

SSB 5788 - S AMD 201

By Senators Spanel, Holmquist, Kohl-Welles, Clements, Tom,
Brandland

ADOPTED 03/12/2007

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** DEFINITIONS. The definitions in this
4 section apply throughout this chapter unless the context clearly
5 requires otherwise.

6 (1) "Board" means the home inspector licensing board.

7 (2) "Classroom education" means training in observing and
8 identifying defects in structural components, foundations, roof
9 coverings, insulation and ventilation, exterior and interior
10 components; wood destroying organism inspections; and plumbing,
11 heating, cooling, and electrical systems. It does not include online
12 or video training.

13 (3) "Component" means a readily accessible and observable aspect of
14 a system, such as a floor or wall, but not individual pieces such as
15 boards or nails where many pieces make up a system.

16 (4) "Department" means the department of licensing.

17 (5) "Director" means the director of the department of licensing.

18 (6) "Home inspection" means a visual analysis for the purposes of
19 providing a professional opinion of the condition of a building and its
20 attached carports and attached garages, any reasonably accessible
21 installed components and the operation of the building systems,
22 including the controls normally operated by the owner, for the
23 following components of a residential building of four units or less:
24 Heating system, electrical system, cooling system, plumbing system,
25 structural components, foundation, roof covering, exterior and interior
26 components, and site aspects as they affect the building. "Home
27 inspection" also means an inspection for wood destroying organisms.

28 (7) "Home inspection report" or "inspection report" means a written
29 report prepared and issued after a home inspection. The inspector
30 shall include the following in the report:

1 (a) On those systems and components inspected which, in the
2 professional opinion of the inspector, are significantly deficient or
3 near the end of its service life;

4 (b) A reason why, if not self-evident, the system or component is
5 significantly deficient or near the end of its service life;

6 (c) The home inspector's recommendations to correct or monitor the
7 reported deficiency;

8 (d) Whether or not there is damage from wood destroying organisms;
9 and

10 (e) Any systems and components designated for inspection in the
11 standards developed by the board under section 5 of this act.

12 (8) "Home inspector" means any person licensed under this chapter
13 as a home inspector and who engages in the business of performing home
14 inspections and writing home inspection reports.

15 (9) "Readily accessible" means areas typically and routinely
16 visible by normal access.

17 (10) "Wood destroying organism" means insects or fungi that
18 consume, excavate, develop in, or otherwise modify the integrity of
19 wood or wood products. "Wood destroying organism" includes but is not
20 limited to carpenter ants, moisture ants, subterranean termites,
21 dampwood termites, beetles in the family Anobiidae, and wood decay
22 fungi, known as wood rot.

23 (11) "Wood destroying organism inspection" means the inspection of
24 a building for the presence of wood destroying organisms, their damage,
25 or conducive conditions leading to the development or establishment of
26 the organism.

27 NEW SECTION. **Sec. 2.** LICENSURE REQUIRED. (1) Beginning September
28 1, 2008, a person shall not engage in or conduct, or advertise or hold
29 himself or herself out as engaging in or conducting the business of or
30 acting in the capacity of a home inspector within this state without
31 first obtaining a license as provided in this chapter.

32 (2) On July 1, 2008, any person who has been actively engaged in
33 the business of conducting complete home inspections and has been
34 licensed as a structural pest inspector by the state department of
35 agriculture for at least two years and who has conducted at least one
36 hundred complete home inspections may apply to the board for initial

1 licensure without meeting the examination or instruction requirements
2 of this chapter.

3 (3) This chapter does not affect the practice of architecture or
4 engineering or prevent an architect or an engineer from offering to
5 provide or providing home inspection services.

6 NEW SECTION. **Sec. 3.** HOME INSPECTOR LICENSING BOARD. (1) The
7 state home inspector licensing board is created. The board consists of
8 eight members appointed by the director, who shall advise the director
9 concerning the administration of this chapter. Of the appointments to
10 this board, five shall be actively engaged as home inspectors
11 immediately prior to their appointment to the board, one shall be a
12 licensed real estate broker, one shall be currently teaching in a home
13 inspector certificate program, and one shall be a member of the general
14 public with no family or business connection with the home inspector
15 business or practice. Insofar as possible, the composition of the
16 appointed home inspector members of the board shall be generally
17 representative of the occupational distribution of home inspectors
18 licensed under this chapter.

