

As Introduced

**127th General Assembly
Regular Session
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H. B. No. 257

Representative Schneider

**Cosponsors: Representatives McGregor, R., Combs, Sayre, Chandler,
Harwood, Luckie, Collier**

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A B I L L

To amend sections 121.08 and 4745.01 and to enact 1
sections 4768.01 to 4768.19 and 4768.99 of the 2
Revised Code to require the certification of home 3
inspectors and to regulate the certification and 4
performance of home inspectors. 5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 121.08 and 4745.01 be amended and 6
sections 4768.01, 4768.02, 4768.03, 4768.04, 4768.05, 4768.06, 7
4768.07, 4768.08, 4768.09, 4768.10, 4768.11, 4768.12, 4768.13, 8
4768.14, 4768.15, 4768.16, 4768.17, 4768.18, 4768.19, and 4768.99 9
of the Revised Code be enacted to read as follows: 10

Sec. 121.08. (A) There is hereby created in the department of 11
commerce the position of deputy director of administration. This 12
officer shall be appointed by the director of commerce, serve 13
under the director's direction, supervision, and control, perform 14
the duties the director prescribes, and hold office during the 15
director's pleasure. The director of commerce may designate an 16
assistant director of commerce to serve as the deputy director of 17
administration. The deputy director of administration shall 18

perform the duties prescribed by the director of commerce in 19
supervising the activities of the division of administration of 20
the department of commerce. 21

(B) Except as provided in section 121.07 of the Revised Code, 22
the department of commerce shall have all powers and perform all 23
duties vested in the deputy director of administration, the state 24
fire marshal, the superintendent of financial institutions, the 25
superintendent of real estate and professional licensing, the 26
superintendent of liquor control, the superintendent of industrial 27
compliance, the superintendent of labor and worker safety, the 28
superintendent of unclaimed funds, and the commissioner of 29
securities, and shall have all powers and perform all duties 30
vested by law in all officers, deputies, and employees of those 31
offices. Except as provided in section 121.07 of the Revised Code, 32
wherever powers are conferred or duties imposed upon any of those 33
officers, the powers and duties shall be construed as vested in 34
the department of commerce. 35

(C)(1) There is hereby created in the department of commerce 36
a division of financial institutions, which shall have all powers 37
and perform all duties vested by law in the superintendent of 38
financial institutions. Wherever powers are conferred or duties 39
imposed upon the superintendent of financial institutions, those 40
powers and duties shall be construed as vested in the division of 41
financial institutions. The division of financial institutions 42
shall be administered by the superintendent of financial 43
institutions. 44

(2) All provisions of law governing the superintendent of 45
financial institutions shall apply to and govern the 46
superintendent of financial institutions provided for in this 47
section; all authority vested by law in the superintendent of 48
financial institutions with respect to the management of the 49
division of financial institutions shall be construed as vested in 50

the superintendent of financial institutions created by this 51
section with respect to the division of financial institutions 52
provided for in this section; and all rights, privileges, and 53
emoluments conferred by law upon the superintendent of financial 54
institutions shall be construed as conferred upon the 55
superintendent of financial institutions as head of the division 56
of financial institutions. The director of commerce shall not 57
transfer from the division of financial institutions any of the 58
functions specified in division (C)(2) of this section. 59

(D) There is hereby created in the department of commerce a 60
division of liquor control, which shall have all powers and 61
perform all duties vested by law in the superintendent of liquor 62
control. Wherever powers are conferred or duties are imposed upon 63
the superintendent of liquor control, those powers and duties 64
shall be construed as vested in the division of liquor control. 65
The division of liquor control shall be administered by the 66
superintendent of liquor control. 67

(E) The director of commerce shall not be interested, 68
directly or indirectly, in any firm or corporation which is a 69
dealer in securities as defined in sections 1707.01 and 1707.14 of 70
the Revised Code, or in any firm or corporation licensed under 71
sections 1321.01 to 1321.19 of the Revised Code. 72

(F) The director of commerce shall not have any official 73
connection with a savings and loan association, a savings bank, a 74
bank, a bank holding company, a savings and loan association 75
holding company, a consumer finance company, or a credit union 76
that is under the supervision of the division of financial 77
institutions, or a subsidiary of any of the preceding entities, or 78
be interested in the business thereof. 79

(G) There is hereby created in the state treasury the 80
division of administration fund. The fund shall receive 81
assessments on the operating funds of the department of commerce 82

in accordance with procedures prescribed by the director of 83
commerce and approved by the director of budget and management. 84
All operating expenses of the division of administration shall be 85
paid from the division of administration fund. 86

(H) There is hereby created in the department of commerce a 87
division of real estate and professional licensing, which shall be 88
under the control and supervision of the director of commerce. The 89
division of real estate and professional licensing shall be 90
administered by the superintendent of real estate and professional 91
licensing. The superintendent of real estate and professional 92
licensing shall exercise the powers and perform the functions and 93
duties delegated to the superintendent under Chapters 4735., 94
4763., ~~and 4767.~~, and 4768. of the Revised Code. 95

(I) There is hereby created in the department of commerce a 96
division of labor and worker safety, which shall have all powers 97
and perform all duties vested by law in the superintendent of 98
labor and worker safety. Wherever powers are conferred or duties 99
imposed upon the superintendent of labor and worker safety, those 100
powers and duties shall be construed as vested in the division of 101
labor and worker safety. The division of labor and worker safety 102
shall be under the control and supervision of the director of 103
commerce and be administered by the superintendent of labor and 104
worker safety. The superintendent of labor and worker safety shall 105
exercise the powers and perform the duties delegated to the 106
superintendent by the director under Chapters 4109., 4111., and 107
4115. of the Revised Code. 108

(J) There is hereby created in the department of commerce a 109
division of unclaimed funds, which shall have all powers and 110
perform all duties delegated to or vested by law in the 111
superintendent of unclaimed funds. Wherever powers are conferred 112
or duties imposed upon the superintendent of unclaimed funds, 113
those powers and duties shall be construed as vested in the 114

division of unclaimed funds. The division of unclaimed funds shall 115
be under the control and supervision of the director of commerce 116
and shall be administered by the superintendent of unclaimed 117
funds. The superintendent of unclaimed funds shall exercise the 118
powers and perform the functions and duties delegated to the 119
superintendent by the director of commerce under section 121.07 120
and Chapter 169. of the Revised Code, and as may otherwise be 121
provided by law. 122

(K) The department of commerce or a division of the 123
department created by the Revised Code that is acting with 124
authorization on the department's behalf may request from the 125
bureau of criminal identification and investigation pursuant to 126
section 109.572 of the Revised Code, or coordinate with 127
appropriate federal, state, and local government agencies to 128
accomplish, criminal records checks for the persons whose 129
identities are required to be disclosed by an applicant for the 130
issuance or transfer of a permit, license, certificate of 131
registration, or certification issued or transferred by the 132
department or division. At or before the time of making a request 133
for a criminal records check, the department or division may 134
require any person whose identity is required to be disclosed by 135
an applicant for the issuance or transfer of such a license, 136
permit, certificate of registration, or certification to submit to 137
the department or division valid fingerprint impressions in a 138
format and by any media or means acceptable to the bureau of 139
criminal identification and investigation and, when applicable, 140
the federal bureau of investigation. The department or division 141
may cause the bureau of criminal identification and investigation 142
to conduct a criminal records check through the federal bureau of 143
investigation only if the person for whom the criminal records 144
check would be conducted resides or works outside of this state or 145
has resided or worked outside of this state during the preceding 146
five years, or if a criminal records check conducted by the bureau 147

of criminal identification and investigation within this state 148
indicates that the person may have a criminal record outside of 149
this state. 150

