

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 6606

60th Legislature
2008 Regular Session

Passed by the Senate March 10, 2008
YEAS 39 NAYS 8

President of the Senate

Passed by the House March 6, 2008
YEAS 93 NAYS 0

Speaker of the House of Representatives

Approved

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6606** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 6606

AS AMENDED BY THE HOUSE

Passed Legislature - 2008 Regular Session

State of Washington 60th Legislature 2008 Regular Session

By Senate Labor, Commerce, Research & Development (originally sponsored by Senators Spanel, Kohl-Welles, Honeyford, Prentice, Murray, and Rasmussen)

READ FIRST TIME 02/07/08.

1 AN ACT Relating to the licensing of home inspectors; amending RCW
2 18.235.020 and 43.24.150; adding a new section to chapter 15.58 RCW;
3 adding a new section to chapter 18.85 RCW; adding a new chapter to
4 Title 18 RCW; creating a new section; and prescribing penalties.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** DEFINITIONS. The definitions in this
7 section apply throughout this chapter unless the context clearly
8 requires otherwise.

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

10 (2) "Department" means the department of licensing.

11 (3) "Director" means the director of the department of licensing.

12 (4) "Entity" or "entities" means educational groups or
13 organizations, national organizations or associations, or a national
14 test organization.

15 (5) "Home inspection" means a professional examination of the
16 current condition of a house.

17 (6) "Home inspector" means a person who carries out a noninvasive
18 examination of the condition of a home, often in connection with the

1 sale of that home, using special training and education to carry out
2 the inspection.

3 (7) "Report" means a written report prepared and issued after a
4 home inspection.

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

11 NEW SECTION. **Sec. 2.** LICENSURE REQUIRED. (1) Beginning September
12 1, 2009, a person shall not engage in or conduct, or advertise or hold
13 himself or herself out as engaging in or conducting, the business of or
14 acting in the capacity of a home inspector within this state without
15 first obtaining a license as provided in this chapter.

16 (2) Any person performing the duties of a home inspector on the
17 effective date of this act has until July 1, 2010, to meet the
18 licensing requirements of this chapter. However, if a person
19 performing the duties of a home inspector on the effective date of this
20 act has proof that he or she has worked as a home inspector for at
21 least two years and has conducted at least one hundred home
22 inspections, he or she may apply to the board before September 1, 2009,
23 for licensure without meeting the instruction and training requirements
24 of this chapter.

25 (3) The director may begin issuing licenses under this section
26 beginning on July 1, 2009.

27 NEW SECTION. **Sec. 3.** DUTIES OF A LICENSED HOME INSPECTOR. A
28 person licensed under this chapter is responsible for performing a
29 visual and noninvasive inspection of the following readily accessible
30 systems and components of a home and reporting on the general condition
31 of those systems and components at the time of the inspection in his or
32 her written report: The roof, foundation, exterior, heating system,
33 air-conditioning system, structure, plumbing and electrical systems,
34 and other aspects of the home as may be identified by the board. The
35 inspection must include looking for certain fire and safety hazards as
36 defined by the board. The standards of practice to be developed by the

1 board will be used as the minimum standards for an inspection. The
2 duties of the home inspector with regard to wood destroying organisms
3 are provided in section 19 of this act.

4 NEW SECTION. **Sec. 4.** HOME INSPECTOR ADVISORY LICENSING BOARD.

5 (1) The state home inspector advisory licensing board is created. The
6 board consists of seven members appointed by the governor, who shall
7 advise the director concerning the administration of this chapter. Of
8 the appointments to this board, six must be actively engaged as home
9 inspectors immediately prior to their appointment to the board, and one
10 must be currently teaching in a home inspector education program.
11 Insofar as possible, the composition of the appointed home inspector
12 members of the board must be generally representative of the geographic
13 distribution of home inspectors licensed under this chapter. No more
14 than two board members may be members of a particular national home
15 inspector association or organization.

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

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

20 (b) Licensed as a home inspector under this chapter, except for
21 initial appointments; and

22 (c) Performed a minimum of five hundred home inspections in the
23 state of Washington.

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

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

35 NEW SECTION. **Sec. 5.** DIRECTOR'S AUTHORITY. The director has the
36 following authority in administering this chapter:

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

3 (2) To administer licensing examinations approved by the board and
4 to adopt or recognize examinations prepared by other entities as
5 approved by the board;

6 (3) To adopt standards of professional conduct, practice, and
7 ethics as approved by the board; and

8 (4) To adopt fees as provided in RCW 43.24.086.

