

LSC 127 0207-4

**127th General Assembly
Regular Session
2007-2008**

Sub. H. B. No. 257

A B I L L

To amend sections 121.08 and 4745.01 and to enact 1
sections 4768.01 to 4768.16 and 4768.99 of the 2
Revised Code to require the licensure of home 3
inspectors and to regulate the licensure 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, and 4768.99 of the Revised Code be 9
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 department, division, board, section of a board, or other state governmental unit subject to the standard renewal procedure, as defined in this section, and authorized by the Revised Code to issue a license to engage in a specific profession, occupation, or occupational activity, or to have charge of and operate certain specified equipment, machinery, or premises.

(C) "License," as used in this chapter, means a license, certificate, permit, card, or other authority issued or conferred 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 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 agency, or the person, partnership, or corporation at whose request the license is issued or renewed.

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

Sec. 4768.01. As used in this chapter:

(A) "Client" means a person who enters into a contract with a licensed home inspector to retain for compensation the services of that licensed home inspector to conduct a home inspection and to

provide a written report on the condition of a residential building. 214
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(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. 216
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(C) "Licensed home inspector" means an individual who holds a valid license issued pursuant to section 4768.05 or 4768.08 of the Revised Code to conduct a home inspection for compensation. 227
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(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. 230
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(E) "Parallel inspection" means the process by which a licensed home inspector observes and evaluates an on-site home inspection performed by an applicant for a home inspector license and reviews and verifies the applicant's compliance with the standards of practice specified in rules adopted by the superintendent of real estate and professional licensing pursuant to division (A)(12) of section 4768.04 of the Revised Code, while concurrently performing the primary home inspection of the same residential building for the licensed home inspector's client. 234
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(F) "Readily accessible" means available for visual 243
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inspection without requiring a person to move or dismantle 245
personal property, take destructive measures, or take any other 246
action that will involve risk to a person or to the property. 247

Sec. 4768.02. (A) No person shall conduct a home inspection 248
or represent a qualification to conduct a home inspection for 249
compensation unless that person is licensed pursuant to this 250
chapter as a home inspector. 251

(B) No person shall perform a home inspection unless it is 252
performed pursuant to a written contract entered into between a 253
licensed home inspector and a client. 254

(C) No person shall perform a home inspection unless the home 255
inspection conforms to requirements specified in rules adopted by 256
the superintendent of real estate and professional licensing 257
pursuant to division (A)(12) of section 4768.04 of the Revised 258
Code. 259

Sec. 4768.03. Section 4768.02 of the Revised Code does not 260
apply to any person described as follows if the person is acting 261
within the scope of practice of the person's respective 262
profession: 263

(A) A person who is employed by or whose services otherwise 264
are retained by this state or a political subdivision of this 265
state for the purpose of enforcing building codes; 266

(B) A person holding a valid certificate to practice 267
architecture issued under Chapter 4703. of the Revised Code; 268

(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. of the Revised Code or section 3781.102 of the Revised Code 274
or who is licensed or registered under section 715.27 of the 275
Revised Code; 276

(E) A real estate broker, real estate salesperson, foreign 277
real estate dealer, or foreign real estate salesperson who is 278
licensed under Chapter 4735. of the Revised Code; 279

(F) A real estate appraiser who is licensed under Chapter 280
4763. of the Revised Code; 281

(G) A public insurance adjuster who holds a valid certificate 282
of authority issued under Chapter 3951. of the Revised Code or an 283
employee or representative of an insurer licensed to transact 284
business in this state under Title XXXIX of the Revised Code who 285
conducts an inspection of any property or structure for purposes 286
related to the business of insurance; 287

(H) A commercial applicator of pesticide who is licensed 288
under Chapter 921. of the Revised Code. 289

Sec. 4768.04. (A) The superintendent of real estate and 290
professional licensing shall adopt rules in accordance with 291
Chapter 119. of the Revised Code to do all of the following: 292

(1) Establish standards to govern disciplinary proceedings 293
the superintendent conducts and the reinstatement of home 294
inspector licenses the superintendent suspends or revokes pursuant 295
to those proceedings; 296