In the case of a criminal records check under section 109.572 151
of the Revised Code, the department or division shall forward to 152
the bureau of criminal identification and investigation the 153
requisite form, fingerprint impressions, and fee described in 154
division (C) of that section. When requested by the department or 155
division in accordance with this section, the bureau of criminal 156
identification and investigation shall request from the federal 157
bureau of investigation any information it has with respect to the 158
person who is the subject of the requested criminal records check 159
and shall forward the requisite fingerprint impressions and 160
information to the federal bureau of investigation for that 161
criminal records check. After conducting a criminal records check 162
or receiving the results of a criminal records check from the 163
federal bureau of investigation, the bureau of criminal 164
identification and investigation shall provide the results to the 165
department or division. 166

The department or division may require any person about whom 167
a criminal records check is requested to pay to the department or 168
division the amount necessary to cover the fee charged to the 169
department or division by the bureau of criminal identification 170
and investigation under division (C)(3) of section 109.572 of the 171
Revised Code, including, when applicable, any fee for a criminal 172
records check conducted by the federal bureau of investigation. 173

Sec. 4745.01. (A) "Standard renewal procedure," as used in 174
Chapters 905., 907., 909., 911., 913., 915., 918., 921., 923., 175
927., 942., 943., 953., 1321., 3710., 3713., 3719., 3731., 3742., 176
3748., 3769., 3783., 3921., 3951., 4104., 4105., 4143., 4169., 177
4561., 4703., 4707., 4709., 4713., 4715., 4717., 4723., 4725., 178

4727., 4728., 4729., 4731., 4733., 4734., 4735., 4739., 4741., 179
4747., 4749., 4752., 4753., 4755., 4757., 4758., 4759., 4761., 180
4766., 4768., 4773., and 4775. of the Revised Code, means the 181
license renewal procedures specified in this chapter. 182

(B) "Licensing agency," as used in this chapter, means any 183
department, division, board, section of a board, or other state 184
governmental unit subject to the standard renewal procedure, as 185
defined in this section, and authorized by the Revised Code to 186
issue a license to engage in a specific profession, occupation, or 187
occupational activity, or to have charge of and operate certain 188
specified equipment, machinery, or premises. 189

(C) "License," as used in this chapter, means a license, 190
certificate, permit, card, or other authority issued or conferred 191
by a licensing agency by authority of which the licensee has or 192
claims the privilege to engage in the profession, occupation, or 193
occupational activity, or to have control of and operate certain 194
specific equipment, machinery, or premises, over which the 195
licensing agency has jurisdiction. 196

(D) "Licensee," as used in this chapter, means either the 197
person to whom the license is issued or renewed by a licensing 198
agency, or the person, partnership, or corporation at whose 199
request the license is issued or renewed. 200

(E) "Renewal" and "renewed," as used in this chapter and in 201
the chapters of the Revised Code specified in division (A) of this 202
section, includes the continuing licensing procedure provided in 203
Chapter 3748. of the Revised Code and rules adopted under it and 204
in sections 1321.05 and 3921.33 of the Revised Code, and as 205
applied to those continuing licenses any reference in this chapter 206
to the date of expiration of any license shall be construed to 207
mean the due date of the annual or other fee for the continuing 208
license. 209

<u>Sec. 4768.01. As used in this chapter:</u>	210
<u>(A) "Client" means a person who enters into a contract with a certified home inspector to retain for compensation the services of that certified home inspector to conduct a home inspection and to provide a written report on the condition of a residential building.</u>	211 212 213 214 215
<u>(B) "Home inspection" means the process by which a home inspector conducts a visual examination of the readily accessible components of a residential building for a client. "Home inspection" does not include pest inspections; environmental testing; inspection of any property or structure conducted by an employee or representative of an insurer licensed to transact business in this state under Title XXXIX of the Revised Code for purposes related to the business of insurance; or determination of compliance with applicable statutes, rules, resolutions, or ordinances, including, without limitation, building, zoning, or historic codes.</u>	216 217 218 219 220 221 222 223 224 225 226
<u>(C) "Certified home inspector" means an individual who holds a valid certification issued pursuant to section 4768.05 or 4768.08 of the Revised Code to conduct a home inspection for compensation.</u>	227 228 229 230
<u>(D) "Residential building" has the same meaning as in section 3781.06 of the Revised Code but also includes the individual dwelling units within an apartment or condominium complex containing four or more dwelling units.</u>	231 232 233 234
<u>(E) "Parallel inspection" means the process by which a certified home inspector observes and evaluates an on-site home inspection performed by an applicant for a home inspector certification and reviews and verifies the applicant's compliance with the standards of practice specified in section 4768.11 of the Revised Code, while concurrently performing the primary home</u>	235 236 237 238 239 240

inspection of the same residential building for the certified home 241
inspector's client. 242

(F) "Activate" means to turn on, supply power to, or enable 243
systems, equipment, or devices to become active by normal control 244
means. 245

(G) "Alarm system" means a warning device, installed or 246
freestanding, which includes, but is not limited to, a carbon 247
monoxide detector, flue gas and other spillage detector, security 248
equipment, or an ejector pump alarm. 249

(H) "Appliance" means a household device operated by the use 250
of electricity or gas, but does not mean components covered under 251
a central heating or air-conditioning system or a plumbing system. 252

(I) "Detrimental conditions" means any condition that, in the 253
opinion of a certified home inspector, may be unsafe, unhealthy, 254
or in any way harmful to the certified home inspector or to any 255
other individuals using the residential building. 256

(J) "Dismantle" means to take apart or remove any component, 257
device, or piece of equipment that would not be taken apart or 258
removed by a client in the course of normal and routine 259
maintenance. 260

(K) "Foundation" means the base upon which a structure or a 261
wall rests that generally consists of masonry, concrete, or stone, 262
and is partially underground. 263

(L) "Normal operating controls" include a thermostat, switch, 264
or valve intended to be operated by a client. 265

(M) "Readily accessible" means available for visual 266
inspection without requiring a person to move or dismantle 267
personal property, take destructive measures, or take any other 268
action that will involve risk to a person or to the property. 269

(N) "Representative number" means a sufficient amount to 270

<u>serve as a typical or characteristic example of the item</u>	271
<u>inspected.</u>	272
<u>(O) "Shut down" means a state in which a system or component</u>	273
<u>cannot be operated by normal operating controls.</u>	274
<u>(P) "Significantly deficient" means unsafe or not</u>	275
<u>functioning.</u>	276
<u>(Q) "Solid fuel-burning appliances" means either of the</u>	277
<u>following:</u>	278
<u>(1) A hearth and fire chamber or similarly prepared place in</u>	279
<u>which a fire may be made and that is built in conjunction with a</u>	280
<u>chimney;</u>	281
<u>(2) A listed assembly of a fire chamber, its chimney, and</u>	282
<u>related factory-made parts designed for unit assembly without</u>	283
<u>requiring field construction.</u>	284
<u>(R) "Structural component" means a component that supports</u>	285
<u>non-variable forces or weights, known as dead loads, and variable</u>	286
<u>forces or weights, known as live loads.</u>	287
<u>(S) "Unsafe" means a significant risk of personal injury</u>	288
<u>during normal, day-to-day use that may be due to damage,</u>	289
<u>deterioration, improper installation, or a change in accepted</u>	290
<u>residential construction standards.</u>	291
<u>Sec. 4768.02. (A) No person shall conduct a home inspection</u>	292
<u>or represent a qualification to conduct a home inspection for</u>	293
<u>compensation unless that person is certified pursuant to this</u>	294
<u>chapter as a home inspector.</u>	295
<u>(B) No person shall perform a home inspection unless it is</u>	296
<u>performed pursuant to a written contract entered into between a</u>	297
<u>certified home inspector and a client.</u>	298
<u>(C) No person shall perform a home inspection unless the home</u>	299

inspection conforms to requirements specified in sections 4768.10 300
to 4768.12 of the Revised Code. 301

