

**SECOND ENGROSSMENT
with Senate Amendments**

Fifty-ninth
Legislative Assembly
of North Dakota

REENGROSSED HOUSE BILL NO. 1507

Introduced by

Representatives Sitte, Keiser, Martinson

Senator Kringstad

1 A BILL for an Act to create and enact a new chapter to title 43 of the North Dakota Century
2 Code, relating to the registering of home inspectors; and to provide a penalty.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** A new chapter to title 43 of the North Dakota Century Code is created and
5 enacted as follows:

6 **Definitions.** As used in this chapter, unless the context otherwise requires:

- 7 1. "Client" means a person that engages or seeks to engage the services of a home
8 inspector for a home inspection.
- 9 2. "Home inspection" means the process by which a home inspector provides a
10 nonintrusive, visual examination and written evaluation of the heating system,
11 cooling system, plumbing system, electrical system, structural components,
12 foundation, roof, masonry structure, and exterior and interior components of a
13 residential building. The term does not include an examination of items that are
14 concealed or not readily accessible or identification of concealed conditions or
15 defects.
- 16 3. "Home inspector" means an individual registered under this chapter to conduct
17 home inspections.
- 18 4. "Registrar" means the secretary of state.
- 19 5. "Residential building" means a structure consisting of not more than four family
20 dwelling units.

21 **Home inspector registration required - Penalty.** The registrar shall issue and renew
22 registrations to home inspectors pursuant to this chapter. An individual may not perform a
23 home inspection for compensation unless registered under this chapter. An individual who
24 violates this chapter is guilty of a class B misdemeanor.

1 **Registering of home inspectors.** An applicant for a registration as a home inspector
2 shall file a written application in the form prescribed by the registrar. An applicant:

- 3 1. Must be at least eighteen years of age;
- 4 2. Shall submit proof of satisfactory completion of an examination on home inspection
5 offered by the American society of home inspectors, the national association of
6 home inspectors, the national association of certified home inspectors, the
7 examination board of professional home inspectors, or the international code
8 council;
- 9 3. Except for an applicant who certifies that the applicant will perform home
10 inspections only for residential buildings located outside the corporate limits of any
11 city or for residential buildings located within a city with a population under three
12 thousand, shall submit proof of current errors and omissions insurance coverage in
13 an amount of one hundred thousand dollars or more covering all home inspection
14 activities; and
- 15 4. Shall pay a fee of one hundred dollars.

16 **Exceptions to registration requirements.** The registration requirements of this
17 chapter do not apply to:

- 18 1. An individual employed as a code enforcement official by the state or a political
19 subdivision when acting within the scope of that employment.
- 20 2. An individual licensed, certified, or registered under this title when acting within the
21 scope of practice of that individual's profession or occupation.
- 22 3. An individual engaged as an insurance adjuster when acting within the scope of
23 that engagement.

24 **Renewal of registration.** A registration issued under this chapter expires June thirtieth
25 of each calendar year and may be renewed upon submission of a renewal fee of fifty dollars
26 and provision of proof of continuous insurance coverage as required for registration. The
27 application for renewal must be postmarked before July first of each year. The registrar shall
28 cancel the registration of an individual who fails to file a timely application for the renewal of
29 registration. The cancellation must be without notice or opportunity for hearing. An individual
30 whose registration has been canceled and who desires to reregister must file an initial
31 application, pay the initial application fee, and provide proof of current errors and omissions

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- 1 insurance as required for registration. An individual registered under this chapter may not
- 2 engage in any activity under this chapter after June thirtieth of any year unless that individual
- 3 has a valid registration.