(2) Except as provided in division (B) of this section, 297
establish the amount of any fees as required under this chapter, 298
the amount of which shall be sufficient to defray necessary 299
expenses incurred in the administration of this chapter; 300

(3) Specify the information that must be provided on an 301
application for licensure under this chapter; 302

(4) Establish procedures for processing, approving, and 303

<u>denying applications for licensure under this chapter;</u>	304
<u>(5) Establish procedures for administering the examination</u>	305
<u>the superintendent approves pursuant to division (C) of this</u>	306
<u>section;</u>	307
<u>(6) Establish the administrative reporting and review</u>	308
<u>requirements for parallel inspections or field experience to</u>	309
<u>assure that an applicant for a license satisfies the requirements</u>	310
<u>of division (A)(6) of section 4768.05 of the Revised Code, as</u>	311
<u>applicable;</u>	312
<u>(7) Establish requirements an institution, organization,</u>	313
<u>company, or individual must satisfy to obtain approval to provide</u>	314
<u>courses or programs that enable licensed home inspectors to meet</u>	315
<u>the continuing education requirements specified in section 4768.06</u>	316
<u>of the Revised Code;</u>	317
<u>(8) Establish procedures to assure continuing education</u>	318
<u>requirements are updated periodically to make those requirements</u>	319
<u>consistent with home inspection industry practices;</u>	320
<u>(9) Establish reporting requirements for a licensed home</u>	321
<u>inspector to follow to demonstrate that the licensed home</u>	322
<u>inspector successfully completed the continuing education</u>	323
<u>requirements specified in section 4768.06 of the Revised Code, and</u>	324
<u>procedures for the superintendent to follow to determine the</u>	325
<u>veracity of the licensed home inspector's continuing education</u>	326
<u>report;</u>	327
<u>(10) In accordance with division (F) of this section, issue a</u>	328
<u>home inspector license to, or renew a home inspector license for,</u>	329
<u>any person who satisfies the requirements specified in this</u>	330
<u>chapter for such licensure or renewal;</u>	331
<u>(11) Retain all license application materials submitted to</u>	332
<u>the superintendent for a period of seven years after the date of</u>	333
<u>the receipt of the materials and maintain a register of the names</u>	334

and addresses of all individuals to whom the superintendent has 335
issued or renewed a license for a period of seven years after the 336
date of issuance, renewal, or expiration of a license, whichever 337
is later; 338

(12) Adopt requirements for conducting home inspections and 339
standards of practice for home inspectors and conflict of interest 340
prohibitions published by a national organization that consists of 341
and represents home inspectors to the extent that those provisions 342
do not conflict with divisions (A) to (D) of section 4768.12 of 343
the Revised Code; 344

(13) Provide each applicant with a copy of the requirements 345
for home inspections specified in rules adopted by the 346
superintendent pursuant to division (A)(12) of this section, and 347
make those requirements available to the public by posting them on 348
the web site maintained by the department of commerce; 349

(14) Specify the format and content of all affidavits and 350
other documents required for the administration of this chapter; 351

(15) Specify the procedures for approving any continuing 352
education curriculum required under this chapter. 353

(B) The fee for applying for and receiving a license issued 354
under section 4768.05 of the Revised Code shall be five hundred 355
dollars. The amount of any fee for renewal of a license under 356
section 4768.07 of the Revised Code shall be thirty-nine dollars. 357
The superintendent may adopt rules in accordance with Chapter 119. 358
of the Revised Code to increase the renewal fee by not more than 359
fifty per cent of the fee. 360

(C) The superintendent shall approve and administer a 361
nationally recognized examination that the superintendent 362
determines is valid and reliable that individuals must pass to 363
obtain a license issued under this chapter. 364

(D) The superintendent shall approve a curriculum of 365

education individuals must successfully complete to obtain a 366
license issued under this chapter. The superintendent shall 367
approve only a curriculum of education that includes a requirement 368
that an individual, in order to successfully complete the 369
curriculum, complete at least forty hours of classroom 370
instruction, including instruction about compliance with the 371
requirements specified in this chapter, inspection safety, report 372
writing, and any other administrative matters required by the 373
superintendent. 374