19 (2) A home inspector must have the following qualifications to be
20 appointed to the board:

21 (a) Actively engaged as a home inspector in the state of Washington
22 for five years;

23 (b) Licensed as a home inspector under this chapter; and

24 (c) Performed three hundred fifty home inspections in the state of
25 Washington.

26 (3) Members of the board are appointed for three-year terms. Terms
27 must be staggered so that not more than two appointments are scheduled
28 to be made in any calendar year. Members hold office until the
29 expiration of the terms for which they were appointed. The director
30 may remove a board member for just cause. The director may appoint a
31 new member to fill a vacancy on the board for the remainder of the
32 unexpired term. All board members are limited to two consecutive
33 terms.

34 (4) Each board member is entitled to compensation for each day
35 spent conducting official business and to reimbursement for travel
36 expenses in accordance with RCW 43.03.240, 43.03.050, and 43.03.060.

1 NEW SECTION. **Sec. 4.** DIRECTOR'S AUTHORITY. The director has the
2 following authority in administering this chapter:

3 (1) To adopt, amend, and rescind rules approved by the board as
4 deemed necessary to carry out this chapter;

5 (2) To adopt fees as provided in RCW 43.24.086;

6 (3) To administer licensing examinations approved by the board and
7 to adopt or recognize examinations prepared by other organizations as
8 approved by the board; and

9 (4) To adopt standards of professional conduct, practice, and
10 ethics as approved by the board.

11 NEW SECTION. **Sec. 5.** BOARD'S AUTHORITY. The board has the
12 following authority in administering this chapter:

13 (1) To establish rules, including board organization and assignment
14 of terms, and meeting frequency and timing, for adoption by the
15 director;

16 (2) To establish the minimum qualifications for licensing
17 applicants as provided in this chapter;

18 (3) To approve the method of administration of examinations
19 required by this chapter or by rule as established by the director;

20 (4) To approve the content of or recognition of examinations
21 prepared by other organizations for adoption by the director;

22 (5) To set the time and place of examinations with the approval of
23 the director; and

24 (6) To establish and review standards of professional conduct,
25 practice, and ethics for adoption by the director.

26 NEW SECTION. **Sec. 6.** QUALIFICATIONS FOR LICENSURE. In order to
27 become licensed as a home inspector, an applicant must submit the
28 following to the department:

29 (1) An application on a form developed by the department;

30 (2) The fee in an amount set by the department and approved by the
31 board;

32 (3) Proof of a minimum of one hundred twenty hours of classroom
33 instruction approved by the board;

34 (4) Evidence of successful passage of the written exam as required
35 in section 8 of this act;

1 (5) Proof of current state licensure as a structural pest inspector
2 under chapter 15.58 RCW.

3 NEW SECTION. **Sec. 7.** APPLICATION FOR LICENSING. An application
4 for licensing must be filed with the director and must contain
5 statements made under oath demonstrating the applicant's
6 qualifications. The director with the board's approval may require any
7 information and documentation that reasonably relates to the need to
8 determine whether the applicant meets the criteria for licensing. The
9 application fee for initial licensing shall be determined by the
10 director as provided in RCW 43.24.086. The application, together with
11 the fee, must be submitted to the department prior to the application
12 deadline established by the director. Fees for initial licensing must
13 include the examination and issuance of a certificate. If the director
14 finds the applicant ineligible for licensing, the director shall retain
15 the application fee.

16 NEW SECTION. **Sec. 8.** WRITTEN EXAMS. (1) The exam shall be
17 designed to test applicants on conducting home inspections specific to
18 Washington state.

19 (2) The exam shall be divided into five sections with forty
20 questions in each section. Each applicant must pass each section of
21 the exam with a score of seventy-five percent or better. The sections
22 in the exam shall be divided as follows: (a) Ethics and standards of
23 practice; (b) structure, roofing, site, exterior, interior; (c)
24 heating, ventilation, and air conditioning; (d) plumbing; and (e)
25 electrical.

26 (3) To qualify to take the exam, an applicant must provide the
27 board and the department with acceptable documentation that the
28 applicant has passed a state accredited home inspection course of at
29 least one hundred twenty hours of classroom education. Persons who are
30 performing home inspections as of the effective date of this section
31 may receive up to twenty-five hours of credit towards the one hundred
32 twenty hours of classroom education by proof of experience as
33 determined by the board. In making this determination, the board shall
34 consider the length of time a person has held a structural pest
35 inspection license from the department of agriculture under chapter
36 15.58 RCW.