Sec. 4768.03. Section 4768.02 of the Revised Code does not 302
apply to any person described as follows if the person is acting 303
within the scope of practice of the person's respective 304
profession: 305

(A) A person who is employed by or whose services otherwise 306
are retained by this state or a political subdivision of this 307
state for the purpose of enforcing building codes; 308

(B) A person holding a valid certificate to practice 309
architecture issued under Chapter 4703. of the Revised Code; 310

(C) A person registered as a professional engineer under 311
Chapter 4733. of the Revised Code; 312

(D) A heating, ventilating, and air conditioning contractor, 313
refrigeration contractor, electrical contractor, plumbing 314
contractor, or hydronics contractor who is licensed under Chapter 315
4740. of the Revised Code or section 3781.102 of the Revised Code 316
or who is licensed or registered under section 715.27 of the 317
Revised Code; 318

(E) A real estate broker, real estate salesperson, foreign 319
real estate dealer, or foreign real estate salesperson who is 320
licensed under Chapter 4735. of the Revised Code; 321

(F) A real estate appraiser who is licensed under Chapter 322
4763. of the Revised Code; 323

(G) A public insurance adjuster who holds a valid certificate 324
of authority issued under Chapter 3951. of the Revised Code or an 325
employee or representative of an insurer licensed to transact 326
business in this state under Title XXXIX of the Revised Code who 327
conducts an inspection of any property or structure for purposes 328
related to the business of insurance; 329

(H) A commercial applicator of pesticide who is licensed 330
under Chapter 921. of the Revised Code. 331

Sec. 4768.04. (A) The superintendent of real estate and 332
professional licensing shall adopt rules in accordance with 333
Chapter 119. of the Revised Code to do all of the following: 334

(1) Establish standards to govern disciplinary proceedings 335
the superintendent conducts and the reinstatement of home 336
inspector certifications the superintendent suspends or revokes 337
pursuant to those proceedings; 338

(2) Except as provided in division (B) of this section, 339
establish the amount of any fees as required under this chapter, 340
the amount of which shall be sufficient to defray necessary 341
expenses incurred in the administration of this chapter. 342

(3) Specify the information that must be provided on an 343
application for certification under this chapter; 344

(4) Establish procedures for processing, approving, and 345
denying applications for certification under this chapter; 346

(5) Establish the administrative reporting and review 347
requirements for parallel inspections to assure compliance with 348
the requirements of this chapter; 349

(6) Establish procedures to approve an institution, 350
organization, company, or individual who desires to provide 351
courses or programs to enable certified home inspectors to meet 352
the continuing education requirements specified in section 4768.06 353
of the Revised Code; 354

(7) Establish procedures to assure continuing education 355
requirements are updated periodically to make those requirements 356
consistent with home inspection industry practices; 357

(8) Establish reporting requirements for a certified home 358
inspector to follow to demonstrate that the certified home 359

inspector successfully completed the continuing education 360
requirements specified in section 4768.06 of the Revised Code, and 361
procedures for the superintendent to follow to determine the 362
veracity of the certified home inspector's continuing education 363
report; 364

(9) In accordance with division (C) of this section, issue a 365
home inspector certification to, or renew a home inspector 366
certification for, any person who satisfies the requirements 367
specified in this chapter for such certification or renewal; 368

(10) Retain all certification application materials submitted 369
to the superintendent for a period of seven years after the date 370
of the receipt of the materials and maintain a register of the 371
names and addresses of all individuals to whom the superintendent 372
has issued or renewed a certification for a period of seven years 373
after the date of issuance, renewal, or expiration of a 374
certification, whichever is later; 375

(11) Provide each applicant with a copy of the requirements 376
for home inspections specified in sections 4768.10 to 4768.12 of 377
the Revised Code, and make those requirements available to the 378
public by posting them on the web site maintained by the 379
department of commerce; 380

(12) Specify the format and content of all affidavits and 381
other documents required for the administration of this chapter; 382

(13) Specify the procedures for approving any continuing 383
education curriculum required under this chapter. 384

(B) The fee for applying for and receiving a certification 385
issued under section 4768.05 of the Revised Code shall be five 386
hundred dollars. The amount of any fee for renewal of a 387
certification under section 4768.07 of the Revised Code shall be 388
thirty-nine dollars. The superintendent may adopt rules in 389
accordance with Chapter 119. of the Revised Code to increase the 390

renewal fee by no more than fifty per cent of the fee. 391

(C) The superintendent shall issue a certification only to an individual and shall not issue a certification to a corporation, limited liability company, partnership, or association, although a certified home inspector may sign a home inspection report in a representative capacity on behalf of those entities. 392
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Sec. 4768.05. (A) To obtain a certification to perform home inspections, an individual shall submit an application to the superintendent of real estate and professional licensing on a form the superintendent provides, together with the fee specified in section 4768.04 of the Revised Code, and satisfy the requirements set forth in this section. The application shall include all of the following: 397
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(1) A pledge the applicant signs, agreeing to comply with sections 4768.10 to 4768.12 of the Revised Code; 404
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(2) A statement that the applicant understands the grounds for any disciplinary action that may be initiated under this chapter; 406
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(3) Proof of holding a comprehensive general liability insurance policy or a commercial general liability insurance policy in accordance with section 4768.09 of the Revised Code; 409
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(4) Proof of having performed at least ten parallel inspections in the on-site presence of a certified home inspector; 412
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(5) Proof of successfully passing, within two years before the date of the application, a home inspector examination administered by the examination board of professional home inspectors or any other national standardized home inspector examination that the superintendent considers to be an appropriate measure of whether a person is competent to practice as a certified home inspector; 414
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(6) Proof of successfully completing a course of education of at least eight hours that includes instruction about compliance with the requirements specified in this chapter, inspection safety, report writing, and any other administrative matters required by the superintendent, but need not include instruction about the technical knowledge necessary to evaluate the condition of a residential building or the functionality of its individual components; 421
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(7) Proof that the applicant is at least eighteen years of age; 429
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(8) Proof that the applicant has graduated from the twelfth grade, received a general educational development diploma, or satisfactorily completed a program that is the equivalent to graduating from the twelfth grade or receiving a general educational development diploma; 431
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(9) Any other information the superintendent requires that the superintendent determines is relevant to receiving a certification to practice as a certified home inspector. 436
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(B) In determining whether an examination is an appropriate measure of whether a person is competent to practice as a certified home inspector under division (A)(5) of this section, the superintendent shall determine whether the examination is valid and reliable under all applicable state and federal standards. 439
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(C) The act of submitting an application to the superintendent does not create, shall not be construed as creating, and is not intended to indicate home inspector certification. 445
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Sec. 4768.06. During each two-year period during which a certification is valid, a certified home inspector shall 449
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successfully complete not less than thirty hours of continuing 451
education instruction in courses or seminars directly applicable 452
to the standards of practice described in sections 4768.10 to 453
4768.12 of the Revised Code. 454

The superintendent of real estate and professional licensing 455
shall accept only those courses or seminars the superintendent 456
preapproves for credit toward satisfying the requirements set 457
forth in this section. The superintendent shall not include 458
parallel inspections completed by a person for credit toward 459
satisfying the continuing education requirements specified in this 460
section. 461

The superintendent shall approve only those courses or 462
seminars offered by a person who satisfies the following 463
requirements: 464

(A) The person derives the majority of the person's gross 465
annual revenue from providing education or training. 466

(B) The person uses instructors who satisfy either of the 467
following requirements: 468

(1) If an instructor teaches in a field that requires a 469
person to have certain credentials to practice in that field, the 470
instructor has at least enough credentials to practice in that 471
field. 472

(2) If an instructor teaches in a field that does not require 473
a person to possess certain credentials to practice in that field, 474
the superintendent determines that the instructor has meaningful 475
experience and qualifications generally recognized as necessary to 476
successfully practice in that field. 477

