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Representative Schneider

Cosponsors: Representatives McGregor, R., Combs, Sayre, Chandler, Harwood, Luckie, Collier, Beatty, Blessing, Bolon, Boyd, Brown, Celeste, Domenick, Dyer, Evans, Flowers, Koziura, Setzer, Stebelton, Williams, S., Yates

A BILL

To amend sections 121.08 and 4745.01 and to enact
sections 4768.01 to 4768.19 and 4768.99 of the
Revised Code to require the licensure of home
inspectors and to create the Ohio Home Inspector
Board to regulate the licensure and performance of
home inspectors.

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

Section 1. That sections 121.08 and 4745.01 be amended and	7
sections 4768.01, 4768.02, 4768.03, 4768.04, 4768.05, 4768.06,	8
4768.07, 4768.08, 4768.09, 4768.10, 4768.11, 4768.12, 4768.13,	9
4768.14, 4768.15, 4768.16, 4768.17, 4768.18, 4768.19, and 4768.99	10
of the Revised Code be enacted to read as follows:	11
Sec. 121.08. (A) There is hereby created in the department of	12
commerce the position of deputy director of administration. This	13
officer shall be appointed by the director of commerce, serve	14
under the director's direction, supervision, and control, perform	15
the duties the director prescribes, and hold office during the	16

director's pleasure. The director of commerce may designate an 17 assistant director of commerce to serve as the deputy director of 18 administration. The deputy director of administration shall 19 perform the duties prescribed by the director of commerce in 20 supervising the activities of the division of administration of 21 the department of commerce. 22

- (B) Except as provided in section 121.07 of the Revised Code, 23 the department of commerce shall have all powers and perform all 24 duties vested in the deputy director of administration, the state 25 fire marshal, the superintendent of financial institutions, the 26 superintendent of real estate and professional licensing, the 27 superintendent of liquor control, the superintendent of industrial 28 compliance, the superintendent of labor and worker safety, the 29 superintendent of unclaimed funds, and the commissioner of 30 securities, and shall have all powers and perform all duties 31 vested by law in all officers, deputies, and employees of those 32 offices. Except as provided in section 121.07 of the Revised Code, 33 wherever powers are conferred or duties imposed upon any of those 34 officers, the powers and duties shall be construed as vested in 35 the department of commerce. 36
- (C)(1) There is hereby created in the department of commerce 37 a division of financial institutions, which shall have all powers 38 and perform all duties vested by law in the superintendent of 39 financial institutions. Wherever powers are conferred or duties 40 imposed upon the superintendent of financial institutions, those 41 powers and duties shall be construed as vested in the division of 42 financial institutions. The division of financial institutions 43 shall be administered by the superintendent of financial 44 institutions. 45
- (2) All provisions of law governing the superintendent of
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 financial institutions shall apply to and govern the
 superintendent of financial institutions provided for in this
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section; all authority vested by law in the superintendent of	49
financial institutions with respect to the management of the	50
division of financial institutions shall be construed as vested in	51
the superintendent of financial institutions created by this	52
section with respect to the division of financial institutions	53
provided for in this section; and all rights, privileges, and	54
emoluments conferred by law upon the superintendent of financial	55
institutions shall be construed as conferred upon the	56
superintendent of financial institutions as head of the division	57
of financial institutions. The director of commerce shall not	58
transfer from the division of financial institutions any of the	59
functions specified in division (C)(2) of this section.	60

- (D) There is hereby created in the department of commerce a 61 division of liquor control, which shall have all powers and 62 perform all duties vested by law in the superintendent of liquor 63 control. Wherever powers are conferred or duties are imposed upon 64 the superintendent of liquor control, those powers and duties 65 shall be construed as vested in the division of liquor control. 66 The division of liquor control shall be administered by the 67 superintendent of liquor control. 68
- (E) The director of commerce shall not be interested,

 directly or indirectly, in any firm or corporation which is a

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 dealer in securities as defined in sections 1707.01 and 1707.14 of

 the Revised Code, or in any firm or corporation licensed under

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 sections 1321.01 to 1321.19 of the Revised Code.
- (F) The director of commerce shall not have any official 74 connection with a savings and loan association, a savings bank, a 75 bank, a bank holding company, a savings and loan association 76 holding company, a consumer finance company, or a credit union 77 that is under the supervision of the division of financial 78 institutions, or a subsidiary of any of the preceding entities, or 79 be interested in the business thereof.

- (G) There is hereby created in the state treasury the

 division of administration fund. The fund shall receive

 assessments on the operating funds of the department of commerce

 in accordance with procedures prescribed by the director of

 commerce and approved by the director of budget and management.

