDE.

4 (5) THE LICENSEE HAS HAD HIS LICENSE SUSPENDED OR
5 REVOKED OR HAS RECEIVED OTHER DISCIPLINARY ACTION BY THE
6 PROPER LICENSING AUTHORITY IN ANOTHER STATE, TERRITORY,
7 POSSESSION OF THE UNITED STATES OR ANY OTHER COUNTRY.

8 (6) THE LICENSEE FALSELY ADVERTISED OR MADE MISLEADING,
9 DECEPTIVE, UNTRUE OR FRAUDULENT MATERIAL REPRESENTATIONS
10 REGARDING LICENSURE.

11 (B) ACTS AUTHORIZED.--IF THE BOARD FINDS THAT THE LICENSE OF
12 A HOME INSPECTOR MAY BE REFUSED, REVOKED OR SUSPENDED UNDER
13 SUBSECTION (A), THE BOARD MAY DO ANY OF THE FOLLOWING:

14 (1) DENY THE APPLICATION FOR A LICENSE.

15 (2) ADMINISTER A PUBLIC REPRIMAND.

16 (3) REVOKE, SUSPEND, LIMIT OR OTHERWISE RESTRICT A
17 LICENSE.

18 (4) REQUIRE A LICENSEE TO SUBMIT TO THE CARE, COUNSELING
19 OR TREATMENT OF A PHYSICIAN OR A PSYCHOLOGIST DESIGNATED BY
20 THE BOARD.

21 (5) SUSPEND ENFORCEMENT OF ITS FINDING AND PLACE A
22 LICENSEE ON PROBATION WITH THE RIGHT TO VACATE THE
23 PROBATIONARY ORDER FOR NONCOMPLIANCE.

24 (6) RESTORE OR REISSUE, IN ITS DISCRETION, A SUSPENDED
25 LICENSE AND IMPOSE ANY DISCIPLINARY OR CORRECTIVE MEASURE
26 WHICH IT MIGHT ORIGINALLY HAVE IMPOSED.

27 § 75A19. SUSPENSIONS AND REVOCATIONS.

28 DISCIPLINARY ACTION SHALL BE IMPOSED ONLY IN ACCORDANCE WITH
29 THE REGULATIONS OF THE BOARD AND ONLY BY MAJORITY VOTE OF THE
30 MEMBERS OF THE BOARD AFTER A HEARING. AN ACTION OF THE BOARD

1 SHALL BE TAKEN SUBJECT TO THE RIGHT OF NOTICE, HEARING AND
2 ADJUDICATION, AND THE RIGHT OF APPEAL, IN ACCORDANCE WITH 2
3 PA.C.S. (RELATING TO ADMINISTRATIVE LAW AND PROCEDURE). THE
4 BOARD, BY MAJORITY ACTION, MAY REISSUE A LICENSE WHICH HAS BEEN
5 SUSPENDED. IF A LICENSE HAS BEEN REVOKED, THE BOARD SHALL
6 REISSUE A LICENSE ONLY UNDER SECTION 75A21 (RELATING TO
7 REINSTATEMENT OF LICENSE).
8 § 75A20. INTERNS.

9 (A) ELIGIBILITY.--TO BE ELIGIBLE FOR A HOME INSPECTOR INTERN
10 PERMIT, AN APPLICANT SHALL HAVE DONE ALL OF THE FOLLOWING:

11 (1) HAVE SUCCESSFULLY COMPLETED HIGH SCHOOL OR ITS
12 EQUIVALENT.

13 (2) HAVE ENROLLED IN AND COMPLETED A BOARD-APPROVED
14 TRAINING PROGRAM THAT MEETS THE REQUIREMENTS OF REGULATIONS
15 ADOPTED BY THE BOARD RELATING TO 120-HOUR CLASS TIMES.

16 (3) HAVE AN IDENTIFIED SUPERVISOR WHO IS LICENSED AS A
17 HOME INSPECTOR UNDER THIS CHAPTER, IS IN GOOD STANDING AS A
18 HOME INSPECTOR AND HAS AGREED TO PERFORM SUPERVISORY
19 FUNCTIONS AS DESCRIBED UNDER SUBSECTION (C).

20 (4) HAS PAID A FEE AS ESTABLISHED BY THE BOARD.

