

## **CHAPTER 17-A. LOUISIANA HOME INSPECTOR LICENSING LAW**

### **§1471. Short title**

This Chapter shall be known and may be cited as the "Louisiana Home Inspectors Licensing Law".

### **§1472. Purpose; legislative findings**

The legislature hereby declares that it is in the best interest of the citizens of the state to require the licensure and regulation of home inspectors. The purpose of this Chapter is to require qualifying criteria in a professional field in which unqualified individuals may injure or mislead the public. The provisions of this Chapter shall contribute to the safety, health, and welfare of the people of this state.

### **§1473. Definitions**

As used in this Chapter, the following words shall have the following meanings unless the context clearly indicates otherwise:

- (1) "Applicant" means a person who seeks to be examined for licensure by the board.
- (2) "Board" means the Louisiana State Board of Home Inspectors.
- (3) "Component" means a readily accessible and observable aspect of a system, such as a floor or wall, but not individual pieces such as boards or nails where many similar pieces make up a component.
- (4) "Home inspection" means a written evaluation of two or more of the following components of a resale residential building:
  - (a) Electrical system.
  - (b) Exterior and interior components.
  - (c) Foundation.
  - (d) Heating and cooling systems.
  - (e) Plumbing system.
  - (f) Roof.
  - (g) Structural and foundation system.
  - (h) Any other related residential housing system as defined in the standards of practice prescribed by the board.
- (5) "Licensed Home inspector" means any person who, in accordance with the provisions of this Chapter, holds himself out to the general public and/or engages in the business of performing home inspections on resale residential buildings for compensation and/or who examines any component of a building, through visual means and through normal user controls, without the use of mathematical sciences.
- (6) "Licensee" means any person who has been issued a license by the board in accordance with the provisions of this Chapter.
- (7) "Residential resale building" means a structure intended to be or that is used as a residence and consists of four or less living units, excluding commercial use space or units, and is not for sale for the first time.

(8) "System" means a combination of interactive or interdependent components assembled to carry out one or more functions.

**§1474. Louisiana State Board of Home Inspectors; creation; qualifications; domicile; terms of office; confirmation; oath of office; compensation**

A. The Louisiana State Board of Home Inspectors is hereby created within the office of the governor. The board shall be a body corporate and may sue and be sued.

B. The board shall be composed of one member from each congressional district appointed by the governor from a list of names submitted by the board of directors of the Louisiana Chapter of the American Society of Home Inspectors, the Louisiana Realtors Association, the Louisiana Homebuilders Association, and the Louisiana Mortgage Bankers Association. Each member of the board shall be a United States citizen and a resident of the state, and shall have been actively engaged in the home inspection business on a full-time basis for one year preceding the appointment. The initial board members shall be required to obtain a license in accordance with the provisions of this Chapter. Thereafter, each member of the board shall be a licensed home inspector.

C. Each member appointed by the governor shall be confirmed by the Senate.

D. Initially, one member of the board shall be appointed for a two-year term, three members for four-year terms, and three members for six-year terms. No person shall be appointed for more than one full six-year term. Thereafter, all members shall be appointed for six years. Any vacancy on the board caused by death, resignation, or disability of a member shall be filled for the unexpired term by appointment by the governor from the congressional district where the vacancy occurred.

E. The board shall be domiciled in Baton Rouge and may meet at such other locations in the state as may be determined by the board.

F. A majority of the voting members shall constitute a quorum of the board for all purposes, including the granting or issuance of licenses and the rulemaking and adjudicative functions of the board.

G. Each member of the board shall receive a certificate or commission from the governor and before beginning his term of office shall file with the secretary of state a written oath or affirmation of faithful discharge of his official duties.

H. No member of the board shall receive a per diem but shall be reimbursed for actual expenses incurred when attending a meeting of the board or any of its committees and for the time spent on behalf of the board on official business, not to exceed ten days in any one month. Each member shall be reimbursed, upon approval of the board as evidenced by voucher, for all necessary travel and incidental expenses incurred in carrying out the provisions of this Chapter.