 All operating expenses of the division of administration shall be

 paid from the division of administration fund.
- (H) There is hereby created in the department of commerce a 88 division of real estate and professional licensing, which shall be 89 under the control and supervision of the director of commerce. The 90 division of real estate and professional licensing shall be 91 administered by the superintendent of real estate and professional 92 licensing. The superintendent of real estate and professional 93 licensing shall exercise the powers and perform the functions and 94 duties delegated to the superintendent under Chapters 4735., 95 4763., and 4767., and 4768. of the Revised Code. 96
- (I) There is hereby created in the department of commerce a 97 division of labor and worker safety, which shall have all powers 98 and perform all duties vested by law in the superintendent of 99 labor and worker safety. Wherever powers are conferred or duties 100 imposed upon the superintendent of labor and worker safety, those 101 powers and duties shall be construed as vested in the division of 102 labor and worker safety. The division of labor and worker safety 103 shall be under the control and supervision of the director of 104 commerce and be administered by the superintendent of labor and 105 worker safety. The superintendent of labor and worker safety shall 106 exercise the powers and perform the duties delegated to the 107 superintendent by the director under Chapters 4109., 4111., and 108 4115. of the Revised Code. 109
- (J) There is hereby created in the department of commerce a 110 division of unclaimed funds, which shall have all powers and 111 perform all duties delegated to or vested by law in the 112

superintendent of unclaimed funds. Wherever powers are conferred	113
or duties imposed upon the superintendent of unclaimed funds,	114
those powers and duties shall be construed as vested in the	115
division of unclaimed funds. The division of unclaimed funds shall	116
be under the control and supervision of the director of commerce	117
and shall be administered by the superintendent of unclaimed	118
funds. The superintendent of unclaimed funds shall exercise the	119
powers and perform the functions and duties delegated to the	120
superintendent by the director of commerce under section 121.07	121
and Chapter 169. of the Revised Code, and as may otherwise be	122
provided by law.	123

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

check would be conducted resides or works outside of this state or	146
has resided or worked outside of this state during the preceding	147
five years, or if a criminal records check conducted by the bureau	148
of criminal identification and investigation within this state	149
indicates that the person may have a criminal record outside of	150
this state.	151

In the case of a criminal records check under section 109.572 152 of the Revised Code, the department or division shall forward to 153 the bureau of criminal identification and investigation the 154 requisite form, fingerprint impressions, and fee described in 155 division (C) of that section. When requested by the department or 156 division in accordance with this section, the bureau of criminal 157 identification and investigation shall request from the federal 158 bureau of investigation any information it has with respect to the 159 person who is the subject of the requested criminal records check 160 and shall forward the requisite fingerprint impressions and 161 information to the federal bureau of investigation for that 162 criminal records check. After conducting a criminal records check 163 or receiving the results of a criminal records check from the 164 federal bureau of investigation, the bureau of criminal 165 identification and investigation shall provide the results to the 166 department or division. 167

The department or division may require any person about whom

a criminal records check is requested to pay to the department or

division the amount necessary to cover the fee charged to the

fee argument or division by the bureau of criminal identification

and investigation under division (C)(3) of section 109.572 of the

Revised Code, including, when applicable, any fee for a criminal

records check conducted by the federal bureau of investigation.

Sec. 4745.01. (A) "Standard renewal procedure," as used in 175 Chapters 905., 907., 909., 911., 913., 915., 918., 921., 923., 176

927., 942., 943., 953., 1321., 3710., 3713., 3719., 3731., 3742.,	177
3748., 3769., 3783., 3921., 3951., 4104., 4105., 4143., 4169.,	178
4561., 4703., 4707., 4709., 4713., 4715., 4717., 4723., 4725.,	179
4727., 4728., 4729., 4731., 4733., 4734., 4735., 4739., 4741.,	180
4747., 4749., 4752., 4753., 4755., 4757., 4758., 4759., 4761.,	181
4766., <u>4768.</u> , 4773., and 4775. of the Revised Code, means the	182
license renewal procedures specified in this chapter.	183

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

 certificate, permit, card, or other authority issued or conferred

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 by a licensing agency by authority of which the licensee has or

 claims the privilege to engage in the profession, occupation, or

 occupational activity, or to have control of and operate certain

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 specific equipment, machinery, or premises, over which the

 licensing agency has jurisdiction.
- (D) "Licensee," as used in this chapter, means either the person to whom the license is issued or renewed by a licensing 199 agency, or the person, partnership, or corporation at whose 200 request the license is issued or renewed.
- (E) "Renewal" and "renewed," as used in this chapter and in 202 the chapters of the Revised Code specified in division (A) of this 203 section, includes the continuing licensing procedure provided in 204 Chapter 3748. of the Revised Code and rules adopted under it and 205 in sections 1321.05 and 3921.33 of the Revised Code, and as 206 applied to those continuing licenses any reference in this chapter 207 to the date of expiration of any license shall be construed to 208

(C) A person registered as a professional engineer under	269
Chapter 4733. of the Revised Code;	270
(D) A heating, ventilating, and air conditioning contractor,	271
refrigeration contractor, electrical contractor, plumbing	272
contractor, or hydronics contractor who is licensed under Chapter	273
4740. or section 3781.102 of the Revised Code or who is licensed	274
or registered under section 715.27 of the Revised Code;	275
(E) A real estate broker, real estate salesperson, foreign	276
real estate dealer, or foreign real estate salesperson who is	277
licensed under Chapter 4735. of the Revised Code;	278
(F) A real estate appraiser who is licensed under Chapter	279
4763. of the Revised Code;	280
(G) A public insurance adjuster who holds a valid certificate	281
of authority issued under Chapter 3951. of the Revised Code or an	282
employee or representative of an insurer licensed to transact	283
business in this state under Title XXXIX of the Revised Code who	284
conducts an inspection of any property or structure for purposes	285
related to the business of insurance;	286
(H) A commercial applicator of pesticide who is licensed	287
under Chapter 921. of the Revised Code.	288
Sec. 4768.04. There is hereby created the Ohio home inspector	289
board consisting of five members. The governor shall appoint three	290
members who are licensed home inspectors and who each represent	291
different national organizations that consist of and represent	292
home inspectors. Of the members appointed by the governor, one	293
shall be an independent licensed home inspector and one shall be a	294
member or representative of a home inspection franchise business.	295
The president of the senate and the speaker of the house of	296
representatives each shall appoint one member who represents the	297
public and has no financial interest in the home inspection	298

rules in accordance with Chapter 119. of the Revised Code to do

all of the following:

