

Bill No. SB 1830

Barcode 470250

CHAMBER ACTION

Senate

House

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11 The Committee on Regulated Industries (King) recommended the
12 following amendment:

Senate Amendment (with title amendment)

Delete everything after the enacting clause

17 and insert:

18 Section 1. Section 501.935, Florida Statutes, is
19 created to read:

20 501.935 Home inspection services; requirements;
21 exemptions; prohibited acts and penalties; insurance;
22 limitations and enforcement.--

23 (1) DEFINITIONS.--As used in this section, the term:

24 (a) "Home" means any residential real property, or
25 manufactured or modular home, that is a single-family
26 dwelling, duplex, triplex, quadruplex, condominium unit, or
27 cooperative unit. The term does not include the common areas
28 of condominiums or cooperatives.

29 (b) "Home inspector" means any person who provides or
30 offers to provide a home inspection for a fee or other
31 compensation.

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1 (c) "Home inspection" means a limited visual
 2 examination of one or more of the readily accessible installed
 3 systems and components of a home, including the structure,
 4 electrical system, HVAC system, roof covering, plumbing
 5 system, interior components, exterior components, and site
 6 conditions that affect the structure, for the purposes of
 7 providing a written professional opinion of the condition of
 8 the home.

9 (2) REQUIREMENTS FOR PRACTICE.--

10 (a) A person shall not work as a home inspector unless
 11 he or she:

12 1. Has successfully completed a course of study in
 13 home inspections which requires a passing score on a valid
 14 examination and is provided through a nonprofit organization
 15 or a community college or university, which is not less than
 16 80 hours, and which includes, but is not limited to, each of
 17 the following components of a home: structure, electrical
 18 system, roof covering, plumbing system, interior components,
 19 exterior components, site conditions that affect the
 20 structure, and heating, ventilation, and cooling systems.

21 2. Annually completes 8 hours of continuing education,
 22 provided through a nonprofit organization or a community
 23 college or university, related to home inspections.

24 3. Discloses each of the following to the consumer in
 25 writing prior to contracting for or commencing a home
 26 inspection:

27 a. The home inspector meets the education and
 28 examination requirements of this subsection;

29 b. The home inspector maintains the commercial general
 30 liability insurance policy required by this section;

31 c. The scope and any exclusions of the home

1 inspection; and

2 d. A statement of experience which shall include
3 either the approximate number of home inspections the home
4 inspector has performed for a fee or the number of years of
5 experience as a home inspector.

6 4. Home inspectors are not regulated by any state
7 agency, but any violation of this section may be an unfair and
8 deceptive trade practice under part II of chapter 501.

9 (b) A business entity may not provide or offer to
10 provide home inspection services unless each of the home
11 inspectors employed by the business entity satisfies all the
12 requirements of this section.

13 (c) A business entity may not use, in connection with
14 the name or signature of the business entity, the title "home
15 inspectors" to describe the business entity's services unless
16 each of the home inspectors employed by the business entity
17 satisfies all the requirements of this section.

18 (3) EXEMPTIONS.--The following persons are not
19 required to comply with this section when acting within the
20 scope of practice authorized by such license, except when such
21 persons are conducting, producing, disseminating, or charging
22 a fee for a home inspection or otherwise operating within the
23 scope of this section:

24 (a) A construction contractor licensed under chapter
25 489.

26 (b) An architect licensed under chapter 481.

27 (c) An engineer licensed under chapter 471.

28 (d) A building code administrator, plans examiner, or
29 building code inspector licensed under part XII of chapter
30 468.

31 (e) A certified real estate appraiser, licensed real

1 estate appraiser, or registered real estate appraiser licensed
2 under part II of chapter 475.

3 (f) An inspector whose report is being provided to,
4 and is solely for the benefit of, the Federal Housing
5 Administration or the Veterans Administration.

6 (g) An inspector conducting inspections for
7 wood-destroying organisms on behalf of a licensee under
8 chapter 482.

9 (h) A firesafety inspector certified under s. 633.081.

10 (i) An insurance adjuster licensed under part VI of
11 chapter 626 or any person performing insurance underwriting
12 duties.

13 (j) An officer appointed by the court.

14 (k) A master septic tank contractor licensed under
15 part III of chapter 489.

16 (l) A certified energy auditor performing an energy
17 audit of any home or building conducted under chapter 366 or
18 rules adopted by the Public Service Commission.

19 (4) PROHIBITED ACTS; PENALTIES.--

20 (a) A home inspector, a company that employs a home
21 inspector, or a company that is controlled by a company that
22 also has a financial interest in a company employing a home
23 inspector may not:

24 1. Perform or offer to perform, prior to closing, for
25 any additional fee, any repairs to a home on which the
26 inspector or the inspector's company has prepared a home
27 inspection report. This paragraph does not apply to a home
28 warranty company that is affiliated with or retains a home
29 inspector to perform repairs pursuant to a claim made under a
30 home warranty contract.

31 2. Inspect for a fee any property in which the

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1 inspector or the inspector's company has any financial or
2 transfer interest.

3 3. Offer or deliver any compensation, inducement, or
4 reward to the owner of the inspected property, or any broker
5 or agent therefor, for the referral of any business to the
6 inspector or the inspection company.

7 4. Accept an engagement to make an omission or prepare
8 a report in which the inspection itself, or the fee payable
9 for the inspection, is contingent upon either the conclusions
10 in the report, preestablished findings, or the close of
11 escrow.

12 (b) Any person who violates any provision of this
13 subsection commits:

14 1. A misdemeanor of the second degree for a first
15 violation, punishable as provided in s. 775.082 or s. 775.083.

16 2. A misdemeanor of the first degree for a second
17 violation, punishable as provided in s. 775.082 or s. 775.083.

18 3. A felony of the third degree for a third or
19 subsequent violation, punishable as provided in s. 775.082, s.
20 775.083, or s. 775.084.

21 (5) INSURANCE.--A home inspector must maintain a
22 commercial general liability insurance policy in an amount of
23 not less than \$300,000.

24 (6) REPAIR COST ESTIMATES.--Home inspectors are not
25 required to provide estimates related to the cost of repair of
26 an inspected property.

27 (7) STATUTE OF LIMITATIONS.--Chapter 95 governs when
28 an action to enforce an obligation, duty, or right arising
29 under this section must be commenced.

30 (8) ENFORCEMENT OF VIOLATIONS.--Any violation of this
31 section constitutes a deceptive and unfair trade practice,

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1 punishable as provided in part II of this chapter.

2 Section 2. This act shall take effect January 1, 2006.

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5 ===== T I T L E A M E N D M E N T =====

6 And the title is amended as follows:

7 Delete everything before the enacting clause

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9 and insert:

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A bill to be entitled

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An act relating to home inspection services;

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creating s. 501.935, F.S.; providing

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definitions; providing requirements for

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practice; providing exemptions; providing

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prohibited acts and penalties; requiring

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liability insurance; exempting from duty to

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provide repair cost estimates; providing

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limitations; providing for enforcement of

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violations; providing an effective date.

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