### **§1475. Powers and duties of the board**

The board shall:

- (1) Elect a chairman and a vice chairman, each to serve a term of one year, who may be reelected for subsequent terms.
- (2) Employ a secretary-treasurer who shall serve as the chief operating officer of the board, who shall serve at the pleasure of the board, and who shall employ such other staff as approved by the board.
- (3) Hold quarterly meetings each year, provided special meetings may be held at such time and place as specified or called by the chairman. The secretary- treasurer shall provide written notice of all meetings to the members of the board and to the interested public.
- (4) Adopt rules and regulations, in accordance with the Administrative Procedure Act, as the board deems necessary to administer and implement the provisions of this Chapter or to govern the practice of home inspectors in the state.
- (5) Issue, suspend, modify, or revoke licenses to practice as a home inspector in the state.
- (6) Report to the attorney general all persons who violate the provisions of this Chapter.
- (7) Maintain an up-to-date list of licensed home inspectors.
- (8) Adopt a licensing examination, which may be administered by a nationally accepted testing service as determined by the board.
- (9) Adopt an official seal.
- (10) Adopt minimum standards of practice for home inspectors.
- (11) Have the authority to impose fines.
- (12) Adopt rules and regulations governing the manner and conditions under which credit shall be given by the board for participation in continuing professional education as the board may consider necessary.
- (13) Authorize any affidavit necessary for the issuance of any injunction or other legal process authorized under this Chapter or under the rules and regulations of the board.
- (14) Issue subpoenas to require attendance and testimony or the production of documents for the purpose of enforcing the provisions of this Chapter and the rules and regulations adopted pursuant to this Chapter and securing evidence of violations.
- (15) Have the authority to incur debt.

### **§1476. Licensing required**

A. Beginning January 1, 2001, no person shall engage in or conduct, or advertise or hold himself out as engaging in or conducting the business of, or acting in the capacity of a licensed home inspector within the state without first obtaining a license as provided for in this Chapter, unless as exempted in [R.S. 37:1483](#).

B. However, on January 1, 2000, any person who has been actively engaged in the business of conducting home inspections for at least one year may apply to the board for initial licensure without meeting the examination or instruction requirements.

**§1478. Written reports; solicitation prohibited**

A. A licensed home inspector shall provide a written report of the home inspection to each person for whom the inspector performs a home inspection for compensation within five calendar days from the date of the inspection.

B. No licensed home inspector shall, at the time of the inspection or for a reasonable time thereafter, advertise or solicit to perform repair services or any other type of service on the home upon which he has performed a home inspection.

**§1479. License issuance and renewal; appearance on documents**

A. Licenses shall be issued for a period of one year and shall expire on the last day of the month of issuance in the preceding year. Licenses which are not renewed shall be considered to be expired and any home inspection activity which would require a license to perform which occurs after expiration of the license shall be deemed a violation of this Chapter.

B. Any licensee who fails to timely renew his license may thereafter renew upon payment of the appropriate renewal and delinquent fees and upon filing of a renewal application. The period for delinquent renewal of an expired license shall be limited to the six-month period immediately following the expiration date of the active license. Failure to renew an expired license during such six-month period shall result in forfeiture of renewal rights and shall require the former licensee to apply as an initial applicant and meet all requirements of an initial applicant.

C. Licenses shall be in a form prescribed by the board.

D. The term "licensed home inspector" along with the license number of the inspector shall appear on all advertising, correspondence, and documents incidental to a home inspection.

**§1480. Continuing education requirements**

A. As a condition of renewal of a license, a licensed home inspector shall present satisfactory evidence to the board of having completed the continuing education requirements provided for in this Section.

B. Each applicant for renewal of a license shall annually complete at least twenty hours of instruction in courses approved by the board.