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of experience requirement specified in division (A)(6) of section

(7) Establish the administrative reporting and review

assure that an applicant for a license satisfies the requirements

requirements for parallel inspections or field experience to

4768.07 of the Revised Code;

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of division (A)(6) of section 4768.07 of the Revised Code, as	360
applicable;	361
(8) Establish a curriculum for continuing education that a	362
licensed home inspector shall complete to satisfy the requirements	363
for continuing education specified in section 4768.08 of the	364
Revised Code and procedures to assure continuing education	365
requirements are updated periodically to make those requirements	366
consistent with home inspection industry practices;	367
(9) Establish requirements an institution, organization,	368
company, or individual shall satisfy to obtain approval to provide	369
courses or programs that enable a licensed home inspector to	370
satisfy the requirements for continuing education specified in	371
section 4768.08 of the Revised Code and establish procedures that	372
the superintendent of real estate and professional licensing shall	373
use to approve an institution, organization, company, or	374
individual that satisfies the requirements the board establishes;	375
(10) Establish procedures and standards that the	376
superintendent shall use to approve courses and programs,	377
including online courses and programs, offered by an entity that	378
is approved by the superintendent to offer continuing education	379
courses or programs pursuant to the rules adopted by the board	380
under division (A)(9) of this section;	381
(11) Establish both of the following fees:	382
(a) The fee an entity described in division (A)(9) of this	383
section shall pay to receive approval to offer continuing	384
education courses and programs;	385
(b) The fee an entity that is approved to offer continuing	386
education courses and programs shall pay for each course or	387
program that the entity wishes to have the superintendent approve	388
pursuant to the rules adopted by the board under division (A)(10)	389
of this section.	390

(12) Establish reporting requirements for a licensed home	391
inspector to follow to demonstrate that the licensed home	392
inspector successfully completed the continuing education	393
requirements specified in section 4768.08 of the Revised Code, and	394
procedures for the superintendent to follow to determine the	395
veracity of the licensed home inspector's continuing education	396
report;	397
(13) Establish requirements for conducting home inspections	398
and standards of practice for home inspectors and conflict of	399
interest prohibitions to the extent that those provisions do not	400
conflict with divisions (A) to (D) of section 4768.14 of the	401
Revised Code;	402
(14) Specify the format and content of all affidavits and	403
other documents required for the administration of this chapter;	404
(15) Specify requirements for settlement agreements entered	405
into between the superintendent and a licensed home inspector	406
under division (C) of section 4768.13 of the Revised Code;	407
(16) Establish procedures, in accordance with division (K) of	408
section 121.08 of the Revised Code, to have criminal records	409
checks conducted by the bureau of criminal identification and	410
investigation for all applicants for licensure.	411
(B) The board shall approve a nationally recognized	412
examination that the board determines is valid and reliable that	413
individuals must pass to obtain a license issued under this	414
chapter.	415
(C) The board shall approve a curriculum of education	416
individuals must successfully complete to obtain a license issued	417
under this chapter. The board shall approve only a curriculum of	418
education that satisfies all of the following requirements:	419
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(1) The curriculum is offered by an accredited public or	421

private college, university, or other institution of higher	422
education or a home inspection franchise business that has been	423
approved by the board to offer a curriculum.	424
(2) The curriculum includes a requirement that an individual,	425
in order to successfully complete the curriculum, complete at	426
least forty hours of classroom instruction, including instruction	427
about compliance with the requirements specified in this chapter,	428
inspection safety, report writing, and any other administrative	429
matters required by the board.	430
(3) The curriculum satisfies any other requirements the board	431
established in rules it adopts.	432
(D) The board shall approve a curriculum of experience that	433
an individual may elect to complete to satisfy the proof of	434
experience requirement specified in division (A)(6) of section	435
4768.07 of the Revised Code. The board shall approve only a	436
curriculum of experience that includes a requirement that an	437
individual, in order to successfully complete the curriculum, must	438
perform at least forty hours of work in the home inspection field	439
that allows the individual to obtain practical experience or	440
training regarding home inspections.	441
Sec. 4768.06. (A) The superintendent of real estate and	442
professional licensing shall do all of the following:	443
(1) Administer this chapter;	444
(2) Provide the Ohio home inspector board with meeting space,	445
staff services, and other technical assistance required by the	446
board to carry out the duties of the board under this chapter;	447
(3) Provide each applicant for a home inspector license with	448
a copy of the requirements for home inspections specified in rules	449
adopted by the board pursuant to division (A)(13) of section	450
4768 05 of the Revised Code and make those requirements available	451

