

1 A bill to be entitled
 2 An act relating to home inspection services; creating s.
 3 501.935, F.S.; providing definitions; providing
 4 requirements for practice; providing exemptions; providing
 5 prohibited acts and penalties; requiring liability
 6 insurance; exempting certain persons from duty to provide
 7 repair cost estimates; providing limitations; providing
 8 for enforcement of violations; providing an effective
 9 date.

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11 Be It Enacted by the Legislature of the State of Florida:

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13 Section 1. Section 501.935, Florida Statutes, is created
 14 to read:

15 501.935 Home inspection services; requirements;
 16 exemptions; prohibited acts and penalties; insurance;
 17 limitations and enforcement.--

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

19 (a) "Home" means any residential real property, or
 20 manufactured or modular home, that is a single-family dwelling,
 21 duplex, triplex, quadruplex, condominium unit, or cooperative
 22 unit. The term does not include the common areas of condominiums
 23 or cooperatives.

24 (b) "Home inspector" means any person who provides or
 25 offers to provide a home inspection for a fee or other
 26 compensation.

27 (c) "Home inspection" means a limited visual examination
 28 of one or more of the readily accessible installed systems and

29 components of a home, including, but not limited to, the
 30 structure, electrical system, HVAC system, roof covering,
 31 plumbing system, interior components, exterior components, and
 32 site conditions that affect the structure, for the purpose of
 33 providing a written professional opinion of the condition of the
 34 home.

35 (2) REQUIREMENTS FOR PRACTICE.--

36 (a) A person may not work as a home inspector unless he or
 37 she:

38 1. Has successfully completed a course of study of not
 39 less than 80 hours, which requires a passing score on a valid
 40 examination in home inspections, and which includes, but is not
 41 limited to, each of the following components of a home:
 42 structure; electrical system; roof covering; plumbing system;
 43 interior components; exterior components; and site conditions
 44 that affect the structure, and heating, ventilation, and cooling
 45 systems.

46 2. Annually completes 8 hours of continuing education
 47 related to home inspections.

48 3. Discloses to the consumer in writing prior to
 49 contracting for or commencing a home inspection:

50 a. That the home inspector meets the education and
 51 examination requirements of this subsection.

52 b. That the home inspector maintains the commercial
 53 general liability insurance policy as required by this section.

54 c. The scope and any exclusions of the home inspection.

55 d. A statement of experience that includes either the
 56 approximate number of home inspections the home inspector has

57 performed for a fee or the number of years of experience as a
 58 home inspector.

59 e. That home inspectors are not regulated by any state
 60 agency, but any violation of this section constitutes a
 61 deceptive and unfair trade practice under part II of this
 62 chapter.

63 (b) A business entity may not provide or offer to provide
 64 home inspection services unless each of the home inspectors
 65 employed by the business entity satisfies all the requirements
 66 of this section.

67 (c) A business entity may not use, in connection with the
 68 name or signature of the business entity, the title "home
 69 inspectors" to describe the business entity's services unless
 70 each of the home inspectors employed by the business entity
 71 satisfies all the requirements of this section.

72 (3) EXEMPTIONS.--The following persons are not required to
 73 comply with this section when acting within the scope of
 74 practice authorized by such license, except when such persons
 75 are conducting, producing, disseminating, or charging a fee for
 76 a home inspection or otherwise operating within the scope of
 77 this section:

78 (a) A construction contractor licensed under chapter 489.

79 (b) An architect licensed under chapter 481.

80 (c) An engineer licensed under chapter 471.

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

83 (e) A certified real estate appraiser, licensed real
 84 estate appraiser, or registered real estate appraiser licensed

85 under part II of chapter 475.

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

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

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

92 (i) An insurance adjuster licensed under part VI of
93 chapter 626.

94 (j) An officer appointed by the court.

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

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

100 (m) A mobile home manufacturer, dealer, or installer
101 regulated or licensed under chapter 320 and any employees or
102 agents of the manufacturer, dealer, or installer.

103 (4) PROHIBITED ACTS; PENALTIES.--

104 (a) A home inspector, a company that employs a home
105 inspector, or a company that is controlled by a company that has
106 a financial interest in a company employing a home inspector may
107 not:

108 1. Perform or offer to perform, prior to closing, for any
109 additional fee, any repairs to a home on which the inspector or
110 the inspector's company has prepared a home inspection report.
111 This paragraph does not apply to a home warranty company that is
112 affiliated with or retains a home inspector to perform repairs

113 pursuant to a claim made under a home warranty contract.

114 2. Inspect for a fee any property in which the inspector
 115 or the inspector's company has any financial or transfer
 116 interest.

117 3. Offer or deliver any compensation, inducement, or
 118 reward to the owner of the inspected property, or any broker or
 119 agent therefor, for the referral of any business to the
 120 inspector or the inspector's company.

121 4. Accept an engagement to make an omission or prepare a
 122 report in which the inspection itself, or the fee payable for
 123 the inspection, is contingent upon the conclusions in the
 124 report, the preestablished findings, or the close of escrow.

125 (b) Any person who violates any provision of this
 126 subsection commits:

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

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

131 3. A felony of the third degree for a third or subsequent
 132 violation, punishable as provided in s. 775.082, s. 775.083, or
 133 s. 775.084.

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

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

140 (7) STATUTE OF LIMITATIONS.--Chapter 95 governs when an

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141 action to enforce an obligation, duty, or right arising under
142 this section must be commenced.

143 (8) ENFORCEMENT OF VIOLATIONS.--Any violation of this
144 section constitutes a deceptive and unfair trade practice,
145 punishable as provided in part II of this chapter.

146 Section 2. This act shall take effect January 1, 2007.