(E) The superintendent shall approve a curriculum of 375
experience that an individual may elect to complete to satisfy the 376
proof of experience requirement specified in division (A)(6) of 377
section 4768.05 of the Revised Code. The superintendent shall 378
approve only a curriculum of experience that includes a 379
requirement that an individual, in order to successfully complete 380
the curriculum, must perform at least forty hours of work in the 381
home inspection field that allows the individual to obtain 382
practical experience or training regarding home inspections. 383

(F) The superintendent shall issue a license only to an 384
individual and shall not issue a license to a corporation, limited 385
liability company, partnership, or association, although a 386
licensed home inspector may sign a home inspection report in a 387
representative capacity on behalf of those entities. 388

Sec. 4768.05. (A) To obtain a license to perform home 389
inspections, an individual shall submit an application to the 390
superintendent of real estate and professional licensing on a form 391
the superintendent provides, together with the fee specified in 392
section 4768.04 of the Revised Code, and satisfy the requirements 393
set forth in this section. Except as otherwise specified in 394
division (B) of this section, the application shall include all of 395
the following: 396

<u>(1) A pledge the applicant signs, agreeing to comply with the</u>	397
<u>rules adopted by the superintendent pursuant to division (A)(12)</u>	398
<u>of section 4768.04 of the Revised Code;</u>	399
<u>(2) A statement that the applicant understands the grounds</u>	400
<u>for any disciplinary action that may be initiated under this</u>	401
<u>chapter;</u>	402
<u>(3) Proof of holding a comprehensive general liability</u>	403
<u>insurance policy or a commercial general liability insurance</u>	404
<u>policy in accordance with section 4768.09 of the Revised Code;</u>	405
<u>(4) Proof of successfully passing, within two years before</u>	406
<u>the date of the application, the home inspector examination</u>	407
<u>administered by the superintendent pursuant to division (C) of</u>	408
<u>section 4768.04 of the Revised Code;</u>	409
<u>(5) Proof of successfully completing a curriculum of</u>	410
<u>education approved by the superintendent in accordance with</u>	411
<u>division (D) of section 4768.04 of the Revised Code;</u>	412
<u>(6) Proof that the applicant has experience in the field of</u>	413
<u>home inspections by successfully completing a curriculum of</u>	414
<u>experience approved by the superintendent in accordance with</u>	415
<u>division (E) of section 4768.04 of the Revised Code or by</u>	416
<u>successfully completing ten parallel inspections;</u>	417
<u>(7) Proof that the applicant is at least eighteen years of</u>	418
<u>age;</u>	419
<u>(8) Proof that the applicant has graduated from the twelfth</u>	420
<u>grade, received a general educational development diploma, or</u>	421
<u>satisfactorily completed a program that is the equivalent to</u>	422
<u>graduating from the twelfth grade or receiving a general</u>	423
<u>educational development diploma;</u>	424
<u>(9) Any other information the superintendent requires that</u>	425
<u>the superintendent determines is relevant to receiving a license</u>	426

to practice as a licensed home inspector. 427

(B) The superintendent shall not require a person described 428
in division (B) or (C) of section 4768.03 of the Revised Code who 429
wishes to obtain a license to perform home inspections under this 430
chapter to submit proof of education and experience as required 431
under divisions (A)(5) and (6) of this section in the person's 432
application in order for that person to receive a license. Such a 433
person, however, shall satisfy all other requirements specified in 434
division (A) of this section in order to receive a license. 435

(C) The act of submitting an application to the 436
superintendent does not create, shall not be construed as 437
creating, and is not intended to indicate licensure as a home 438
inspector. 439

Sec. 4768.06. During each two-year period during which a 440
license is valid, a licensed home inspector shall successfully 441
complete not less than thirty hours of continuing education 442
instruction in courses or seminars directly applicable to the 443
standards of practice and requirements specified in rules adopted 444
by the superintendent of real estate and professional licensing 445
pursuant to division (A)(12) of section 4768.04 of the Revised 446
Code. 447