to the public by posting them on the web site maintained by the	452
department of commerce;	453
(4) In accordance with division (B) of this section, issue a	454
home inspector license to, or renew a home inspector license for,	455
any person who satisfies the requirements specified in this	456
chapter for such licensure or renewal;	457
(5) Retain all licensure application materials submitted to	458
the superintendent, or an electronic image of such materials, for	459
a period of five years after the date of the receipt of the	460
materials and maintain a register of the names and addresses of	461
all individuals to whom the superintendent has issued or renewed a	462
license under this chapter for a period of five years after the	463
date of issuance, renewal, or expiration of a license, whichever	464
<u>is later;</u>	465
(6) Have criminal records checks conducted for each applicant	466
in accordance with section 121.08 of the Revised Code and the	467
procedures specified in rules adopted by the board pursuant to	468
division (A)(16) of section 4768.05 of the Revised Code;	469
(7) In accordance with the procedures specified in rules	470
adopted by the board in accordance with division (A)(9) of section	471
4768.05 of the Revised Code, approve an institution, organization,	472
company, or individual wishing to provide continuing education	473
courses or programs if that institution, organization, company, or	474
individual satisfies the requirements specified in rules adopted	475
by the board in accordance with that division and pays the fee	476
established in rules adopted by the board pursuant to division	477
(A)(11)(a) of that section;	478
(8) In accordance with the procedures specified in rules	479
adopted by the board in accordance with division (A)(10) of	480
section 4768.05 of the Revised Code, approve a course or program	481
that a licensed home inspector may complete to satisfy the	482

continuing education requirements specified in section 4768.08 of	483
the Revised Code if all of the following are satisfied:	484
(a) The course or program is offered by an entity approved by	485
the superintendent pursuant to division (A)(7) of this section.	486
(b) The course or program satisfies the standards established	487
in rules adopted by the board pursuant to division (A)(10) of	488
section 4768.05 of the Revised Code.	489
(c) The entity pays the fee established in rules adopted by	490
the board pursuant to division (A)(11)(b) of section 4768.05 of	491
the Revised Code.	492
(9) Issue all orders necessary to implement this chapter;	493
(10) In accordance with section 4768.12 of the Revised Code,	494
investigate complaints concerning an alleged violation of this	495
chapter or the conduct of any licensee and subpoena witnesses in	496
connection with those investigations, as provided in that section.	497
(B) The superintendent shall issue a home inspector license	498
only to an individual and shall not issue a license to a	499
corporation, limited liability company, partnership, or	500
association, although a licensed home inspector may sign a home	501
inspection report in a representative capacity on behalf of any of	502
those types of entities.	503
(C) The superintendent may establish and maintain an	504
investigation and audit section to investigate complaints and	505
conduct inspections, audits, and other inquiries as in the	506
judgment of the superintendent are appropriate to enforce this	507
chapter. The superintendent may utilize the investigators and	508
auditors employed pursuant to division (B)(4) of section 4735.05	509
of the Revised Code or licensees to assist in performing the	510
duties specified in division (A)(10) of this section.	511

Sec. 4768.07. (A) To obtain a license to perform home

inspections, an individual shall submit an application to the	513
superintendent of real estate and professional licensing on a form	514
the superintendent provides, the fee established in rules adopted	515
by the Ohio home inspector board pursuant to division (A)(2) of	516
section 4768.05 of the Revised Code, the information necessary for	517
the superintendent to have a criminal records check conducted in	518
accordance with section 121.08 of the Revised Code and the	519
procedures the board adopts in rules pursuant to division (A)(16)	520
of section 4768.05 of the Revised Code, and the fee established by	521
the board to cover the costs of that criminal records check; and	522
shall satisfy the requirements set forth in this section. Except	523
as otherwise specified in division (B) of this section, the	524
application shall include all of the following:	525
(1) A pledge the applicant signs, agreeing to comply with the	526
rules adopted by the board pursuant to division (A)(13) of section	527
4768.05 of the Revised Code;	528
(2) A statement that the applicant understands the grounds	529
for any disciplinary action that may be initiated under this	530
<u>chapter;</u>	531
(3) Proof of holding a comprehensive general liability	532
insurance policy or a commercial general liability insurance	533
policy in accordance with section 4768.11 of the Revised Code;	534
(4) Proof of successfully passing, within two years before	535
the date of the application, the home inspector examination	536
approved by the board pursuant to division (B) of section 4768.05	537
of the Revised Code;	538
(5) Proof of successfully completing a curriculum of	539
education approved by the board in accordance with rules the board	540
adopts pursuant to division (A)(5) of section 4768.05 of the	541
Revised Code;	542
(6) Proof that the applicant has experience in the field of	543

valid, a licensed home inspector shall successfully complete not

less than six hours of continuing education instruction in courses

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or programs directly applicable to the standards of practice and	574
requirements specified in rules adopted by the Ohio home inspector	575
board pursuant to division (A)(13) of section 4768.05 of the	576
Revised Code.	577
The superintendent of real estate and professional licensing	578
shall accept only those courses and programs the superintendent	579
approves in accordance with division (A)(8) of section 4768.06 of	580
the Revised Code prior to the date the licensed home inspector	581
completes the course or program. The superintendent shall not	582
include parallel inspections completed by a person for credit	583
toward satisfying the continuing education requirements specified	584
in this section.	585
Sec. 4768.09. (A) A home inspector license issued or renewed	586
pursuant to this chapter expires one year after the date of	587
issuance or renewal.	588
(B)(1) To renew a home inspector license, a licensed home	589
inspector shall file a renewal application within the ninety-day	590
period immediately preceding the date the license expires with the	591
superintendent of real estate and professional licensing pursuant	592
to the procedures set forth in Chapter 4745. of the Revised Code,	593
along with proof of holding or being covered by a comprehensive	594
general liability insurance policy or a commercial general	595
liability insurance policy in accordance with section 4768.11 of	596
the Revised Code and proof of satisfying the continuing education	597
requirements specified in section 4768.08 of the Revised Code.	598
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(2) A licensed home inspector who fails to renew a license	600
before its expiration may, during the three months following the	601
expiration, renew the license by following the procedures in	602
division (B)(1) of this section and paying a late fee in an amount	603
the Ohio home inspector board establishes. A licensed home	604

