

2  
3 SENATE FR&ED COMMITTEE SUBSTITUTE FOR SB205  
4

5  
6  
7  
8 SYNOPSIS: This bill would also clarify that it is not  
9 the intent of the Legislature, in requiring home  
10 inspectors to obtain certificates of liability and  
11 property insurance, to disfavor contracts limiting  
12 the liability of home inspectors.  
13

14 A BILL  
15 TO BE ENTITLED  
16 AN ACT  
17

18 Relating to home inspectors; to amend Section  
19 34-14B-3, Code of Alabama 1975, to provide Legislative intent  
20 relating to the liability of home inspectors.

21 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

22 Section 1. Section 34-14B-3, Code of Alabama 1975,  
23 is amended to read as follows:

24 "§34-14B-3.

25 "(a) An applicant for licensure as a home inspector  
26 shall submit an application, under oath, upon a form to be  
27 prescribed by the Building Commission which shall include, as

1 a minimum, the following information pertaining to the  
2 applicant:

3 "(1) Social Security number for natural persons or  
4 employer identification number for other entities.

5 "(2) The name and address under which the applicant  
6 conducts business, if an individual proprietorship; the name  
7 and address of each partner or venturer, if the applicant is a  
8 partnership or joint venture; or the name and address of the  
9 corporate officers and statutory agent for service, if the  
10 applicant is a corporation.

11 "(3) A certificate issued by an insurance company  
12 licensed to do business in the State of Alabama that the  
13 applicant has procured public liability and property damage  
14 insurance covering the applicant's home inspection operations  
15 in the sum of not less than twenty thousand dollars (\$20,000)  
16 for injury or damage to property; and fifty thousand dollars  
17 (\$50,000) for injury or damage, including death, to any one  
18 person; and one hundred thousand dollars (\$100,000) for injury  
19 or damage, including death, to more than one person; or at any  
20 greater limits of liability prescribed by the Building  
21 Commission; and, in addition, evidence of insurance against  
22 the errors and omissions of the home inspector in an amount  
23 and form to be prescribed by the Building Commission. The  
24 Legislature does not intend by the inclusion of the foregoing  
25 requirement to express public policy disfavoring contractual  
26 limitations of liability between home inspectors and their  
27 customers.

1           "(4) Evidence of one of the following professional  
2 qualifications:

3           "a. Membership in and adherence to the ethical  
4 standards of the American Society of Home Inspectors, Inc.  
5 (ASHI) or an equivalent professional body as determined by the  
6 Building Commission.

7           "b. Approval or certification by one of the  
8 following agencies to inspect residential construction:

9           "1. The United States Veterans Administration.

10           "2. The United States Department of Housing and  
11 Urban Development.

12           "3. The Southern Building Code Congress  
13 International.

14           "4. The Council of American Building Officials.

15           "c. A high school diploma or its equivalent, work  
16 experience for at least one year as a home inspector, and  
17 completion of at least 100 home inspections for compensation.

18           "d. Licensure on or after January 1, 1998, in  
19 Alabama as a general contractor, registered professional  
20 architect, registered professional engineer, or residential  
21 home builder. Renewals of licensure previously supported by  
22 evidence of an acceptable license shall not require the  
23 applicant to repeat proof of such licensing.

24           "(5) Any and all other information prescribed and  
25 required by the Building Commission.

1                   "(b) The information contained in an application  
2 shall be a matter of public record and open to public  
3 inspection."

4                   Section 2. This act shall become effective on the  
5 first day of the third month following its passage and  
6 approval by the Governor, or its otherwise becoming law.