9 NEW SECTION. **Sec. 6.** BOARD'S AUTHORITY. The board has the
10 following authority in administering this chapter:

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

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

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

18 (4) To approve the content of or recognition of examinations
19 prepared by other entities for adoption by the director;

20 (5) To set the time and place of examinations with the approval of
21 the director; and

22 (6) To establish and review standards of professional conduct,
23 practice, and ethics for adoption by the director. These standards
24 must address what constitutes certain fire and safety hazards as used
25 in section 3 of this act.

26 NEW SECTION. **Sec. 7.** 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) Proof of a minimum of one hundred twenty hours of classroom
31 instruction approved by the board;

32 (3) Proof of up to forty hours of field training supervised by a
33 licensed home inspector;

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

36 (5) The fee in the amount set by the department.

1 NEW SECTION. **Sec. 8.** WRITTEN EXAMS. Applicants for licensure
2 must pass an exam that is psychometrically valid, reliable, and legally
3 defensible by the state. The exam is to be developed, maintained, and
4 administered by the department. The board shall recommend to the
5 director whether to use an exam that is prepared by a national entity.
6 If an exam prepared by a national entity is used, a section specific to
7 Washington shall be developed by the director and included as part of
8 the entire exam.

9 NEW SECTION. **Sec. 9.** LICENSE LENGTH AND RENEWAL. Licenses are
10 issued for a term of two years and expire on the applicant's second
11 birthday following issuance of the license.

12 NEW SECTION. **Sec. 10.** ADVERTISING. The term "licensed home
13 inspector" and the license number of the inspector must appear on all
14 advertising, correspondence, and documents incidental to a home
15 inspection. However, businesses and organizations that conduct
16 national or interstate general marketing and advertising campaigns may
17 omit the license number of the inspector in advertising so long as it
18 is included on all documents incident to a home inspection.

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

24 (2) Each applicant for license renewal shall complete at least
25 twenty-four hours of instruction in courses approved by the board every
26 two years.

27 NEW SECTION. **Sec. 12.** WRITTEN REPORTS. (1) A licensed home
28 inspector shall provide a written report of the home inspection to each
29 person for whom the inspector performs a home inspection within a time
30 period set by the board in rule. The issues to be addressed in the
31 report shall be set by the board in rule.

32 (2) A licensed home inspector, or other licensed home inspectors or
33 employees who work for the same company or for any company in which the
34 home inspector has a financial interest, shall not, from the time of

1 the inspection until one year from the date of the report, perform any
2 work other than home inspection-related consultation on the home upon
3 which he or she has performed a home inspection.

4 NEW SECTION. **Sec. 13.** SUSPENSION OF LICENSE. (1) The director
5 shall immediately suspend the license of a person who has been
6 certified pursuant to RCW 74.20A.320 by the department of social and
7 health services as a person who is not in compliance with a child
8 support order. If the person has continued to meet all other
9 requirements for a license under this chapter during the suspension,
10 reissuance of the license is automatic upon the board's receipt of a
11 release issued by the department of social and health services stating
12 that the licensee is in compliance with the child support order. The
13 procedure in RCW 74.20A.320 is the exclusive administrative remedy for
14 contesting the establishment of noncompliance with a child support
15 order, and suspension of a license under this subsection, and satisfies
16 the requirements of RCW 34.05.422.

17 (2) The director, with the assistance of the board, shall establish
18 by rule under what circumstances a home inspector license may be
19 suspended or revoked. These circumstances shall be based upon accepted
20 industry standards and the board's cumulative experience.

21 (3) Any person aggrieved by a decision of the director under this
22 section may appeal the decision as provided in chapter 34.05 RCW. The
23 adjudicative proceeding shall be conducted under chapter 34.05 RCW by
24 an administrative law judge appointed pursuant to RCW 34.12.030.

25 NEW SECTION. **Sec. 14.** CIVIL INFRACTIONS. The department has the
26 authority to issue civil infractions under chapter 7.80 RCW in the
27 following instances:

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

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

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

34 (4) Falsely impersonating any other licensee; or

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

1 All fines and penalties collected or assessed by a court because of
2 a violation of this section must be remitted to the department to be
3 deposited into the business and professions account created in RCW
4 43.24.150.