21 (B) EXAMINATION.--UPON COMPLETION OF A BOARD-APPROVED
22 TRAINING PROGRAM THAT MEETS THE REQUIREMENTS OF THE REGULATIONS
23 ADOPTED BY THE BOARD, THE HOME INSPECTOR INTERN MAY TAKE THE
24 HOME INSPECTOR LICENSURE EXAMINATION. IF THE INTERN DOES NOT
25 PASS HIS LICENSURE EXAMINATION, THE INTERN MAY TAKE UP TO TWO
26 ADDITIONAL EXAMINATIONS DURING THE ONE-YEAR PERIOD COMMENCING ON
27 THE DATE OF THE APPLICANT'S FIRST EXAMINATION APPLICATION. IF
28 THE APPLICANT DOES NOT PASS A THIRD EXAMINATION, THE APPLICANT
29 MAY NOT BE EXAMINED AGAIN UNTIL ONE YEAR AFTER THE DATE OF THE
30 THIRD EXAMINATION.

1 (C) SUPERVISION.--A HOME INSPECTOR INTERN SHALL PERFORM
2 FUNCTIONS OF A HOME INSPECTOR ONLY UNDER THE SUPERVISION OF A
3 LICENSED HOME INSPECTOR AND IN ACCORDANCE WITH RULES AND
4 REGULATIONS ADOPTED BY THE BOARD. THE SUPERVISION SHALL BE
5 DIRECT SUPERVISION FOR A MINIMUM OF 100 INSPECTIONS. FOR THE
6 PURPOSE OF THIS SUBSECTION, "DIRECT SUPERVISION" MEANS THE
7 SUPERVISOR SHALL BE PRESENT AT THE SITE OF A HOME INSPECTION
8 WHERE THE HOME INSPECTOR INTERN IS ASSIGNED 100% OF THE TIME AND
9 THE SUPERVISOR SHALL COUNTERSIGN ALL DOCUMENTS PREPARED AND
10 COMPLETED BY THE HOME INSPECTOR INTERN.

11 (D) RESPONSIBILITY.--THE LICENSED HOME INSPECTOR SUPERVISING
12 THE HOME INSPECTOR INTERN SHALL BE RESPONSIBLE FOR ALL
13 INSPECTIONS DONE BY THE HOME INSPECTOR INTERN UNDER THE LICENSED
14 HOME INSPECTOR'S CHARGE.

15 (E) AGREEMENT.--AS A CONDITION FOR APPLYING FOR AN INTERN
16 HOME INSPECTOR'S LICENSE, THE APPLICANT SHALL AGREE IN WRITING
17 TO PARTICIPATE IN AND PERFORM THE TRAINING, FUNCTIONS AND
18 RESPONSIBILITIES PRESCRIBED FOR INTERN HOME INSPECTORS AND SHALL
19 AGREE TO UPHOLD STANDARDS OF ETHICS AND PROFESSIONAL CONDUCT
20 PRESCRIBED BY THE BOARD.

21 § 75A21. REINSTATEMENT OF LICENSE.

22 UNLESS ORDERED TO DO SO BY THE COMMONWEALTH COURT OR AN
23 APPEAL FROM THE COMMONWEALTH COURT, THE BOARD SHALL NOT
24 REINSTATE THE LICENSE OF AN INDIVIDUAL WHICH HAS BEEN REVOKED.
25 AN INDIVIDUAL WHOSE LICENSE HAS BEEN REVOKED MAY REAPPLY FOR A
26 LICENSE AFTER A PERIOD OF AT LEAST FIVE YEARS BUT MUST MEET ALL
27 OF THE LICENSING REQUIREMENTS OF THIS CHAPTER.

28 § 75A22. SURRENDER OF SUSPENDED OR REVOKED LICENSE.