The superintendent shall accept only those courses or 448
seminars the superintendent preapproves for credit toward 449
satisfying the requirements set forth in this section. The 450
superintendent shall not include parallel inspections completed by 451
a person for credit toward satisfying the continuing education 452
requirements specified in this section. 453

The superintendent shall approve only those courses or 454
seminars offered by a person who satisfies the requirements 455
established in rules that the superintendent adopts pursuant to 456
division (A)(7) of section 4768.04 of the Revised Code. 457

The superintendent may charge each person an annual fee, not 458
to exceed one thousand five hundred dollars, to obtain approval to 459
offer such courses and seminars. 460

Sec. 4768.07. (A) Any home inspector license issued or 461
renewed pursuant to this chapter expires two years after the date 462
of issuance or renewal. 463

(B)(1) To renew a home inspector license, a licensed home 464
inspector shall file a renewal application within the ninety-day 465
period immediately preceding the date the license expires with the 466
superintendent of real estate and professional licensing pursuant 467
to the procedures set forth in Chapter 4745. of the Revised Code, 468
along with proof of holding or being covered by a comprehensive 469
general liability insurance policy or a commercial general 470
liability insurance policy in accordance with section 4768.09 of 471
the Revised Code and proof of satisfying the continuing education 472
requirements specified in section 4768.06 of the Revised Code. 473

(2) A licensed home inspector who fails to renew a license 475
before its expiration may, during the three months following the 476
expiration, renew the license by following the procedures in 477
division (B)(1) of this section and paying a late fee in an amount 478
the superintendent establishes. A licensed home inspector who 479
applies for a late renewal pursuant to this division shall not 480
engage in any activities permitted under the license being renewed 481
until the superintendent notifies the licensed home inspector that 482
the licensed home inspector's license has been renewed. 483

(3) A licensed home inspector who fails to renew a license 485
prior to its expiration or during the three months following its 486
expiration may obtain a license by complying with the application 487
procedures and meeting the requirements for obtaining a license 488

set forth in section 4768.05 of the Revised Code and by paying the application fee specified in section 4768.04 of the Revised Code.

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

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(1) The licensed home inspector is in violation of any provision of this chapter or order of the superintendent.

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(2) The licensed home inspector fails to submit 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.

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

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

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

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

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as this state grants to persons in that jurisdiction, and that 519
jurisdiction has licensing, registration, or certification 520
requirements that are substantially similar to, or exceed, those 521
of this state. 522

(B) The individual is familiar with and will abide by this 523
chapter. 524

(C) The individual agrees to all of the following in a 525
written statement that the individual submits to the 526
superintendent: 527

(1) To provide the superintendent the name and address of an 528
agent to receive service of process in this state or that the 529
individual authorizes the superintendent to act as agent for that 530
individual; 531

(2) That service of process in accordance with the Revised 532
Code is proper and the individual is subject to the jurisdiction 533
of the courts of this state; 534

(3) That any cause of action arising out of the conduct of 535
the individual's business in this state shall be filed in the 536
county in which the events that gave rise to that cause of action 537
occurred. 538

Sec. 4768.09. Every licensed home inspector shall maintain, 539
or be covered by, a comprehensive general liability insurance 540
policy or a commercial general liability insurance policy with 541
coverage limits of not less than one hundred thousand dollars per 542
occurrence and not less than a three hundred thousand dollar 543
aggregate limit, providing coverage against liability of the 544
licensed home inspector for loss, damage, or expense as a result 545
of an act that occurred while the licensed home inspector was on 546
the premises performing a home inspection. If the employer of a 547
licensed home inspector maintains such an insurance policy 548

covering the licensed home inspector, the licensed home inspector 549
is not required to maintain the licensed home inspector's own 550
comprehensive general liability insurance policy or commercial 551
general liability insurance policy. 552

Sec. 4768.10. (A) The superintendent of real estate and 553
professional licensing shall investigate complaints against 554
licensed home inspectors on receipt of a complaint concerning any 555
alleged violation of this chapter. The superintendent may employ 556
investigators and auditors to assist in investigating complaints 557
and conducting investigations, audits, and other inquiries that 558
the superintendent considers appropriate to enforce this chapter. 559
The investigators and auditors may review and audit, during normal 560
business hours, the licensed home inspector's business records 561
that are directly related to complaints. 562