(C) Any other requirements relevant to the practice of home 478
inspection established in rules that the superintendent adopts. 479

The superintendent may charge each person an annual fee, not 480

to exceed one thousand five hundred dollars, to obtain approval to 481
offer such courses and seminars. 482

Sec. 4768.07. (A) Any home inspector certification issued or 483
renewed pursuant to this chapter expires two years after the date 484
of issuance or renewal. 485

(B)(1) To renew a home inspector certification, a certified 486
home inspector shall file a renewal application within the 487
ninety-day period immediately preceding the date the certification 488
expires with the superintendent of real estate and professional 489
licensing pursuant to the procedures set forth in Chapter 4745. of 490
the Revised Code, along with proof of holding or being covered by 491
a comprehensive general liability insurance policy or a commercial 492
general liability insurance policy in accordance with section 493
4768.09 of the Revised Code and proof of satisfying the continuing 494
education requirements specified in section 4768.06 of the Revised 495
Code. 496

(2) A certified home inspector who fails to renew a 497
certification before its expiration may, during the three months 498
following the expiration, renew the certification by following the 499
procedures in division (B)(1) of this section and paying a late 500
fee in an amount the superintendent establishes. A certified home 501
inspector who applies for a late renewal pursuant to this division 502
shall not engage in any activities the certification being renewed 503
permits until the superintendent notifies the certified home 504
inspector that the certified home inspector's certification has 505
been renewed. 506

(3) A certified home inspector who fails to renew a 507
certification prior to its expiration or during the three months 508
following its expiration may obtain a certification by complying 509
with the application procedures and meeting the requirements for 510
obtaining a certification set forth in section 4768.05 of the 511

Revised Code, and by paying the application fee specified in 512
section 4768.04 of the Revised Code. 513

(C) The superintendent shall not renew a certification if any 514
of the following conditions apply: 515

(1) The certified home inspector is in violation of any 516
provision of this chapter or order of the superintendent; 517

(2) The certified home inspector fails to submit proof of 518
holding a comprehensive general liability insurance policy or a 519
commercial general liability insurance policy in accordance with 520
section 4768.09 of the Revised Code; 521

(3) The certified home inspector fails to submit proof of 522
satisfying the continuing education requirements specified in 523
section 4768.06 of the Revised Code. 524

(D) A certified home inspector who fails to submit the proof 525
required under division (C)(2) or (3) of this section may obtain a 526
certification by following the application procedures and meeting 527
the requirements for obtaining certification set forth in section 528
4768.05 of the Revised Code and by paying the application fee 529
specified in section 4768.04 of the Revised Code. 530

Sec. 4768.08. The superintendent of real estate and 531
professional licensing may issue a home inspector certification to 532
an individual who holds a license, registration, or certification 533
as a home inspector in another jurisdiction if that individual 534
submits an application on a form the superintendent provides, pays 535
the fee the superintendent prescribes, and satisfies all of the 536
following requirements: 537

(A) The individual is licensed, registered, or certified as a 538
home inspector in a jurisdiction the superintendent determines 539
grants the same privileges to persons certified under this chapter 540
as this state grants to persons in that jurisdiction, and that 541

jurisdiction has licensing, registration, or certification 542
requirements that are substantially similar to, or exceed, those 543
of this state. 544

(B) The individual is familiar with and will abide by this 545
chapter. 546

(C) The individual agrees to all of the following in a 547
written statement that the individual submits to the 548
superintendent: 549

(1) To provide the superintendent the name and address of an 550
agent to receive service of process in this state or that the 551
individual authorizes the superintendent to act as agent for that 552
individual; 553

(2) That service of process in accordance with the Revised 554
Code is proper and the individual is subject to the jurisdiction 555
of the courts of this state; 556

(3) That any cause of action arising out of the conduct of 557
the individual's business in this state shall be filed in the 558
county in which the events that gave rise to that cause of action 559
occurred. 560

Sec. 4768.09. Every certified home inspector shall maintain, 561
or be covered by, a comprehensive general liability insurance 562
policy or a commercial general liability insurance policy with 563
coverage limits of not less than one hundred thousand dollars per 564
occurrence and not less than a three hundred thousand dollar 565
aggregate limit, providing coverage against liability of the 566
certified home inspector for loss, damage, or expense as a result 567
of an act that occurred while the certified home inspector was on 568
the premises performing a home inspection. If the employer of a 569
certified home inspector maintains such an insurance policy 570
covering the certified home inspector, the certified home 571

inspector is not required to maintain the certified home 572
inspector's own comprehensive general liability insurance policy 573
or commercial general liability insurance policy. 574

Sec. 4768.10. (A) The standards of practice specified in this 575
section and section 4768.11 of the Revised Code shall be the 576
minimum standards of practice for certified home inspectors. The 577
superintendent of real estate and professional licensing may adopt 578
rules in accordance with Chapter 119. of the Revised Code to 579
establish additional standards of practice on the condition that 580
those rules do not conflict with this section or section 4768.11 581
of the Revised Code. A certified home inspector shall perform a 582
home inspection in accordance with the standards of practice 583
specified in this section and section 4768.11 of the Revised Code 584
and any additional standards of practice established in rules 585
adopted by the superintendent. All home inspections shall include 586
a written report of the visual examination performed by the 587
certified home inspector. 588

(B)(1) A certified home inspector shall do both of the 589
following when conducting a home inspection: 590

(a) Inspect readily accessible systems and components and 591
installed systems and components specifically listed in this 592
section; 593

(b) Report, in writing, on those systems and components 594
inspected that, in the professional opinion of the certified home 595
inspector, are significantly deficient; the reasons the systems or 596
components are significantly deficient; the certified home 597
inspector's recommendation for subsequent action; and any systems 598
or components that are present at the time of the home inspection 599
and of which an inspection is required under this section but was 600
not performed, and the reason those systems or components were not 601
inspected. 602

(2) The standards of practice listed in this section do not 603
limit the ability of a certified home inspector from doing any of 604
the following: 605

(a) Including other inspection services or inspecting systems 606
or components in addition to those required by this section; 607

(b) Specifying repairs; 608

(c) If a client requests, excluding systems and components 609
from an inspection. 610

(C)(1) With regard to the site of a home inspection, a 611
certified home inspector shall do all of the following in 612
accordance with division (B) of this section: 613

(a) Inspect the building perimeter, land grading, window 614
wells, and surface water drainage on the site; the walkways, 615
patios, driveways, and grade steps leading to entrances of the 616
residential building being inspected; the retaining walls and 617
other items contiguous with the residential building; and the 618
trees or vegetation on the site if those trees or vegetation are 619
likely to adversely affect the residential building; 620

(b) Describe the types of materials and conditions of the 621
various components described in division (C)(1)(a) of this 622
section; 623

(c) Include in the report required under division (B)(1)(b) 624
of this section a description of any site conditions specified in 625
division (C)(1)(a) of this section that adversely affect the 626
residential building. 627

(2) With respect to the site of a home inspection, a 628
certified home inspector is not required to do either of the 629
following: 630

(a) Inspect the fences or privacy walls; outbuildings or 631
recreational facilities, seawalls, break-walls, or docks; or the 632

erosion control and earth stabilization measures. 633

(b) Evaluate the condition of trees, shrubs or other 634
vegetation; soil, geological, geotechnical, or hydrological 635
conditions or potential changes thereto; or the site engineering 636
or property boundaries. 637

(D)(1) With respect to the structural system of a residential 638
building that is the subject of a home inspection, a certified 639
home inspector shall do both of the following in accordance with 640
division (B) of this section: 641

(a) Inspect the foundation for indications of settlement, 642
flooding, moisture, or water penetration; the condition of grade 643
slab, load bearing walls, posts, piers, beams, joists, and 644
trusses; the framing, subfloors, stairs, and other structural 645
components; and the foundation, basement, or crawlspace 646
insulation, ventilation and vapor barriers. 647