29 THE BOARD SHALL REQUIRE AN INDIVIDUAL WHOSE LICENSE HAS BEEN
30 SUSPENDED OR REVOKED TO RETURN THE LICENSE IN THE MANNER AS THE

1 BOARD DIRECTS. A PERSON THAT FAILS TO DO SO COMMITS A
2 MISDEMEANOR OF THE THIRD DEGREE.
3 § 75A23. INJUNCTION.

4 WHENEVER IN THE JUDGMENT OF THE BOARD A PERSON HAS ENGAGED IN
5 AN ACT OR PRACTICE WHICH IS REGULATED UNDER THIS CHAPTER AND
6 WHICH CONSTITUTES OR WILL CONSTITUTE A VIOLATION OF THIS
7 CHAPTER, THE BOARD OR ITS AGENTS MAY MAKE APPLICATION TO THE
8 APPROPRIATE COURT FOR AN ORDER ENJOINING THE ACT OR PRACTICE
9 AND, UPON A SHOWING BY THE BOARD THAT THE PERSON HAS ENGAGED OR
10 IS ABOUT TO ENGAGE IN THE ACT OR PRACTICE, AN INJUNCTION,
11 RESTRAINING ORDER OR OTHER ORDER AS MAY BE APPROPRIATE SHALL BE
12 GRANTED BY THE COURT. THE REMEDY BY INJUNCTION SHALL BE IN
13 ADDITION TO ANY OTHER CIVIL OR CRIMINAL PROSECUTION AND
14 PUNISHMENT.

15 § 75A24. SUBPOENAS AND OATHS.

16 (A) AUTHORITY GRANTED.--THE BOARD SHALL HAVE THE AUTHORITY
17 TO ISSUE SUBPOENAS, UPON APPLICATION OF AN ATTORNEY RESPONSIBLE
18 FOR REPRESENTING THE COMMONWEALTH IN DISCIPLINARY MATTERS BEFORE
19 THE BOARD, FOR THE PURPOSE OF INVESTIGATING ALLEGED VIOLATIONS
20 OF THIS CHAPTER OR REGULATIONS OF THE BOARD. THE BOARD SHALL
21 HAVE THE POWER TO SUBPOENA WITNESSES, TO ADMINISTER OATHS, TO
22 EXAMINE WITNESSES AND TO TAKE TESTIMONY OR COMPEL THE PRODUCTION
23 OF BOOKS, RECORDS, PAPERS AND DOCUMENTS AS IT MAY DEEM NECESSARY
24 OR PROPER IN AND PERTINENT TO ANY PROCEEDING, INVESTIGATION OR
25 HEARING HELD OR HAD BY THE BOARD. THE BOARD IS AUTHORIZED TO
26 APPLY TO THE COMMONWEALTH COURT TO ENFORCE ITS SUBPOENAS. THE
27 COURT MAY IMPOSE LIMITATIONS ON THE SCOPE OF THE SUBPOENA AS IS
28 NECESSARY TO PREVENT UNNECESSARY INTRUSION INTO CLIENT
29 CONFIDENTIAL INFORMATION.

30 (B) DISCIPLINARY MATTERS.--AN ATTORNEY RESPONSIBLE FOR

1 REPRESENTING THE COMMONWEALTH IN DISCIPLINARY MATTERS BEFORE THE
2 BOARD SHALL MAINTAIN CURRENT RECORDS OF ALL REPORTED ALLEGED
3 VIOLATIONS AND PERIODICALLY REVIEW THE RECORDS FOR THE PURPOSE
4 OF DETERMINING THAT EACH ALLEGED VIOLATION HAS BEEN RESOLVED IN
5 A TIMELY MANNER.

6 § 75A25. STATUTE OF LIMITATIONS.

7 AN ACTION TO RECOVER DAMAGES ARISING FROM A HOME INSPECTION
8 REPORT MUST BE COMMENCED WITHIN ONE YEAR AFTER THE DATE THE
9 REPORT IS DELIVERED.

10 § 75A26. ENGINEERS AND ARCHITECTS.

11 NOTWITHSTANDING SECTION 75A13(B)(1) (RELATING TO RELATIONSHIP
12 TO OTHER LAWS), THE FOLLOWING SECTIONS SHALL APPLY TO A PERSON
13 LICENSED OR REGISTERED AS A PROFESSIONAL ENGINEER UNDER THE ACT
14 OF MAY 23, 1945 (P.L.913, NO.367), KNOWN AS THE ENGINEER, LAND
15 SURVEYOR AND GEOLOGIST REGISTRATION LAW, OR A PERSON LICENSED OR
16 REGISTERED UNDER THE ACT OF DECEMBER 14, 1982 (P.L.1227,
17 NO.281), KNOWN AS THE ARCHITECTS LICENSURE LAW, WHEN PERFORMING
18 A HOME INSPECTION:

19 (1) SECTION 75A08 (RELATING TO HOME INSPECTION REPORTS).