C. An applicant for renewal of a license may satisfy all or part of the continuing education requirements provided for in Subsection B of this Section by presenting satisfactory evidence to the board of participation, other than as a student, in educational processes and programs in home inspection practices or techniques including but not limited to teaching, program development, and preparation of textbooks, monographs, articles, or other instructional material subject to approval of the board.

#### **§1481. Insurance requirements**

A. (1) All active practicing licensed home inspectors shall carry errors and omissions insurance to cover all activities contemplated under this Chapter.

(2) The board shall, by rule, establish and/or approve an association or associations for the purposes of availing Licensees to the benefits of group insurance rates. The board shall establish the terms and conditions of coverage, including but not limited to the permissible deductible and permissible exemptions. However, licensees shall have the option of obtaining errors and omissions insurance independently that complies with the coverage requirements established by the board.

(3) Each licensee shall be notified of the required terms and conditions of coverage for the annual policy at least thirty days prior to the annual renewal date. Each licensee who chooses not to participate in the group insurance program administered by the board shall file with the board a certificate of coverage showing compliance with the required terms and conditions of coverage by the annual license renewal date.

B. In addition to general errors and omissions insurance, all active licensees shall carry general liability insurance to cover all activities contemplated under this Chapter.

#### **§1482. Home inspectors as corporations prohibited**

No license as a home inspector shall be issued to a corporation, limited liability company, partnership, firm, or group. However, this Section shall not preclude a licensed home inspector from rendering home inspections for or on behalf of a corporation, limited liability company, partnership, firm, or group, provided that the home inspection report is performed by, is prepared by, and is signed by a licensed home inspector.

#### **§1483. Exemptions from licensure**

The following persons shall be exempt from the licensing requirements of [R.S. 37:1476](#):

- (1) Persons licensed by the state as professional engineers when acting within the scope of their license.
- (2) Persons licensed by the state as architects when acting within the scope of their license.
- (3) Persons licensed by the state or any political subdivision as electricians when acting

within the scope of their license.

(4) Persons licensed by the state or any political subdivision as plumbers when acting within the scope of their license.

(5) Persons licensed by the state or any political subdivision as heating and air conditioning technicians when acting within the scope of their license.

(6) Persons licensed by the state as real estate brokers or real estate sales persons when acting within the scope of their license.

(7) Persons licensed by the state as real estate appraisers, certified general appraisers, or residential real estate appraisers when acting within the scope of their license.

(8) Persons licensed by the state as pest control operators when acting within the scope of their license.

(9) Persons regulated by the state as insurance adjusters when acting within the scope of their profession.

(10) Persons who are employed as code enforcement officials by the state or any political subdivision when acting within the scope of their employment by such governmental entity.

(11) Persons licensed by the state or any political subdivision as contractors when acting within the scope of their license.

(12) Persons who perform warranty evaluations of components, systems, or appliances within resale residential buildings for the purpose of issuance of a home warranty agreement, provided that the warranty evaluation report includes a statement that the warranty evaluation performed is not a home inspection and does not meet the standards of a home inspection under Louisiana law. No home warranty company shall refer to a warranty evaluation as a home inspection in any written materials provided by the home warranty company.

#### **§1484. Reciprocal licenses**

The board may enter into reciprocal agreements with other states regarding home inspector licensing.

A. The board may suspend or revoke any license, or censure, fine, or impose probationary or other restrictions on any licensee for good cause shown which shall include but not be limited to the following:

(1) Conviction of a felony or the entering of a plea of guilty or nolo contendere to a felony charge under the laws of the United States or any other state.

(2) Deceit or misrepresentation in obtaining a license.

(3) Providing false testimony before the board.

(4) Efforts to deceive or defraud the public.

(5) Professional incompetence or gross negligence.

(6) Rendering, submitting, subscribing, or verifying false, deceptive, misleading, or unfounded opinions or reports.

(7) Violating any rule or regulation adopted by the board or any provision of this Chapter.

(8) Aiding or abetting a person to evade the provisions of this Chapter or knowingly combining or conspiring with an unlicensed person with the intent to evade the provisions of this Chapter.