(b) Describe the types of and materials used in the 648
foundation, floor structure, wall structure, ceiling structure, 649
ventilation, and insulation of the residential building; the grade 650
slab, basement, or crawlspace ventilation and vapor barriers; the 651
condition of the various structural components described in 652
division (D)(1)(a) of this section; and any absence of insulation 653
in any unfinished spaces of the foundation, floors, walls, or 654
ceilings. 655

(2) With respect to the structural system of a residential 656
building that is the subject of a home inspection, a certified 657
home inspector is not required to do any of the following: 658

(a) Enter a subfloor crawl space that has an entrance or 659
headroom of less than twenty-four inches or that has obstructions 660
or other detrimental conditions or areas that, in the certified 661
home inspector's opinion, may contain conditions or materials 662
hazardous to the health and safety of the certified home 663

inspector; 664

(b) Move stored items or debris or perform an excavation to 665
gain access to an area; 666

(c) Provide any engineering or architectural services; 667

(d) Offer an opinion as to the adequacy of any structural 668
system or component described in division (D)(1)(a) of this 669
section; 670

(e) Disturb any insulation or vapor retarders. 671

(E) With respect to the exterior of a residential building 672
that is the subject of a home inspection, a certified home 673
inspector shall do both of the following in accordance with 674
division (B) of this section: 675

(1) Inspect the exterior wall covering, flashing, trim, and 676
protective coatings; all exterior doors and windows; the eaves, 677
soffits, and fascias where visible; any attached deck, balcony, 678
stoop, steps, porch, and all railings associated with those items; 679
and the visible exterior portions of chimneys. 680

(2) Describe the types of and materials comprising the 681
exterior components inspected and the condition of the various 682
exterior components. 683

(F)(1) With respect to the roof system of a residential 684
building that is the subject of a home inspection, a certified 685
home inspector shall do all of the following in accordance with 686
division (B) of this section: 687

(a) Inspect the roof covering and visible flashing; any 688
components used to carry water off a roof and away from a 689
residential building; the skylights, chimneys, and roof 690
penetrations; the roof framing, sheathing, and decking; the attic 691
insulation and ventilation; and the attic ventilation equipment if 692
readily accessible. 693

(b) Describe the type of roof covering, gutters, and downspouts; the type of roof structure and sheathing; the type of attic insulation and its approximate thickness; and any evidence of and the location of water penetration. 694
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(c) Include in the report required under division (B)(1)(b) of this section a description of the methods used to inspect the roof covering and attic space, the presence and type of roof or attic ventilation, and the location and extent of any observed moisture penetration. 698
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(2) With respect to the roof system of a residential building that is the subject of a home inspection, a certified home inspector is not required to do any of the following: 703
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(a) Inspect antennas, lightning arresters, or other installed accessories; interiors of flues or chimneys that are not readily accessible; internal gutter and downspout systems and related underground drainage piping; or thermostats and humidistats for attic ventilation equipment; 706
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(b) Walk on or access a roof if damage to the roof or roofing material could occur or it is unsafe for the certified home inspector to do so; 711
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(c) Remove snow, ice, debris, or other objects that prohibit the observation of the roof surfaces; 714
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(d) Operate powered roof ventilators; 716

(e) Determine the remaining life expectancy of any roof coverings, the presence or absence of hail damage, whether any manufacturers' defects are present, or the number of layers of roof covering; 717
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(f) Determine the adequacy of the roof ventilation; 721

(g) Enter attic spaces that have a headroom of less than forty-eight inches, the measurement of which includes any 722
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insulation covering the ceiling joists or bottom truss cord, or if 724
obstructions or other detrimental conditions exist; 725

(h) Break or otherwise damage the surface finish or weather 726
seal on or around access panels and covers. 727

(G) With respect to a garage or carport that is the subject 728
of a home inspection, a certified home inspector shall do both of 729
the following in accordance with division (B) of this section: 730

(1) Inspect the exterior and interior walls and ceilings, 731
floors, windows, doors, roof, and foundation; the electrical 732
system and components of that system; the plumbing system and 733
components of that system; the heating system or unit; and the 734
garage door opening system. 735

(2) Describe the type of and materials that make up the door, 736
exterior walls, roof, and other items to be inspected; and the 737
garage door opening system and operation, including any automatic 738
reverse mechanism. 739

(H)(1) With respect to the electrical system used in a 740
residential building that is the subject of a home inspection, a 741
certified home inspector shall do all of the following in 742
accordance with division (B) of this section: 743

(a) Inspect the entrance of the primary service from masthead 744
to main panel; the service entrance conductors, cables, and 745
raceways; the service equipment and main disconnects; the service 746
grounding; the interior components of service panels and 747
subpanels; the conductors; the overcurrent protection devices; a 748
representative number of installed lighting fixtures, switches, 749
and receptacles; and the ground fault circuit interrupters and 750
smoke detectors. 751

(b) Describe the types and location of primary service and 752
overcurrent protection devices, the amperage and voltage rating of 753
the service provided, the locations of main disconnect and 754

subpanels, and identify the electrical conductors or wires by 755
their general type, including non-metallic sheathed cable, armored 756
cable, or a knob and tube. 757

(c) Include in the report required under division (B)(1)(b) 758
of this section a description of the presence of solid conductor 759
aluminum branch circuit wiring, the absence of smoke detectors, 760
and any visible condition that may constitute a safety or fire 761
hazard. 762

(2) With respect to the electrical system used in a 763
residential building that is the subject of a home inspection, a 764
certified home inspector is not required to do any of the 765
following: 766

(a) Inspect any remote control devices used to operate the 767
electrical system unless the system has only one remote device, in 768
which case the certified home inspector shall inspect that device 769
in addition to the components and systems described in division 770
(H)(1)(a) of this section; 771

(b) Inspect any alarm system and the components of that 772
system; any low voltage wiring or system, and any components of 773
that system; any ancillary wiring system and any components of 774
that system that are not a part of the primary electrical 775
distribution system; or any electrical equipment not readily 776
accessible. 777

(c) Measure amperage, voltage, or impedance; 778

(d) Insert any tool, probe, or testing device into any main 779
panel or subpanel; 780

(e) Activate any electrical system or branch circuits that 781
are not energized; 782

(f) Operate any overload protection devices; 783

(g) Dismantle any electrical device or control or move 784

objects, furniture, or appliances to gain access to any electrical component. 785
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(I)(1) With respect to the plumbing system used in a residential building that is the subject of a home inspection, a certified home inspector shall do all of the following in accordance with division (B) of this section: 787
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(a) Inspect the visible water supply and distribution systems including all fixtures and faucets, and conduct tests to determine whether a sufficient water flow to provide an uninterrupted supply of water to the highest, unrestricted tap exists when a single, intermediate, unrestricted tap is operated simultaneously with the highest, unrestricted tap; 791
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(b) Inspect the visible drain, waste, and vent systems, including all fixtures associated with those systems, and conduct tests to determine whether a drain empties in a reasonable amount of time and is not subject to overflow when one of the drain's supply faucets is operating; 797
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(c) Inspect the domestic hot water heating equipment, its fuel source and vent systems, flues, and chimneys; the oil, propane, or natural gas storage or distribution systems including all appliance valves and connectors; 802
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(d) Inspect the drainage pump system and operate that system if possible; 806
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(e) Describe the types of and materials used for the water supply, drain, waste, and vent piping; the water heating equipment, including its capacity and energy source; and the location of the main water and main fuel shut-off valves. 808
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(2) With respect to the plumbing system used in a residential building that is the subject of a home inspection, a certified home inspector is not required to do any of the following: 812
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<u>(a) Inspect any of the following:</u>	815
<u>(i) Any system that is shut down or secured;</u>	816
<u>(ii) Any plumbing components that are not readily accessible;</u>	817
<u>(iii) Any plumbing fixture overflow system to verify system function;</u>	818 819
<u>(iv) Any fire sprinkler system or lawn sprinkler system;</u>	820
<u>(v) Any water conditioning equipment, including softener and filter systems;</u>	821 822
<u>(vi) The interiors of flues or chimneys that are not readily accessible; any wells, well pumps, or any water storage related equipment;</u>	823 824 825
<u>(vii) Any private waste disposal system including cesspools, septic tanks, drain fields, and related piping and equipment;</u>	826 827
<u>(viii) Any solar water heating system.</u>	828
<u>(b) Except as provided in division (I)(1)(d) of this section, operate any main, branch, safety, shut-off, or fixture valves except faucets; or any sump pump that is equipped with internal or water dependant switches;</u>	829 830 831 832
<u>(c) Determine the quantity, quality, or temperature of the water supply;</u>	833 834
<u>(d) Determine whether the water supply and the waste disposal system are public or private;</u>	835 836
<u>(e) Open any sealed sanitary sumps.</u>	837
<u>(J)(1) With respect to the heating system used in a residential building that is the subject of a home inspection, a certified home inspector shall do all of the following in accordance with division (B) of this section:</u>	838 839 840 841
<u>(a) Inspect the installed heating equipment, including normal operating controls, heating distribution, and any blower motors,</u>	842 843