1 (4) Examinations of applicants for licensing must be held at times
2 and places as determined by the board with the director's approval. A
3 candidate failing an examination may apply for reexamination.
4 Subsequent examinations must be granted upon payment of a fee.

5 NEW SECTION. **Sec. 9.** LICENSE LENGTH AND RENEWAL. (1) Licenses
6 are issued for a term of two years and expire on the last day of the
7 month the license was issued. Licenses must be in a form prescribed by
8 the board and approved by the director. Licenses that are not renewed
9 are considered to be expired and any home inspection activity which
10 would require a license to perform which occurs after the expiration of
11 the license is a violation of this chapter.

12 (2) Any person who receives an initial license under section 2(2)
13 of this act must, upon renewal of his or her license, pass the
14 examination required in section 6(4) of this act.

15 (3) Any licensee who fails to timely renew his or her license may
16 renew his or her license only upon payment of renewal and late fees as
17 set by the director. A licensee who fails to renew his or her license
18 within six months from the date it expires is considered to have
19 forfeited his or her rights to renew the license and can only be
20 licensed by filing an application as an initial applicant and meeting
21 all the requirements of an initial applicant.

22 NEW SECTION. **Sec. 10.** ADVERTISING. The term "licensed home
23 inspector" along with the license number of the inspector must appear
24 on all advertising, correspondence, and documents incidental to a home
25 inspection.

26 NEW SECTION. **Sec. 11.** CONTINUING EDUCATION REQUIREMENTS. (1) As
27 a condition of renewing a license under this chapter, a licensed home
28 inspector shall present satisfactory evidence to the board of having
29 completed the continuing education requirements provided for in this
30 section.

31 (2) Each applicant for license renewal shall complete at least
32 thirty hours of instruction in courses approved by the board every two
33 years.

1 NEW SECTION. **Sec. 12.** INSURANCE. All active practicing licensed
2 home inspectors shall carry errors and omissions insurance at a minimum
3 of one hundred thousand dollars or post a bond at the same level to
4 cover all activities contemplated under this chapter, including
5 inspection for wood destroying organisms.

6 NEW SECTION. **Sec. 13.** HOME INSPECTORS AS CORPORATIONS PROHIBITED.
7 A license as a home inspector may not be issued to a corporation,
8 limited liability company, partnership, firm, or group. However, this
9 section does not prevent a licensed home inspector from rendering home
10 inspections for or on behalf of a corporation, limited liability
11 company, partnership, firm, or group, when the home inspection report
12 is performed, prepared, and signed by a licensed home inspector.

13 NEW SECTION. **Sec. 14.** WRITTEN REPORTS. (1) A licensed home
14 inspector shall provide a written report of the home inspection to each
15 person for whom the inspector performs a home inspection within seven
16 calendar days from the date of the inspections.

17 (2) A licensed home inspector shall not, from the time of the
18 inspection until one year from the date of the report, perform any work
19 other than home inspection-related consultation on the home upon which
20 he or she has performed a home inspection.

21 NEW SECTION. **Sec. 15.** HOME INSPECTOR'S ACCOUNT. The home
22 inspector's account is created in the custody of the state treasurer.
23 All receipts from fines and fees collected under this chapter must be
24 deposited into the account. Expenditures from the account may be used
25 only to carry out the duties required for the operation and enforcement
26 of this chapter. Only the director may authorize expenditures from the
27 account. The account is subject to allotment procedures under chapter
28 43.88 RCW, but an appropriation is not necessary.

29 NEW SECTION. **Sec. 16.** SUSPENSION OF LICENSE. The director shall
30 immediately suspend the license or practice permit of a person who has
31 been certified pursuant to RCW 74.20A.320 by the department of social
32 and health services as a person who is not in compliance with a child
33 support order. If the person has continued to meet all other
34 requirements for a license under this chapter during the suspension,

1 reissuance of the license is automatic upon the board's receipt of a
2 release issued by the department of social and health services stating
3 that the licensee is in compliance with the child support order. The
4 procedure in RCW 74.20A.320 is the exclusive administrative remedy for
5 contesting the establishment of noncompliance with a child support
6 order, and suspension of a license under this subsection, and satisfies
7 the requirements of RCW 34.05.422.