(9) Violating any standard of conduct adopted by the board.

(10) Engaging in conduct or advertising or holding oneself out as engaging in or conducting the business or acting in the capacity of a home inspector without possessing a valid license.

(11) Falsely representing oneself as being the holder of a valid license by using the title "licensed home inspector" or any title, designation, or abbreviation deceptively similar or likely to create the impression that such person is licensed.

B. The board may fine any applicant or any member of the public for good cause shown, which shall include, but not be limited to, the following:

(1) Providing false testimony to the board.

(2) Aiding or abetting a person to evade the provisions of this Chapter or knowingly combining or conspiring with an unlicensed person with the intent to evade the provisions of this Chapter.

(3) Engaging in conduct or advertising or holding oneself out as engaging in or conducting the business or acting in the capacity of a home inspector without possessing a valid license.

(4) Falsely representing oneself as being the holder of a valid license by using the title "licensed home inspector" or any title, designation, or abbreviation deceptively similar or likely to create the impression that such person is licensed.

C. Violators of any of the provisions of this Section may be fined by the board in an amount not to exceed one thousand dollars per each separate violation.

#### **§1486. Revocation or suspension; payment of costs of proceedings**

A. Revocation of a license as a result of disciplinary action by the board may prohibit the reissuance of a license to such licensee for a period of up to one year from the date of revocation. The license of an applicant whose license has been revoked may be reissued by the board upon the successful completion by the applicant of the required examination and upon the presentment of evidence of completion of twenty hours of continuing education as prescribed by the board.

B. The board, as a probationary condition or as a condition of a revocation or suspension, may require a licensee to pay all costs of the board proceedings, including but not limited to investigators', stenographers', and attorney fees, and costs.

#### **§1487. Penalties**

Whoever willfully violates any of the provisions of this Chapter or any rule or regulation adopted pursuant to this Chapter may be fined not more than one thousand dollars, or imprisoned for not more than six months, or both.

**§1488. Cease and desist orders; injunctive relief**

A. In addition to or in lieu of the criminal penalties and administrative sanctions provided for in this Chapter, the board may issue an order to any person engaged in any activity, conduct, or practice constituting a violation of any provision of this Chapter or any rule or regulation adopted pursuant to this Chapter directing such person to cease and desist from such activity, conduct, or practice. Such order shall be issued in the name of the state under the official seal of the board.

B. If the person to whom the board directs a cease and desist order does not cease and desist the prohibited activity, conduct, or practice within two days of service of such order by certified mail, the board may seek a writ of injunction in any court of competent jurisdiction and proper venue enjoining such person from engaging in the activity, conduct, or practice.

**§1489. Louisiana State Board of Home Inspectors funds**

A. All fees received by the board under this Chapter and all monies otherwise received by the board shall be paid to the board through the secretary-treasurer. Disbursements made by the board shall be signed by the chairman and the secretary-treasurer. In absence of the chairman or the secretary-treasurer, the vice chairman may sign all documents with the remaining authorized signatory.

B. All fees and monies received by the board shall be used solely to effectuate the provisions of this Chapter including but not limited to expenditures necessary for office fixtures, equipment and supplies, and all other expenses necessary to conduct the business of the board.

**9:5608. Actions Against Home Inspectors**

A. No action for damages against any home inspector duly licensed under the laws of this state or against any home inspection company, whether based in tort, breach of contract, or otherwise, arising out of a home inspection or report performed or prepared by the home inspector shall be brought unless filed in a court of competent jurisdiction and proper venue within one year from the date the act, omission, or neglect is alleged to have occurred.

B. The prescriptive period provided in Subsection A of this Section shall not apply in cases of fraud, as defined in [Civil Code Article 1953](#).

C. The prescriptive period provided in Subsection A of this Section shall not apply to any



proceedings initiated by the Louisiana State Board of Home Inspectors.

D. The provisions of this Section shall not apply to the inspection of new homes which are subject to the provisions of [R.S. 9:3141](#) et seq.