filters or pumps, and open only those access panels used for 844
homeowner maintenance. 845

(b) Inspect the fuel source, ventilation system, flue, 846
chimney, and any permanently installed auxiliary heating unit. 847

(c) Describe the heating method the system uses by its 848
distinguishing characteristics, including fuel type and source, 849
heating equipment, and distribution system; and the operation, if 850
possible, of the heating system using the normally accessible 851
control devices. 852

(d) Include in the report required under division (B)(1)(b) 853
of this section a notation indicating the absence of a radiator, 854
convector unit, radiant panel, heat pipe, ductwork, grill, 855
register, or other device from which heat is intended to be 856
emitted in any of the rooms or spaces used for sitting, sleeping, 857
bathing, eating, or cooking, or that include a toilet. 858

(2) With respect to the heating system used in a residential 859
building that is the subject of a home inspection, a certified 860
home inspector is not required to do any of the following: 861

(a) Inspect the interiors of flues or chimneys that are not 862
readily accessible, the heat exchanger, any solar space heating 863
system, or any heating system accessories, including but not 864
limited to, humidifiers, dehumidifiers, air purifiers, motorized 865
dampers, or heat reclaimers. 866

(b) Determine the capacity, adequacy, efficiency, or 867
distribution balance of the heating system; 868

(c) Activate or operate any heating system that does not 869
respond to normal operating controls or has been shut down, or a 870
heat pump in the heating mode when the ambient temperature is 871
above sixty-five degrees fahrenheit. 872

(d) Dismantle any equipment, controls, or gauges; 873

(e) Evaluate the type of material contained in insulation or wrapping of pipes, ducts, jackets, and boilers. 874
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(K)(1) With respect to any air conditioning system used in a residential building that is the subject of a home inspection, a certified home inspector shall do both of the following in accordance with division (B) of this section: 876
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(a) Inspect any installed central and through wall cooling equipment, including exterior units, normal operating controls, refrigerant lines, condensate removal, and electrical disconnects, and open only access panels used for homeowner maintenance; 880
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(b) Describe the cooling method the system uses by its distinguishing characteristics, including its energy source, cooling equipment, and distribution methods, and the operation of the air conditioning system using the normally accessible controls. 884
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(2) With respect to any air conditioning system used in a residential building that is the subject of a home inspection, a certified home inspector is not required to do any of the following: 889
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(a) Inspect any gas-fired refrigeration systems, portable cooling units, or window mounted air-conditioning units; 893
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(b) Determine the capacity, adequacy, efficiency, or distribution balance of the cooling system; 895
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(c) Check the pressure of the system coolant or determine the presence of any leakage; 897
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(d) Operate any air conditioning equipment or systems, or heat pump equipment in cooling mode, if the exterior temperature is below sixty-five degrees fahrenheit or was below sixty-five degrees fahrenheit during the twenty-four hour period immediately preceding the inspection, when circumstances are not conducive to 899
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the safe operation of the system, or damage to any equipment may result. 904
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(e) Activate or operate a cooling system that does not respond to normal operating controls or has been shut down. 906
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(f) Check the electrical current drawn by the unit or system. 908

(g) Disassemble any components or equipment. 909

(L)(1) With respect to the interior of a residential building that is the subject of a home inspection, a certified home inspector shall do all of the following in accordance with division (B) of this section: 910
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(a) Inspect the walls, ceilings, floors, steps, stairways, balconies, railings, and countertops; a representative number of installed cabinets, doors, windows, outlets, light switches, and light fixtures; the bath and kitchen exhaust ventilation systems; and, except as otherwise specified in division (L)(2)(e) of this section, any permanently installed kitchen appliances. 914
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(b) Describe the types of and materials used in the walls, ceilings, floors, cabinets, and countertops; the types of permanently installed kitchen appliances; and the types of, materials used in, and the operation of a representative number of windows and doors, and the hardware used in those windows and doors. 920
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(c) Include in the report required under division (B)(1)(b) of this section a description of any evidence of water intrusion. 926
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(2) With respect to the interior of a residential building that is the subject of a home inspection, a certified home inspector is not required to inspect any of the following: 928
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(a) The paint, wallpaper, and other finish treatments; 931

(b) Any carpeting or window treatments; 932

(c) Any household appliances that are designed to be 933

<u>portable;</u>	934
<u>(d) Any central vacuum system;</u>	935
<u>(e) Any permanently installed kitchen appliances to determine the quality or level of performance or efficiency.</u>	936 937
<u>(M)(1) With respect to any fireplace or solid fuel-burning appliance used in a residential building that is the subject of a home inspection, a certified home inspector shall do both of the following in accordance with division (B) of this section:</u>	938 939 940 941
<u>(a) Inspect the fireplace system components, including fireboxes, dampers, and hearths; any visible ventilation systems, flues, and chimneys; and any wood stoves or fireplace inserts.</u>	942 943 944
<u>(b) Describe the fireplace or solid fuel-burning appliance and the chimney.</u>	945 946
<u>(2) With respect to any fireplace or solid fuel-burning appliance used in a residential building that is the subject of a home inspection, a certified home inspector is not required to do any of the following:</u>	947 948 949 950
<u>(a) Inspect the interiors of flues or chimneys; the firescreens, doors, seals, or gaskets; the automatic fuel feed device; the mantel and fireplace surrounds; the combustion make-up air device; or the heat distribution assist, regardless of whether the assist is gravity controlled or fan assisted.</u>	951 952 953 954 955
<u>(b) Ignite a fire in the fireplace or stove to determine the adequacy of draft;</u>	956 957
<u>(c) Perform a chimney smoke test;</u>	958
<u>(d) Evaluate the installation or adequacy of any inserts, wood-burning stoves, or other modifications in a fireplace, stove, or chimney.</u>	959 960 961
<u>(e) Determine any clearance to any combustibles located in concealed areas;</u>	962 963

(f) Move any fireplace inserts or stove or firebox contents. 964

Sec. 4768.11. (A) Inspections performed in accordance with 965
section 4768.10 of the Revised Code shall be predominantly visual 966
in nature, are not considered technically exhaustive, and do not 967
involve dismantling property, extensively using advanced 968
techniques of evaluation, taking measurements, using instruments, 969
testing components not specified in section 4768.10 of the Revised 970
Code, or making calculations. A certified home inspector is not 971
required to identify concealed conditions or latent defects. These 972
inspections exclude any item that is concealed or not readily 973
accessible to the certified home inspector. An inspection 974
performed pursuant to that section is not an express or implied 975
warranty or guarantee of the adequacy, performance, or useful life 976
of any item, component, or system in, on, or about the inspected 977
property. A certified home inspector is not required to perform 978
any action or make any determination unless specifically stated in 979
that section unless a lawful authority requires additional actions 980
or determinations. 981