8 NEW SECTION. **Sec. 17.** CIVIL INFRACTIONS. The department has the
9 authority to issue civil infractions under chapter 7.80 RCW in the
10 following instances:

11 (1) Conducting or offering to conduct a home inspection without
12 being licensed in accordance with this chapter;

13 (2) Presenting or attempting to use as his or her own the home
14 inspector license of another;

15 (3) Giving any false or forged evidence of any kind to the director
16 or his or her authorized representative in obtaining a license;

17 (4) Falsely impersonating any other licensee; or

18 (5) Attempting to use an expired or revoked license.

19 All fees, fines, and penalties collected or assessed by a court
20 because of a violation of this section must be remitted to the
21 department to be deposited into the home inspector's account created in
22 section 15 of this act.

23 NEW SECTION. **Sec. 18.** RELIEF BY INJUNCTION. The director is
24 authorized to apply for relief by injunction without bond, to restrain
25 a person from the commission of any act that is prohibited under
26 section 17 of this act. In such proceedings, it is not necessary to
27 allege or prove either that an adequate remedy at law does not exist,
28 or that substantial or irreparable damage would result from continued
29 violation. The director, individuals acting on the director's behalf,
30 and members of the board are immune from suit in any action, civil or
31 criminal, based on disciplinary proceedings or other official acts
32 performed in the course of their duties in the administration and
33 enforcement of this chapter.

34 NEW SECTION. **Sec. 19.** GENERAL EXCLUSIONS. (1) The home inspector
35 is not required to determine the following:

- 1 (a) The condition of systems or components that are not readily
2 accessible;
- 3 (b) The remaining life of any system or component;
- 4 (c) The strength, adequacy, effectiveness, or efficiency of any
5 system or component;
- 6 (d) The cause of any condition or deficiency;
- 7 (e) The methods, materials, or costs of corrections;
- 8 (f) Future conditions including but not limited to failure of
9 systems and components;
- 10 (g) The suitability of the property for any specialized use;
- 11 (h) Compliance with regulatory requirements;
- 12 (i) The market value of the property or its marketability; and
- 13 (j) The presence of environmental hazards including, but not
14 limited to, toxins, carcinogens, noise, and contaminants in soil,
15 water, and air.

16 (2) Home inspectors are not required to enter the following:

- 17 (a) Any area that will likely be dangerous to the inspector or
18 other persons or damage the property or its systems or components; or
- 19 (b) The underfloor crawl spaces or attics that are not readily
20 accessible; however, substructure crawl spaces must be inspected when
21 accessible. Inaccessibility of substructure crawl space areas due to
22 inadequate clearance, the presence of ducting or piping, foundation
23 walls, partitions, or other such conditions that block access must be
24 explained in the inspection report. The report must state that
25 inaccessible substructure crawl space areas may be vulnerable to
26 infestation by wood-destroying organisms and should be made accessible
27 for inspection.

28 NEW SECTION. **Sec. 20.** EXEMPTION FROM LICENSING. Any person
29 licensed by the department of agriculture as a pesticide applicator or
30 operator under chapter 17.21 RCW, or as a structural pest inspector
31 under chapter 15.58 RCW who performs only wood destroying organism
32 inspections, is exempt from the licensing provisions of this chapter.

33 NEW SECTION. **Sec. 21.** Sections 1 through 20 of this act
34 constitute a new chapter in Title 18 RCW.

1 NEW SECTION. **Sec. 22.** Captions used in this act are not any part
2 of the law."

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By Senators Spanel, Holmquist, Kohl-Welles, Clements, Tom,
Brandland

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3 On page 1, line 1 of the title, after "inspectors;" strike the
4 remainder of the title and insert "adding a new chapter to Title 18
5 RCW; creating a new section; and prescribing penalties."

EFFECT: Changes the agency responsible for licensing home
inspectors from L&I to department of licensing.

Exempts architects and engineers from having to be licensed.

Removes the language pertaining to unprofessional conduct.

Removes language requiring that the report indicate a finding that
inaccessible crawl spaces might be a problem.

Removes the provisions about accumulating points and reinserts the
requirement that a home inspector have 120 hours of classroom
experience to be licensed.

Clarifies insurance requirements.

Adds an exemption from licensing requirements for those persons who
are pest applicators or operators or a structural pest inspector who
only performs pest inspections.

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