

1 SB205
2 210963-3
3 By Senator Allen
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 09-FEB-21

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4 ENGROSSED

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7 A BILL
8 TO BE ENTITLED
9 AN ACT

10
11 Relating to home inspectors; to amend Section
12 34-14B-3, Code of Alabama 1975, to provide Legislative intent
13 relating to the liability of home inspectors.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

17 "§34-14B-3.

18 "(a) An applicant for licensure as a home inspector
19 shall submit an application, under oath, upon a form to be
20 prescribed by the Building Commission which shall include, as
21 a minimum, the following information pertaining to the
22 applicant:

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

25 "(2) The name and address under which the applicant
26 conducts business, if an individual proprietorship; the name
27 and address of each partner or venturer, if the applicant is a

1 partnership or joint venture; or the name and address of the
2 corporate officers and statutory agent for service, if the
3 applicant is a corporation.

4 "(3) A certificate issued by an insurance company
5 licensed to do business in the State of Alabama that the
6 applicant has procured public liability and property damage
7 insurance covering the applicant's home inspection operations
8 in the sum of not less than twenty thousand dollars (\$20,000)
9 for injury or damage to property; and fifty thousand dollars
10 (\$50,000) for injury or damage, including death, to any one
11 person; and one hundred thousand dollars (\$100,000) for injury
12 or damage, including death, to more than one person; or at any
13 greater limits of liability prescribed by the Building
14 Commission; and, in addition, evidence of insurance against
15 the errors and omissions of the home inspector in an amount
16 and form to be prescribed by the Building Commission. The
17 Legislature does not intend by the inclusion of the foregoing
18 requirement to express public policy disfavoring contractual
19 limitations of liability between home inspectors and their
20 customers.

21 "(4) Evidence of one of the following professional
22 qualifications:

23 "a. Membership in and adherence to the ethical
24 standards of the American Society of Home Inspectors, Inc.
25 (ASHI) or an equivalent professional body as determined by the
26 Building Commission.

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

3 "1. The United States Veterans Administration.

4 "2. The United States Department of Housing and
5 Urban Development.

6 "3. The Southern Building Code Congress
7 International.

8 "4. The Council of American Building Officials.

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

12 "d. Licensure on or after January 1, 1998, in
13 Alabama as a general contractor, registered professional
14 architect, registered professional engineer, or residential
15 home builder. Renewals of licensure previously supported by
16 evidence of an acceptable license shall not require the
17 applicant to repeat proof of such licensing.

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

20 "(b) The information contained in an application
21 shall be a matter of public record and open to public
22 inspection."

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

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Senate

Read for the first time and referred to the Senate
committee on Fiscal Responsibility and Economic
Development..... 09-FEB-21

Read for the second time and placed on the calen-
dar with 1 substitute and..... 11-MAR-21

Read for the third time and passed as amended 16-MAR-21

Yeas 30
Nays 0

Patrick Harris,
Secretary.