(B) A certified home inspector is not required to determine 982
any of the following: 983

(1) The condition of systems or components that are not 984
readily accessible; 985

(2) The remaining life of any system or components; 986

(3) The strength, adequacy, effectiveness, or efficiency of 987
any system or component; 988

(4) The cause of any condition or deficiency; 989

(5) Any methods, materials, or costs of correction; 990

(6) Any future conditions including, but not limited to, the 991
failure of systems and components; 992

(7) The suitability of the property for any specialized use; 993

<u>(8) Compliance with any regulatory requirements;</u>	994
<u>(9) The market value of the residential building or its marketability;</u>	995
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<u>(10) The advisability of the purchase of the residential building;</u>	997
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<u>(11) The presence of any potentially hazardous plants or animals including, but not limited to, wood destroying organisms or of diseases harmful to humans;</u>	999
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<u>(12) The presence of any environmental hazards including, but not limited to, toxins, carcinogens, noise, and contaminants in the soil, water, or air;</u>	1002
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<u>(13) The effectiveness of any system installed or methods used to control or remove suspected hazardous substances;</u>	1005
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<u>(14) The operating costs of any system or component;</u>	1007
<u>(15) Any acoustical properties of any system or component;</u>	1008
<u>(16) The property boundary lines or any encroachments on the property.</u>	1009
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<u>(C) A certified home inspector is not required to do any of the following:</u>	1011
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<u>(1) Offer or perform any act or service contrary to law;</u>	1013
<u>(2) Offer or perform any engineering services;</u>	1014
<u>(3) Offer or perform any work in any trade or any professional service other than home inspection;</u>	1015
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<u>(4) Offer any warranties or guarantees of any kind;</u>	1017
<u>(5) Perform any procedure or operation that will, in the opinion of the certified home inspector, likely be dangerous to the certified home inspector or other persons or damage the property or its systems or components;</u>	1018
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<u>(6) Move any suspended ceiling tiles, floor coverings,</u>	1022
<u>personal property, furniture, equipment, plants, soil, snow, ice,</u>	1023
<u>or debris;</u>	1024
<u>(7) Dismantle any system or component, except as required in</u>	1025
<u>this section;</u>	1026
<u>(8) Use any special instruments or testing devices, including</u>	1027
<u>amp meters, moisture meters, gas detectors, or similar equipment;</u>	1028
<u>(9) Determine or evaluate any magnetic fields.</u>	1029
<u>(D) A certified home inspector is not required to operate any</u>	1030
<u>system or component that is shut down or otherwise inoperable or</u>	1031
<u>that does not respond to normal operating controls, or any</u>	1032
<u>shut-off valves.</u>	1033
<u>(E) A certified home inspector is not required to enter any</u>	1034
<u>area that will, in the opinion of the certified home inspector,</u>	1035
<u>likely be dangerous to the certified home inspector or other</u>	1036
<u>persons or damage the property or its systems or components, or</u>	1037
<u>any attics that are not readily accessible or any area within the</u>	1038
<u>confines of a foundation and between the ground and the underside</u>	1039
<u>of the first floor immediately above the foundation that is not</u>	1040
<u>readily accessible by the certified home inspector.</u>	1041
<u>(F) A certified home inspector is not required to inspect any</u>	1042
<u>of the following:</u>	1043
<u>(1) Any underground items including, but not limited to, any</u>	1044
<u>underground storage tanks or other underground indications of</u>	1045
<u>their presence, whether abandoned or active;</u>	1046
<u>(2) Any uninstalled systems or components;</u>	1047
<u>(3) Any item that is ornamental in nature and that is not</u>	1048
<u>required for the operation of the essential systems and components</u>	1049
<u>of a residential building;</u>	1050
<u>(4) Any systems or components located in areas that the</u>	1051

certified home inspector does not enter in accordance with section 1052
4768.10 of the Revised Code; 1053

(5) Any detached structures other than the principal garage 1054
or carport; 1055

(6) Any common elements or common areas in multi-unit housing 1056
such as condominium properties or cooperative housing; 1057

(7) Any household systems and components that are not 1058
required to be inspected under section 4768.10 of the Revised Code 1059
including, but not limited to, appliances other than kitchen 1060
appliances, alarm systems, intercoms, speaker systems, radio 1061
controlled devices, security devices, central vacuum equipment and 1062
lawn irrigation systems; 1063

(8) Any recreational facilities, equipment, or associated 1064
accessories. 1065

Sec. 4768.12. A certified home inspector shall perform 1066
services and express opinions only within the certified home 1067
inspector's areas of education, training, or experience. A 1068
certified home inspector shall not disclose inspection results or 1069
client information without client approval. 1070

A certified home inspector shall report substantive and 1071
willful violations of this chapter to the superintendent of real 1072
estate and professional licensing. A certified home inspector 1073
shall avoid all conflicts of interest or activities that 1074
compromise, or appear to compromise, the professional independence 1075
and objectivity or inspection integrity of the certified home 1076
inspector. A certified home inspector shall not do any of the 1077
following: 1078

(A) Inspect a property for compensation in which the 1079
certified home inspector has, or expects to have, a financial 1080
interest. 1081

(B) Inspect a property under a contingency arrangement that specifies that any compensation or future referrals are dependent on reported findings or on the sale of the property. 1082
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(C) Directly or indirectly compensate any real estate agent or any other party who has a financial interest in the closing or settlement of any real estate transactions for referring that certified home inspector to potential clients or for including that certified home inspector in a list of recommended certified home inspectors or preferred providers, or for any similar arrangement. 1085
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(D) Accept compensation for a home inspection from more than one party without a written agreement to do so that is signed by all parties. 1092
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(E) Conduct a home inspection or prepare a home inspection report for which the certified home inspector's fee is contingent upon the conclusions in the report. 1095
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(F) Accept compensation, directly or indirectly, for recommending contractors, services, or products to a client or another party who has an interest in the inspected property. 1098
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Sec. 4768.13. (A) The superintendent of real estate and professional licensing shall investigate complaints against certified home inspectors on receipt of a complaint concerning any alleged violation of this chapter. The superintendent may employ investigators and auditors to assist in investigating complaints and conducting investigations, audits, and other inquiries that the superintendent considers appropriate to enforce this chapter. The investigators and auditors may review and audit, during normal business hours, the certified home inspector's business records that are directly related to complaints. 1101
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(B) All information related to investigations and audits is 1111

confidential and is not a public record under section 149.43 of 1112
the Revised Code. 1113

Sec. 4768.14. (A) If, upon examining the results of an 1114
investigation, the superintendent of real estate and professional 1115
licensing determines that a certified home inspector has violated 1116
this chapter or engaged in an activity described in divisions (A) 1117
to (G) of section 4768.15 of the Revised Code, the superintendent, 1118
in accordance with the notice and hearing requirements prescribed 1119
in Chapter 119. of the Revised Code, shall order the disciplinary 1120
action the superintendent considers appropriate, which may include 1121
any one or more of the following: 1122

(1) A reprimand; 1123

(2) Suspension of the certification until the certified home 1124
inspector complies with conditions the superintendent establishes; 1125

(3) Suspension of the certification for a specific period of 1126
time; 1127

(4) Revocation of the certification. 1128

(B) The superintendent shall appoint a hearing officer to 1129
conduct adjudication hearings in accordance with Chapter 119. of 1130
the Revised Code. The superintendent shall appoint a person who 1131
has been admitted to the practice of law in this state and has 1132
experience in the area of home inspections to serve as the hearing 1133
officer. 1134