inspector who applies for a late renewal pursuant to this division	605
shall not engage in any activities permitted under the license	606
being renewed until the superintendent notifies the licensed home	607
inspector that the licensed home inspector's license has been	608
renewed.	609
(3) A licensed home inspector who fails to renew a license	610
prior to its expiration or during the three months following its	611
expiration may obtain a license by complying with the application	612
procedures and meeting the requirements for obtaining a license	613
set forth in section 4768.07 of the Revised Code and by paying the	614
application and licensure fee established in rules adopted by the	615
board pursuant to division (A)(2) of section 4768.05 of the	616
Revised Code.	617
(C) The superintendent shall not renew a license if any of	618
the following conditions apply:	619
(1) The licensed home inspector is in violation of any	620
provision of this chapter or order of the board or the	621
superintendent.	622
(2) The licensed home inspector fails to submit proof of	623
holding a comprehensive general liability insurance policy or a	624
commercial general liability insurance policy in accordance with	625
section 4768.11 of the Revised Code.	626
(3) The licensed home inspector fails to submit proof of	627
satisfying the continuing education requirements specified in	628
section 4768.08 of the Revised Code.	629
(D) A licensed home inspector who fails to submit the proof	630
required under division (C)(2) or (3) of this section may obtain a	631
license by following the application procedures and meeting the	632
requirements for obtaining a license set forth in section 4768.07	633
of the Revised Code and by paying the application and licensure	634
fee established in rules adopted by the board pursuant to division	635

(A)(2) of section 4768.05 of the Revised Code.	636
Sec. 4768.10. The superintendent of real estate and	637
professional licensing may issue a home inspector license to an	638
individual who holds a license, registration, or certification as	639
a home inspector in another jurisdiction if that individual	640
submits an application on a form the superintendent provides, pays	641
the fee the Ohio home inspector board prescribes, and satisfies	642
all of the following requirements:	643
(A) The individual is licensed, registered, or certified as a	644
home inspector in a jurisdiction the board determines grants the	645
same privileges to persons licensed under this chapter as this	646
state grants to persons in that jurisdiction, and that	647
jurisdiction has licensing, registration, or certification	648
requirements that are substantially similar to, or exceed, those	649
of this state.	650
(B) The individual is familiar with and will abide by this	651
<u>chapter.</u>	652
(C) The individual agrees to all of the following in a	653
written statement that the individual submits to the	654
<pre>superintendent:</pre>	655
(1) To provide the superintendent the name and address of an	656
agent to receive service of process in this state or that the	657
individual authorizes the superintendent to act as agent for that	658
<pre>individual;</pre>	659
(2) That service of process in accordance with the Revised	660
Code is proper and the individual is subject to the jurisdiction	661
of the courts of this state;	662
(3) That any cause of action arising out of the conduct of	663
the individual's business in this state shall be filed in the	664
county in which the events that gave rise to that cause of action	665

occurred.	666
Sec. 4768.11. Every licensed home inspector shall maintain,	667
or be covered by, a comprehensive general liability insurance	668
policy or a commercial general liability insurance policy with	669
coverage limits of not less than one hundred thousand dollars per	670
occurrence and not less than a three hundred thousand dollar	671
aggregate limit, providing coverage against liability of the	672
licensed home inspector for loss, damage, or expense as a result	673
of an act that occurred while the licensed home inspector was on	674
the premises performing a home inspection. If the employer of a	675
licensed home inspector maintains such an insurance policy	676
covering the licensed home inspector, the licensed home inspector	677
is not required to maintain the licensed home inspector's own	678
comprehensive general liability insurance policy or commercial	679
general liability insurance policy.	680
Sec. 4768.12. (A) The superintendent of real estate and	681
professional licensing shall investigate complaints against	682
licensed home inspectors on receipt of a complaint concerning any	683
alleged violation of this chapter. The superintendent may employ	684
investigators and auditors to assist in investigating complaints	685
and conducting investigations, audits, and other inquiries that	686
the superintendent considers appropriate to enforce this chapter.	687
The investigators and auditors may review and audit, during normal	688
business hours, the licensed home inspector's business records	689
that are directly related to complaints.	690
(B) Within five days after a person files a complaint against	691
a licensed home inspector with the superintendent, the	692
superintendent shall provide to that person an acknowledgment of	693
the receipt of the complaint and send a notice regarding that	694
complaint to the licensee who is the subject of the complaint. The	695
superintendent shall include in that notice a description of the	696