(B) All information related to investigations and audits is 563
confidential and is not a public record under section 149.43 of 564
the Revised Code. 565

Sec. 4768.11. (A) If, upon examining the results of an 566
investigation, the superintendent of real estate and professional 567
licensing determines that a licensed home inspector has violated 568
this chapter or engaged in an activity described in divisions (A) 569
to (G) of section 4768.12 of the Revised Code, the superintendent, 570
in accordance with the notice and hearing requirements prescribed 571
in Chapter 119. of the Revised Code, shall order the disciplinary 572
action the superintendent considers appropriate, which may include 573
any one or more of the following: 574

(1) A reprimand; 575

(2) Suspension of the license until the licensed home 576
inspector complies with conditions the superintendent establishes; 577

(3) Suspension of the license for a specific period of time; 578

(4) Revocation of the license. 579

(B) The superintendent shall appoint a hearing officer to 580
conduct adjudication hearings in accordance with Chapter 119. of 581
the Revised Code. The superintendent shall appoint a person who 582
has been admitted to the practice of law in this state and has 583
experience in the area of home inspections to serve as the hearing 584
officer. 585

In accordance with section 119.09 of the Revised Code, after 586
conducting a hearing, a hearing officer shall submit to the 587
superintendent a report of the hearing and a recommendation for 588
the action to be taken against the licensed home inspector. All 589
parties may file objections to the report and recommendations as 590
permitted under that section, and the superintendent shall issue 591
an order in accordance with the procedures prescribed in that 592
section. 593

(C) The decision and order of the superintendent is final, 594
subject to review in the manner provided in Chapter 119. of the 595
Revised Code and appeal to the court of common pleas in Franklin 596
county. 597

Sec. 4768.12. The superintendent of real estate and 598
professional licensing may refuse to issue or renew a license if 599
the applicant for the license or renewal has done any of the 600
following: 601

(A) Accepted compensation from more than one interested party 602
for the same service without the written consent of all interested 603
parties; 604

(B) Accepted commissions or allowances, directly or 605
indirectly, from other parties dealing with a client in connection 606
with the home inspection for which the licensed home inspector is 607
responsible, without the express written approval of the client or 608

the client's representative; 609

(C) Repaired, replaced, or upgraded, or solicited to repair, replace, or upgrade, for compensation, systems or components in a residential building after completing a home inspection of that residential building but prior to the close of the real estate transaction associated with that home inspection and the resolution of all contingent issues involving that building and transaction; 610
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(D) Failed to disclose promptly to a client written information about any business interest of the licensed home inspector that may affect the client in connection with the home inspection; 617
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(E) Pleaded guilty to or been convicted of, in a court of competent jurisdiction, any crime of moral turpitude or a felony, or an equivalent offense under the laws of any other state or the United States, or was required to register under Chapter 2950. of the Revised Code; 621
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(F) Failed to satisfy the continuing education requirements specified in section 4768.06 of the Revised Code; 626
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(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; 628
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(H) Violated a provision of this chapter. 632

Sec. 4768.13. 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. 633
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Sec. 4768.14. (A) Except as provided in divisions (B) and (C) 639
of this section, nothing in this chapter shall be construed to 640
create or imply a private cause of action against a licensed home 641
inspector for a violation of this chapter if that action is not 642
otherwise maintainable under common law. 643

(B) An action for damages that is based on professional 644
services that were rendered or that should have been rendered by a 645
licensed home inspector shall not be brought, commenced, or 646
maintained unless the action is filed within one year after the 647
date that the home inspection is performed. 648

(C) Before bringing, commencing, or maintaining an action 649
under division (B) of this section, a client shall notify the 650
licensed home inspector of the alleged deficiencies and shall 651
allow the licensed home inspector the opportunity to review and 652
remedy the alleged deficiencies. The statute of limitations 653
specified in division (B) of this section shall be tolled for the 654
period that begins on the date the client notifies the licensed 655
home inspector of the alleged deficiencies and that ends on the 656
date that the licensed home inspector reviews, declines to review, 657
remedies, or declines to remedy the alleged deficiencies, 658
whichever comes later. 659