5 NEW SECTION. **Sec. 15.** The uniform regulation of business and
6 professions act, chapter 18.235 RCW, governs unlicensed practice, the
7 issuance and denial of licenses, and the discipline of licensees under
8 this chapter.

9 NEW SECTION. **Sec. 16.** RELIEF BY INJUNCTION. The director is
10 authorized to apply for relief by injunction without bond, to restrain
11 a person from the commission of any act that is prohibited under
12 section 14 of this act. In such a proceeding, it is not necessary to
13 allege or prove either that an adequate remedy at law does not exist,
14 or that substantial or irreparable damage would result from continued
15 violation. The director, individuals acting on the director's behalf,
16 and members of the board are immune from suit in any action, civil or
17 criminal, based on disciplinary proceedings or other official acts
18 performed in the course of their duties in the administration and
19 enforcement of this chapter.

20 NEW SECTION. **Sec. 17.** EXEMPTION FROM LICENSING. The following
21 persons are exempt from the licensing requirements of this chapter when
22 acting within the scope of their license or profession:

- 23 (1) Engineers;
- 24 (2) Architects;
- 25 (3) Electricians licensed under chapter 19.28 RCW;
- 26 (4) Plumbers licensed under chapter 18.106 RCW;
- 27 (5) Pesticide operators licensed under chapter 17.21 RCW;
- 28 (6) Structural pest inspectors licensed under chapter 15.58 RCW; or
- 29 (7) Certified real estate appraisers licensed under chapter 18.140
30 RCW.

31 NEW SECTION. **Sec. 18.** RECIPROCITY. Persons licensed as home
32 inspectors in other states may become licensed as home inspectors under
33 this chapter as long as the other state has licensing requirements that

1 meet or exceed those required under this chapter and the person seeking
2 a license under this chapter passes the Washington portion of the exam
3 under section 8 of this act.

4 NEW SECTION. **Sec. 19.** STRUCTURAL PEST INSPECTOR. Any person
5 licensed under this chapter who is not also licensed as a pest
6 inspector under chapter 15.58 RCW shall only refer in his or her report
7 to rot or conducive conditions for wood destroying organisms and shall
8 refer the identification of or damage by wood destroying insects to a
9 structural pest inspector licensed under chapter 15.58 RCW.

10 NEW SECTION. **Sec. 20.** Captions used in this chapter are not any
11 part of the law.

12 **Sec. 21.** RCW 18.235.020 and 2007 c 256 s 12 are each amended to
13 read as follows:

14 (1) This chapter applies only to the director and the boards and
15 commissions having jurisdiction in relation to the businesses and
16 professions licensed under the chapters specified in this section.
17 This chapter does not apply to any business or profession not licensed
18 under the chapters specified in this section.

19 (2)(a) The director has authority under this chapter in relation to
20 the following businesses and professions:

21 (i) Auctioneers under chapter 18.11 RCW;

22 (ii) Bail bond agents and bail bond recovery agents under chapter
23 18.185 RCW;

24 (iii) Camping resorts' operators and salespersons under chapter
25 19.105 RCW;

26 (iv) Commercial telephone solicitors under chapter 19.158 RCW;

27 (v) Cosmetologists, barbers, manicurists, and estheticians under
28 chapter 18.16 RCW;

29 (vi) Court reporters under chapter 18.145 RCW;

30 (vii) Driver training schools and instructors under chapter 46.82
31 RCW;

32 (viii) Employment agencies under chapter 19.31 RCW;

33 (ix) For hire vehicle operators under chapter 46.72 RCW;

34 (x) Limousines under chapter 46.72A RCW;

35 (xi) Notaries public under chapter 42.44 RCW;