activities in which the licensed nome inspector allegedly engaged	697
that violate this chapter. Within twenty days after the	698
superintendent sends the notice to the complainant and the	699
licensed home inspector who is the subject of the complainant's	700
complaint, the complainant and the licensed home inspector may	701
file with the superintendent a request to have an informal	702
mediation hearing. If both the complainant and the licensed home	703
inspector file such a request, the superintendent shall notify the	704
complainant and the licensed home inspector of the date and time	705
of the informal mediation hearing. An investigator employed by the	706
superintendent shall conduct the informal mediation hearing. If	707
the complainant and the licensed home inspector reach an	708
accommodation during that informal mediation hearing, the	709
investigator shall send a written report describing the	710
accommodation to the superintendent, complainant, and licensee.	711
Notwithstanding division (C) of this section, the written report	712
describing the accommodation is a public record for purposes of	713
section 149.43 of the Revised Code. The superintendent shall close	714
the complaint upon satisfactory completion of the accommodation.	715
If the licensee or the complainant fails to file a request for an	716
informal mediation hearing, or if the parties fail to agree on an	717
accommodation during that informal mediation hearing, the	718
superintendent shall proceed with an investigation of the	719
complaint.	720
(C) All information related to investigations and audits is	721
confidential and is not a public record under section 149.43 of	722
the Revised Code. Nothing in this section shall be construed as	723
prohibiting the superintendent from releasing information relating	724
to a licensed home inspector to a law enforcement officer or the	725
appropriate prosecutorial authority. The law enforcement officer	726
or prosecutorial authority who receives information relating to a	727
licensed home inspector from the superintendent under this section	728
shall comply with the same requirements regarding confidentiality	729

as those with which the superintendent must comply,	730
notwithstanding any conflicting provision of the Revised Code or	731
procedure of the law enforcement officer or prosecutorial	732
authority that applies when the law enforcement officer or	733
prosecutorial authority is dealing with other information in its	734
possession.	735
(D) The Ohio home inspector board or the superintendent may	736
compel, by order or subpoena, the attendance of witnesses to	737
testify in relation to any matter over which the board or	738
superintendent has jurisdiction and which is the subject of	739
inquiry and investigation by the board or superintendent, and	740
require the production of any book, paper, or document pertaining	741
to such matter. For such purpose, the board or superintendent	742
shall have the same power as judges of county courts to administer	743
oaths, compel the attendance of witnesses, and punish them for	744
refusal to testify. Service of the subpoena may be made by	745
sheriffs or constables, or by certified mail, return receipt	746
requested, and the subpoena shall be considered served on the date	747
delivery is made or the date the person refused to accept	748
delivery. A witness shall receive, after the witness's appearance	749
before the board or superintendent, the fees and mileage allowed	750
in civil actions in courts of common pleas. If two or more	751
witnesses travel together in the same vehicle, the mileage fee	752
shall be paid to only one of those witnesses, but the witnesses	753
may agree to divide the fee among themselves in any manner.	754
(E) In addition to the powers granted to the board and	755
superintendent under this section, in case any person fails to	756
file any statement or report, obey any subpoena, give testimony,	757
answer questions, or produce any books, records, or papers as	758
required by the board or superintendent under this chapter, the	759
court of common pleas of any county in the state, upon application	760
made to it by the board or superintendent setting forth such	761

failure, may make an order awarding process of subpoena or	762
subpoena duces tecum for the person to appear and testify before	763
the board or superintendent, and may order any person to give	764
testimony and answer questions, and to produce books, records, or	765
papers, as required by the board or superintendent. Upon the	766
filing of such order in the office of the clerk of the court of	767
common pleas, the clerk, under the seal of the court, shall issue	768
process of subpoena for the person to appear before the board or	769
superintendent at a time and place named in the subpoena, and each	770
day thereafter until the examination of such person is completed.	771
The subpoena may contain a direction that the witness bring with	772
the witness to the examination any books, records, or papers	773
mentioned in the subpoena. The clerk shall also issue, under the	774
seal of the court, such other orders, in reference to the	775
examination, appearance, and production of books, records, or	776
papers, as the court directs. If any person so summoned by	777
subpoena fails to obey the subpoena, to give testimony, to answer	778
questions as required, or to obey an order of the court, the	779
court, on motion supported by proof, may order an attachment for	780
contempt to be issued against the person charged with disobedience	781
of any order or injunction issued by the court under this chapter.	782
If the person is brought before the court by virtue of the	783
attachment, and if upon a hearing the disobedience appears, the	784
court may order the offender to be committed and kept in close	785
custody.	786

Sec. 4768.13. (A) If, upon examining the results of an 787 investigation, the superintendent of real estate and professional 788 licensing determines that reasonable evidence exists that a 789 licensed home inspector has violated this chapter or engaged in an 790 activity described in divisions (A) to (G) of section 4768.14 of 791 the Revised Code, the superintendent shall proceed in accordance 792 with the notice and hearing requirements prescribed in Chapter 793

119. of the Revised Code. After a hearing officer conducts a	794
hearing and issues a report and recommendations pursuant to	795
division (D) of this section, the Ohio home inspector board shall	796
review the report and recommendations and shall order the	797
disciplinary action the board considers appropriate, which may	798
include any one or more of the following:	799
(1) A reprimand;	800
(2) A fine not exceeding one thousand dollars per violation;	801
(3) Completion of hours of education in subjects related to	802
the underlying cause of the violation in an amount determined by	803
the board;	804
(4) Suspension of the license until the licensed home	805
inspector complies with conditions the board establishes;	806
(5) Suspension of the license for a specific period of time;	807
(6) Revocation of the license.	808
(B) The superintendent shall not credit any hours of	809
education a licensed home inspector completes in accordance with	810
division (A)(3) of this section toward satisfying the requirements	811
for continuing education specified in section 4768.08 of the	812
Revised Code.	813
(C) At any time after the superintendent notifies a licensed	814
home inspector in accordance with division (A) of this section	815
that a hearing will be held but before the date of the hearing,	816
the licensed home inspector may apply to the superintendent to	817
enter into a settlement agreement regarding the alleged violation.	818
The superintendent and the licensed home inspector shall comply	819
with the requirements for settlement agreements established in	820
rules adopted by the board pursuant to division (A)(15) of section	821
4768.05 of the Revised Code. If the parties enter into the	822
settlement agreement and comply with all of the requirements set	823