In accordance with section 119.09 of the Revised Code, after 1135
conducting a hearing, a hearing officer shall submit to the 1136
superintendent a report of the hearing and a recommendation for 1137
the action to be taken against the certified home inspector. All 1138
parties may file objections to the report and recommendations as 1139
permitted under that section, and the superintendent shall issue 1140
an order in accordance with the procedures prescribed in that 1141

section. 1142

(C) The decision and order of the superintendent is final, 1143
subject to review in the manner provided in Chapter 119. of the 1144
Revised Code and appeal to the court of common pleas in Franklin 1145
county. 1146

Sec. 4768.15. The superintendent of real estate and 1147
professional licensing may refuse to issue or renew a 1148
certification if the applicant for the certification or renewal 1149
has done any of the following: 1150

(A) Accepted compensation from more than one interested party 1151
for the same service without the written consent of all interested 1152
parties; 1153

(B) Accepted commissions or allowances, directly or 1154
indirectly, from other parties dealing with a client in connection 1155
with the home inspection for which the certified home inspector is 1156
responsible, without the express written approval of the client or 1157
the client's representative. 1158

(C) Repaired, replaced, or upgraded, or solicited to repair, 1159
replace, or upgrade, for compensation, systems or components 1160
specified in section 4768.10 of the Revised Code in a residential 1161
building within one year after completing a home inspection of 1162
that residential building; 1163

(D) Failed to disclose promptly to a client written 1164
information about any business interest of the certified home 1165
inspector that may affect the client in connection with the home 1166
inspection; 1167

(E) Pleading guilty to or been convicted of, in a court of 1168
competent jurisdiction, any crime of moral turpitude or a felony, 1169
or an equivalent offense under the laws of any other state or the 1170
United States, or was required to register under Chapter 2950. of 1171

<u>the Revised Code;</u>	1172
<u>(F) Failed to satisfy the continuing education requirements specified in section 4768.06 of the Revised Code;</u>	1173 1174
<u>(G) Failed to maintain or be covered by a comprehensive general liability insurance policy or a commercial general liability insurance policy as required under section 4768.09 of the Revised Code;</u>	1175 1176 1177 1178
<u>(H) Violated a provision of this chapter.</u>	1179
<u>Sec. 4768.16.</u> <u>The superintendent of real estate and professional licensing may apply to any court of common pleas to enjoin a violation of this chapter. Upon a showing by the superintendent that a person has violated or is violating this chapter, the court shall grant an injunction, restraining order, or other appropriate relief.</u>	1180 1181 1182 1183 1184 1185
<u>Sec. 4768.17.</u> <u>(A) Except as provided in divisions (B) and (C) of this section, nothing in this chapter shall be construed to create or imply a private cause of action against a certified home inspector for a violation of this chapter if that action is not otherwise maintainable under common law.</u>	1186 1187 1188 1189 1190
<u>(B) An action for damages that is based on professional services that were rendered or that should have been rendered by a certified home inspector shall not be brought, commenced, or maintained unless the action is filed within one year after the date that the home inspection is performed.</u>	1191 1192 1193 1194 1195
<u>(C) Before bringing, commencing, or maintaining an action under division (B) of this section, a client shall notify the certified home inspector of the alleged deficiencies and shall allow the certified home inspector the opportunity to review and remedy the alleged deficiencies. The statute of limitations specified in division (B) of this section shall be tolled for the</u>	1196 1197 1198 1199 1200 1201

period that begins on the date the client notifies the certified 1202
home inspector of the alleged deficiencies and that ends on the 1203
date that the certified home inspector reviews, declines to 1204
review, remedies, or declines to remedy the alleged deficiencies, 1205
whichever comes later. 1206

(D) The remedies provided under sections 4768.13 to 4768.15 1207
of the Revised Code are the exclusive remedies for alleged 1208
violations of section 4768.12 of the Revised Code. 1209

Sec. 4768.18. The superintendent of real estate and 1210
professional licensing shall deposit all money collected under 1211
this chapter in the state treasury to the credit of the home 1212
inspectors fund, which is hereby created. Money credited to the 1213
fund shall be used solely by the superintendent to pay costs 1214
associated with the administration and enforcement of this 1215
chapter. 1216

Sec. 4768.19. On receipt of a notice pursuant to section 1217
3123.43 of the Revised Code, the superintendent of real estate and 1218
professional licensing shall comply with sections 3123.41 to 1219
3123.50 of the Revised Code and any applicable rules adopted under 1220
section 3123.63 of the Revised Code with respect to a 1221
certification issued pursuant to this chapter. 1222

Sec. 4768.99. Whoever violates division (A) of section 1223
4768.02 of the Revised Code is guilty of a misdemeanor of the 1224
third degree on a first offense and a misdemeanor of the first 1225
degree on each subsequent offense. 1226

Section 2. That existing sections 121.08 and 4745.01 of the 1227
Revised Code are hereby repealed. 1228

Section 3. Section 4768.02 of the Revised Code takes effect 1229

two hundred ten days after the effective date of this act. 1230

Section 4. Not later than one hundred eighty days after the 1231
effective date of this act, the Superintendent of Real Estate and 1232
Professional Licensing shall establish the standards and 1233
procedures required under this act. 1234

Section 5. (A) Notwithstanding section 4768.05 of the Revised 1235
Code, as enacted by this act, and except as provided under section 1236
4768.15 of the Revised Code, as enacted by this act, during the 1237
period of time beginning on the effective date of this act and 1238
ending ninety days after that date, the Superintendent of Real 1239
Estate and Professional Licensing shall issue a home inspector 1240
certification if an individual applies for certification on a form 1241
the Superintendent provides and pays the fee specified in section 1242
4768.04 of the Revised Code, as enacted by this act, and if the 1243
applicant demonstrates all of the following: 1244

(1) Proof of maintaining or being covered by a comprehensive 1245
general liability insurance policy or a commercial general 1246
liability insurance policy in accordance with section 4768.09 of 1247
Revised Code, as enacted by this act; 1248

(2) Proof of having successfully completed a course of 1249
education of at least eight hours that includes instruction 1250
regarding compliance with the requirements of Chapter 4768. of the 1251
Revised Code, as enacted by this act, inspection safety, report 1252
writing, and any other administrative matters as may be 1253
established by the Superintendent, but need not include 1254
instruction regarding the technical knowledge necessary to 1255
evaluate the condition of a residential building or the 1256
functionality of its individual components. 1257

(3) Proof by direct documentation or signed affidavit 1258
attesting to having met any one of the following requirements to 1259
demonstrate participation in the home inspection field at least 1260

ninety days before the effective date of this act:	1261
(a) Having performed at least two hundred home inspections for a client for compensation;	1262 1263
(b) Having successfully passed a home inspector examination specified in division (A)(5) of section 4768.05 of the Revised Code, as enacted by this act;	1264 1265 1266
(c) Having actively operated a home inspection business in this state for three years before the effective date of this act under a business name officially registered with the Secretary of State;	1267 1268 1269 1270
(d) Having been employed as a home inspector for the consecutive thirty-six months before the effective date of this act by an inspection company or individual whose owner or manager meets the certification requirement specified in this section.	1271 1272 1273 1274
(4) Proof of signing a pledge agreeing to comply with the requirements specified in sections 4768.10 to 4768.12 of the Revised Code, as enacted by this act;	1275 1276 1277
(5) In a written statement, acknowledge that the individual understands the grounds for any disciplinary action that may be initiated under Chapter 4768. of the Revised Code, as enacted by this act.	1278 1279 1280 1281
(B) Any certification issued under this section shall expire two years after the date the certification was issued. A certified home inspector may renew the certified home inspector's certification in accordance with section 4768.07 of the Revised Code, as enacted by this act.	1282 1283 1284 1285 1286
(C) As used in this section, "home inspection" and "residential building" have the same meaning as in section 4768.01 of the Revised Code, as enacted by this act. "Home inspector" means an individual who conducts home inspections for	1287 1288 1289 1290

compensation.

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