20 (2) SECTION 75A09 (RELATING TO LIABILITY INSURANCE).

21 (3) SECTION 75A14 (RELATING TO UNFAIR TRADE PRACTICES
22 AND CONSUMER PROTECTION LAW REMEDIES).

23 (4) SECTION 75A15(A)(1) AND (B) (RELATING TO CONTRACTS
24 WITH HOME INSPECTORS).

25 SECTION 2.1. FOR ONE YEAR FROM THE EFFECTIVE DATE OF THIS
26 SECTION, AN APPLICANT WHO MEETS ALL OF THE REQUIREMENTS OF
27 FORMER 68 PA.C.S. CH. 75 AND THIS SECTION MAY BE LICENSED AS A
28 HOME INSPECTOR WITHOUT HAVING TO COMPLETE A BOARD-APPROVED
29 TRAINING PROGRAM OR COURSE OF STUDY INVOLVING THE PERFORMANCE OF
30 HOME INSPECTIONS. THE APPLICANT MUST:

- 1 (1) BE AT LEAST 18 YEARS OF AGE.
- 2 (2) HAVE PASSED A WRITTEN EXAMINATION TO TEST COMPETENCE
- 3 IN HOME INSPECTION PRACTICE.
- 4 (3) HAVE COMPLETED NO LESS THAN 100 FEE-PAID INSPECTIONS
- 5 PER YEAR OVER THE FIVE YEARS IMMEDIATELY PRECEDING.
- 6 (4) SHOW PROOF OF PROFESSIONAL LIABILITY INSURANCE
- 7 CONSISTENT WITH 68 PA.C.S. § 75A09.

8 SECTION 3. THE SUM OF \$85,000, OR AS MUCH THEREOF AS MAY BE
9 NECESSARY, IS HEREBY APPROPRIATED FROM THE PROFESSIONAL
10 LICENSURE AUGMENTATION ACCOUNT TO THE DEPARTMENT OF STATE FOR
11 THE PAYMENT OF COSTS ASSOCIATED WITH PROCESSING LICENSES AND
12 RENEWING LICENSES, FOR THE OPERATION OF THE PENNSYLVANIA BOARD
13 OF HOME INSPECTORS AND FOR OTHER COSTS ASSOCIATED WITH THE
14 IMPLEMENTATION OF 68 PA.C.S. CH. 75A. THE APPROPRIATION SHALL BE
15 REPAID BY THE BOARD WITHIN THREE YEARS OF THE BEGINNING OF
16 ISSUANCE OF LICENSES BY THE BOARD.

17 SECTION 4. WITHIN 18 MONTHS OF THE EFFECTIVE DATE OF THIS
18 SECTION, THE PENNSYLVANIA BOARD OF HOME INSPECTORS SHALL
19 PROMULGATE REGULATIONS TO CARRY OUT THE PROVISIONS OF 68 PA.C.S.
20 CH. 75A.

21 SECTION 5. THE ADDITION OF 68 PA.C.S. CH. 75A IS A
22 CONTINUATION OF FORMER 68 PA.C.S. CH. 75. EXCEPT AS OTHERWISE
23 PROVIDED UNDER CHAPTER 75A, ALL ACTIVITIES INITIATED UNDER
24 FORMER CHAPTER 75 SHALL CONTINUE AND REMAIN IN FULL FORCE AND
25 EFFECT AND MAY BE COMPLETED UNDER CHAPTER 75A. ORDERS,
26 REGULATIONS, RULES AND DECISIONS WHICH WERE MADE UNDER FORMER
27 CHAPTER 75 AND WHICH ARE IN EFFECT ON THE EFFECTIVE DATE OF THIS
28 SECTION SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL REVOKED,
29 VACATED OR MODIFIED UNDER CHAPTER 75A. CONTRACTS, OBLIGATIONS
30 AND COLLECTIVE BARGAINING AGREEMENTS ENTERED INTO UNDER FORMER

1 CHAPTER 75 ARE NOT AFFECTED NOR IMPAIRED BY THE REPEAL OF FORMER
2 CHAPTER 75.
3 SECTION 6. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.