forth in that agreement, the investigation regarding that alleged	824
violation is considered closed. Notwithstanding division (C) of	825
section 4768.12 of the Revised Code, the settlement agreement is a	826
public record for purposes of section 149.43 of the Revised Code.	827
(D) The superintendent shall appoint a hearing officer to	828
conduct adjudication hearings in accordance with Chapter 119. of	829
the Revised Code. The superintendent shall appoint a person who	830
has been admitted to the practice of law in this state to serve as	831
the hearing officer.	832
In accordance with section 119.09 of the Revised Code, after	833
conducting a hearing, a hearing officer shall submit to the board	834
a report of the hearing and a recommendation for the action to be	835
taken against the licensed home inspector. All parties may file	836
objections to the report and recommendations as permitted under	837
that section, and the board shall issue an order in accordance	838
with the procedures prescribed in that section.	839
(E) The decision and order of the board is final, subject to	840
review in the manner provided in Chapter 119. of the Revised Code	841
and appeal to the court of common pleas in Franklin county.	842
Sec. 4768.14. The superintendent of real estate and	843
professional licensing may refuse to issue or renew a license if	844
the applicant for the license or renewal has done any of the	845
following:	846
(A) Accepted compensation or other valuable consideration	847
from more than one interested party for the same service without	848
the written consent of all interested parties;	849
(B) Accepted commissions, allowances, or other valuable	850
consideration, directly or indirectly, from other parties who deal	851
with a client in connection with the home inspection for which the	852
home inspector is responsible, or from other parties who are	853

superintendent that a person has violated or is violating this

chapter, the court shall grant an injunction, restraining order,	884
or other appropriate relief.	885
Sec. 4768.16. (A) Upon receipt of a written complaint or upon	886
the motion of the superintendent of real estate and professional	887
licensing, the superintendent may investigate any person that has	888
allegedly violated section 4768.02 of the Revised Code, except	889
that the superintendent shall not investigate a complaint under	890
this section if the person who is the subject of the complaint	891
held a valid license issued under this chapter any time during the	892
twelve months preceding the date of the alleged violation.	893
(B) The superintendent has the same powers to investigate an	894
alleged violation of section 4768.02 of the Revised Code as those	895
powers specified in section 4768.12 of the Revised Code. If, after	896
an investigation pursuant to section 4768.12 of the Revised Code,	897
the superintendent determines that reasonable evidence exists that	898
a person has violated section 4768.02 of the Revised Code, within	899
seven days after that determination, the superintendent shall send	900
a written notice to that person by regular mail and shall include	901
in the notice the information specified in section 119.07 of the	902
Revised Code for notices given to licensees, except that the	903
notice shall specify that a hearing will be held and specify the	904
date, time, and place of the hearing.	905
(C) The Ohio home inspector board shall hold a hearing	906
regarding the alleged violation in the same manner prescribed for	907
an adjudication hearing under section 119.09 of the Revised Code.	908
If the board, after the hearing, determines a violation has	909
occurred, the board may impose a fine on the person, not exceeding	910
five hundred dollars per violation. Each day a violation occurs or	911
continues is a separate violation. The board shall determine the	912
terms of payment. The board shall maintain a transcript of the	913

proceedings of the hearing and issue a written opinion to all

parties, citing its findings and grounds for any action taken. The	915
board's determination regarding a violation of section 4768.02 of	916
the Revised Code is an order that the person may appeal in	917
accordance with section 119.12 of the Revised Code.	918
(D) If the person who allegedly committed a violation of	919
section 4768.02 of the Revised Code fails to appear for a hearing,	920
the board may request the court of common pleas of the county	921
where the alleged violation occurred to compel the person to	922
appear before the board for a hearing.	923
(E) If the board assesses a person a civil penalty for a	924
violation of section 4768.02 of the Revised Code and the person	925
fails to pay that civil penalty within the time period prescribed	926
by the board, the superintendent shall forward to the attorney	927
general the name of the person and the amount of the civil penalty	928
for the purpose of collecting that civil penalty. In addition to	929
the civil penalty assessed pursuant to this section, the person	930
also shall pay any fee assessed by the attorney general for	931
collection of the civil penalty.	932
Sec. 4768.17. (A) Except as provided in divisions (B) and (C)	933
of this section, nothing in this chapter shall be construed to	934
create or imply a private cause of action against a licensed home	935
inspector for a violation of this chapter if that action is not	936
otherwise maintainable under common law.	937
(B) An action for damages that is based on professional	938
services that were rendered or that should have been rendered by a	939
licensed home inspector shall not be brought, commenced, or	940
maintained unless the action is filed within one year after the	941
date that the home inspection is performed.	942
(C) Before bringing, commencing, or maintaining an action	943
under division (B) of this section, a client shall notify the	944
licensed home inspector of the alleged deficiencies and shall	945