1 (xii) Private investigators under chapter 18.165 RCW;
2 (xiii) Professional boxing, martial arts, and wrestling under
3 chapter 67.08 RCW;
4 (xiv) Real estate appraisers under chapter 18.140 RCW;
5 (xv) Real estate brokers and salespersons under chapters 18.85 and
6 18.86 RCW;
7 (xvi) Security guards under chapter 18.170 RCW;
8 (xvii) Sellers of travel under chapter 19.138 RCW;
9 (xviii) Timeshares and timeshare salespersons under chapter 64.36
10 RCW; (~~and~~)
11 (xix) Whitewater river outfitters under chapter 79A.60 RCW; and
12 (xx) Home inspectors under chapter 18.-- RCW (the new chapter
13 created in section 25 of this act).
14 (b) The boards and commissions having authority under this chapter
15 are as follows:
16 (i) The state board of registration for architects established in
17 chapter 18.08 RCW;
18 (ii) The cemetery board established in chapter 68.05 RCW;
19 (iii) The Washington state collection agency board established in
20 chapter 19.16 RCW;
21 (iv) The state board of registration for professional engineers and
22 land surveyors established in chapter 18.43 RCW governing licenses
23 issued under chapters 18.43 and 18.210 RCW;
24 (v) The state board of funeral directors and embalmers established
25 in chapter 18.39 RCW;
26 (vi) The state board of registration for landscape architects
27 established in chapter 18.96 RCW; and
28 (vii) The state geologist licensing board established in chapter
29 18.220 RCW.
30 (3) In addition to the authority to discipline license holders, the
31 disciplinary authority may grant or deny licenses based on the
32 conditions and criteria established in this chapter and the chapters
33 specified in subsection (2) of this section. This chapter also governs
34 any investigation, hearing, or proceeding relating to denial of
35 licensure or issuance of a license conditioned on the applicant's
36 compliance with an order entered under RCW 18.235.110 by the
37 disciplinary authority.

1 **Sec. 22.** RCW 43.24.150 and 2005 c 25 s 1 are each amended to read
2 as follows:

3 (1) The business and professions account is created in the state
4 treasury. All receipts from business or professional licenses,
5 registrations, certifications, renewals, examinations, or civil
6 penalties assessed and collected by the department from the following
7 chapters must be deposited into the account:

8 (a) Chapter 18.11 RCW, auctioneers;

9 (b) Chapter 18.16 RCW, cosmetologists, barbers, and manicurists;

10 (c) Chapter 18.96 RCW, landscape architects;

11 (d) Chapter 18.145 RCW, court reporters;

12 (e) Chapter 18.165 RCW, private investigators;

13 (f) Chapter 18.170 RCW, security guards;

14 (g) Chapter 18.185 RCW, bail bond agents;

15 (h) Chapter 18.-- RCW, home inspectors (the new chapter created in
16 section 25 of this act);

17 *(i)* Chapter 19.16 RCW, collection agencies;

18 ~~((i))~~ *(j)* Chapter 19.31 RCW, employment agencies;

19 ~~((j))~~ *(k)* Chapter 19.105 RCW, camping resorts;

20 ~~((k))~~ *(l)* Chapter 19.138 RCW, sellers of travel;

21 ~~((l))~~ *(m)* Chapter 42.44 RCW, notaries public; and

22 ~~((m))~~ *(n)* Chapter 64.36 RCW, timeshares.

23 Moneys in the account may be spent only after appropriation.
24 Expenditures from the account may be used only for expenses incurred in
25 carrying out these business and professions licensing activities of the
26 department. Any residue in the account shall be accumulated and shall
27 not revert to the general fund at the end of the biennium.

28 (2) The director shall biennially prepare a budget request based on
29 the anticipated costs of administering the business and professions
30 licensing activities listed in subsection (1) of this section, which
31 shall include the estimated income from these business and professions
32 fees.

33 NEW SECTION. **Sec. 23.** A new section is added to chapter 15.58 RCW
34 to read as follows:

35 A person licensed as a home inspector under chapter 18.--- RCW (the
36 new chapter created in section 25 of this act) is exempt from licensing

1 as a structural pest inspector except when reporting on the
2 identification of or damage by wood destroying insects.

3 NEW SECTION. **Sec. 24.** A new section is added to chapter 18.85 RCW
4 to read as follows:

5 The commission must establish procedures, to be adopted in rule by
6 the director, for real estate agents to follow when providing potential
7 home buyers with home inspector referrals.

8 NEW SECTION. **Sec. 25.** Sections 1 through 20 of this act
9 constitute a new chapter in Title 18 RCW.

10 NEW SECTION. **Sec. 26.** If specific funding for the purposes of
11 this act, referencing this act by bill or chapter number, is not
12 provided by June 30, 2008, in the omnibus appropriations act, this act
13 is null and void.

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