(D) The remedies provided under sections 4768.10 to 4768.12 660
of the Revised Code are the exclusive remedies for alleged 661
violations of any conflict of interest prohibitions specified in 662
the rules adopted by the superintendent pursuant to division 663
(A)(12) of section 4768.04 of the Revised Code. 664

Sec. 4768.15. The superintendent of real estate and 665
professional licensing shall deposit all money collected under 666
this chapter in the state treasury to the credit of the home 667
inspectors fund, which is hereby created. Money credited to the 668

fund shall be used solely by the superintendent to pay costs 669
associated with the administration and enforcement of this 670
chapter. 671

Sec. 4768.16. On receipt of a notice pursuant to section 672
3123.43 of the Revised Code, the superintendent of real estate and 673
professional licensing shall comply with sections 3123.41 to 674
3123.50 of the Revised Code and any applicable rules adopted under 675
section 3123.63 of the Revised Code with respect to a license 676
issued pursuant to this chapter. 677

Sec. 4768.99. Whoever violates division (A) of section 678
4768.02 of the Revised Code is guilty of a misdemeanor of the 679
third degree on a first offense and a misdemeanor of the first 680
degree on each subsequent offense. 681

Section 2. That existing sections 121.08 and 4745.01 of the 682
Revised Code are hereby repealed. 683

Section 3. Section 4768.02 of the Revised Code takes effect 684
two hundred ten days after the effective date of this act. 685

Section 4. Not later than one hundred eighty days after the 686
effective date of this act, the Superintendent of Real Estate and 687
Professional Licensing shall adopt the rules the Superintendent is 688
required to adopt under this act. 689

Section 5. (A) Notwithstanding section 4768.05 of the Revised 690
Code, as enacted by this act, and except as provided under section 691
4768.12 of the Revised Code, as enacted by this act, during the 692
period of time beginning on the effective date of this act and 693
ending ninety days after that date, the Superintendent of Real 694
Estate and Professional Licensing shall issue a home inspector 695
license if an individual applies for a license on a form the 696

Superintendent provides and pays the fee specified in section 697
4768.04 of the Revised Code, as enacted by this act, and if the 698
applicant demonstrates all of the following: 699

(1) Proof of maintaining or being covered by a comprehensive 700
general liability insurance policy or a commercial general 701
liability insurance policy in accordance with section 4768.09 of 702
Revised Code, as enacted by this act; 703

(2) Proof by direct documentation or signed affidavit 704
attesting to having met any one of the following requirements to 705
demonstrate participation in the home inspection field at least 706
ninety days before the effective date of this act: 707

(a) Having performed at least two hundred home inspections 708
for a client for compensation; 709

(b) Having successfully passed a home inspector examination 710
specified in division (A)(4) of section 4768.05 of the Revised 711
Code, as enacted by this act; 712

(c) Having actively operated a home inspection business in 713
this state for three years before the effective date of this act 714
under a business name officially registered with the Secretary of 715
State; 716

(d) Having been employed as a home inspector for the 717
consecutive thirty-six months before the effective date of this 718
act by an inspection company or individual whose owner or manager 719
meets the license requirement specified in this section. 720

(3) Proof of signing a pledge agreeing to comply with the 721
requirements specified in rules adopted by the Superintendent 722
pursuant to division (A)(12) of section 4768.04 of the Revised 723
Code, as enacted by this act; 724

(4) In a written statement, acknowledge that the individual 725
understands the grounds for any disciplinary action that may be 726

initiated under Chapter 4768. of the Revised Code, as enacted by 727
this act. 728

(B) Any license issued under this section shall expire two 729
years after the date the license was issued. A licensed home 730
inspector may renew the licensed home inspector's license in 731
accordance with section 4768.07 of the Revised Code, as enacted by 732
this act. 733

(C) As used in this section, "home inspection" and 734
"residential building" have the same meanings as in section 735
4768.01 of the Revised Code, as enacted by this act. "Home 736
inspector" means an individual who conducts home inspections for 737
compensation. 738