

By Senator Crist

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A bill to be entitled  
An act relating to home inspection services;  
creating s. 501.935, F.S.; providing  
definitions; providing requirements for  
practice; providing exemptions; prohibiting  
certain acts and providing penalties; requiring  
liability insurance; exempting home inspectors  
from the duty to provide repair cost estimates;  
providing limitations; providing for the  
enforcement of violations; providing an  
effective date.

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

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

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

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

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

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

(c) "Home inspection" means a limited visual  
examination of one or more of the readily accessible installed  
systems and components of a home, including, but not limited

1 to, the structure, electrical system, HVAC system, roof  
2 covering, plumbing system, interior components, exterior  
3 components, and site conditions that affect the structure, for  
4 the purpose of providing a written professional opinion of the  
5 condition of the home.

6 (2) REQUIREMENTS FOR PRACTICE.--

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

9 1. Has successfully completed a course of study of not  
10 less than 80 hours, which requires a passing score on a valid  
11 examination in home inspections, and which includes, but is  
12 not limited to, each of the following components of a home:  
13 structure; electrical system; roof covering; plumbing system;  
14 interior components; exterior components; and site conditions  
15 that affect the structure, and heating, ventilation, and  
16 cooling systems.

17 2. Annually completes 8 hours of continuing education  
18 related to home inspections.

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

21 a. That the home inspector meets the education and  
22 examination requirements of this subsection.

23 b. That the home inspector maintains the commercial  
24 general liability insurance policy as required by this  
25 section.

26 c. The scope and any exclusions of the home  
27 inspection.

28 d. A statement of experience that includes either the  
29 approximate number of home inspections the home inspector has  
30 performed for a fee or the number of years of experience as a  
31 home inspector.

1           e. That home inspectors are not regulated by any state  
2 agency, but any violation of this section constitutes a  
3 deceptive and unfair trade practice under part II of this  
4 chapter.

5           (b) A business entity may not provide or offer to  
6 provide home inspection services unless each of the home  
7 inspectors employed by the business entity satisfies all the  
8 requirements of this section.

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

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

20           (a) A construction contractor licensed under chapter  
21 489.

22           (b) An architect licensed under chapter 481.

23           (c) An engineer licensed under chapter 471.

24           (d) A building code administrator, plans examiner, or  
25 building code inspector licensed under part XII of chapter  
26 468.

27           (e) A certified real estate appraiser, licensed real  
28 estate appraiser, or registered real estate appraiser licensed  
29 under part II of chapter 475.

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

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

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

8       (i) An insurance adjuster licensed under part VI of  
9 chapter 626.

10       (j) An officer appointed by the court.

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

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

16       (m) A mobile home manufacturer, dealer, or installer  
17 regulated or licensed under chapter 320 and any employees or  
18 agents of the manufacturer, dealer, or installer.

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 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.

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

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

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

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

4           Section 2. This act shall take effect July 1, 2006.

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7                               SENATE SUMMARY

8           Provides for the regulation of home inspection services.  
9           Defines terms. Establishes requirements for practice.  
10          Exempts certain persons from regulation. Prohibits  
11          certain acts. Requires inspectors to maintain liability  
12          insurance. Provides for the enforcement of violations.

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