allow the licensed home inspector the opportunity to review and	946
remedy the alleged deficiencies. The statute of limitations	947
specified in division (B) of this section shall be tolled for the	948
period that begins on the date the client notifies the licensed	949
home inspector of the alleged deficiencies and that ends on the	950
date that the licensed home inspector reviews, declines to review,	951
remedies, or declines to remedy the alleged deficiencies,	952
whichever comes later.	953
(D) The remedies provided under sections 4768.12 to 4768.15	954
of the Revised Code are the exclusive remedies for alleged	955
violations of any conflict of interest prohibitions specified in	956
the rules adopted by the Ohio home inspector board pursuant to	957
division (A)(13) of section 4768.05 of the Revised Code.	958
(E) Nothing in this section shall be construed to prohibit	959
the superintendent of real estate and professional licensing from	960
investigating, or to prohibit the board from taking action against	961
a licensed home inspector for violations of this chapter if the	962
investigation commences more than one year after the date that the	963
licensed home inspector conducts the home inspection that is the	964
subject of the investigation and action.	965
Sec. 4768.18. The superintendent of real estate and	966
professional licensing shall deposit all money collected under	967
this chapter in the state treasury to the credit of the home	968
inspectors fund, which is hereby created. Money credited to the	969
fund shall be used solely by the superintendent to pay costs	970
associated with the administration and enforcement of this	971
chapter.	972
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Sec. 4768.19. On receipt of a notice pursuant to section	973
3123.43 of the Revised Code, the superintendent of real estate and	974
professional licensing shall comply with sections 3123.41 to	975

3123.50 of the Revised Code and any applicable rules adopted under	976
section 3123.63 of the Revised Code with respect to a license	977
issued pursuant to this chapter.	978
Sec. 4768.99. Whoever violates division (A) of section	979
4768.02 of the Revised Code is quilty of a misdemeanor of the	980
third degree on a first offense and a misdemeanor of the first	981
degree on each subsequent offense.	982
Section 2. That existing sections 121.08 and 4745.01 of the	983
Revised Code are hereby repealed.	984
Section 3. Section 4768.02 of the Revised Code takes effect	985
two hundred ten days after the effective date of this act.	986
Section 4. Notwithstanding section 4768.04 of the Revised	987
Code as enacted by this act, persons appointed to the Ohio Home	988
Inspector Board during the first year after the effective date of	989
this act need not be licensed as required under that section.	990
Section 5. Not later than one hundred eighty days after the	991
effective date of this act, the Ohio Home Inspector Board shall	992
adopt the rules the Board is required to adopt under this act.	993
Section 6. (A) Notwithstanding section 4768.07 of the Revised	994
Code, as enacted by this act, and except as provided under section	995
4768.14 of the Revised Code, as enacted by this act, during the	996
period of time beginning on the date the last initial member of	997
the Ohio Home Inspector Board is appointed pursuant to section	998
4768.04 of the Revised Code, as enacted by this act, and ending	999
one hundred twenty days after that date, the Superintendent of	1000
Real Estate and Professional Licensing shall issue a home	1001
inspector license if an individual applies for a license on a form	1002
the Superintendent provides and pays the fee specified in section	1003

4768.05 of the Revised Code, as enacted by this act, and if the	1004
applicant demonstrates all of the following:	1005
(1) Proof of maintaining or being covered by a comprehensive	1006
general liability insurance policy or a commercial general	1007
liability insurance policy in accordance with section 4768.11 of	1008
the Revised Code, as enacted by this act;	1009
(2) Proof by direct documentation or signed affidavit	1010
attesting to having met any one of the following requirements to	1011
demonstrate participation in the home inspection field prior to	1012
the effective date of this act:	1013
(a) Having performed at least two hundred home inspections	1014
for clients for compensation or other valuable consideration;	1015
(b) Having successfully passed a home inspector examination	1016
specified in division (A)(4) of section 4768.06 of the Revised	1017
Code, as enacted by this act;	1018
(c) Having actively operated a home inspection business in	1019
this state for three years before the effective date of this act	1020
under a business name officially registered with the Secretary of	1021
State;	1022
(d) Having been employed as a home inspector for the	1023
consecutive thirty-six months before the effective date of this	1024
act by an inspection company or individual whose owner or manager	1025
meets the license requirement specified in this section.	1026
(3) Proof of signing a pledge agreeing to comply with the	1027
requirements specified in rules adopted by the Board pursuant to	1028
division (A)(13) of section 4768.05 of the Revised Code, as	1029
enacted by this act;	1030
(4) In a written statement, acknowledge that the individual	1031
understands the grounds for any disciplinary action that may be	1032
initiated under Chapter 4768. of the Revised Code, as enacted by	1033

this act.	1034
If the Board determines necessary, the Board may request the	1035
Superintendent to have a criminal records check conducted pursuant	1036
to section 121.08 of the Revised Code and the rules adopted by the	1037
Board pursuant to division (A)(16) of section 4768.05 of the	1038
Revised Code, as enacted by this act, on any applicant who applies	1039
for a license under this section.	1040
(B) Any license issued under this section shall expire one	1041
year after the date the license was issued. A licensed home	1042
inspector may renew the licensed home inspector's license in	1043
accordance with section 4768.09 of the Revised Code, as enacted by	1044
this act.	1045
(C) As used in this section, "home inspection" and	1046
"residential building" have the same meanings as in section	1047
4768.01 of the Revised Code, as enacted by this act. "Home	1048
inspector" means an individual who conducts home inspections for	1049
compensation or other valuable consideration.	1050