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By: **Delegates Morhaim, Finifter, Fulton, and Zirkin**

Introduced and read first time: February 4, 1999

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **State Board of Home Inspectors**

3 FOR the purpose of establishing a State Board of Home Inspectors in the Department  
4 of Labor, Licensing, and Regulation; providing for the membership, powers, and  
5 duties of the Board; requiring an individual to be licensed before the individual  
6 may engage in the business of performing home inspections in the State;  
7 establishing requirements that must be met to be licensed; providing for the  
8 issuance, scope, term, renewal, and reinstatement of licences; authorizing the  
9 Board to deny a license to any applicant, reprimand a licensee, or suspend or  
10 revoke a license under certain circumstances; providing for certain hearings  
11 under certain circumstances; providing for certain home inspection reports  
12 within a certain period of time; prohibiting certain acts and providing for certain  
13 penalties; specifying the terms of the initial members of the Board; defining  
14 certain terms; and generally relating to the licensing and regulation of home  
15 inspectors by the State Board of Home Inspectors.

16 BY repealing  
17 Article - Real Property  
18 Section 10-801 and the subtitle "Subtitle 8. Home Inspections"  
19 Annotated Code of Maryland  
20 (1996 Replacement Volume and 1998 Supplement)

21 BY adding to  
22 Article - Business Regulation  
23 Section 9B-101 through 9B-702, inclusive, to be under the new title "Title 9B.  
24 Home Inspectors"  
25 Annotated Code of Maryland  
26 (1998 Replacement Volume)

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
28 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Real Property**

2 [Subtitle 8. Home Inspections.]

3 [10-801.

4 (a) In this subtitle, "home inspector" means a person who provides or offers to  
5 provide home inspection services.6 (b) Promptly after agreeing to perform an inspection and before a home is  
7 inspected, a home inspector shall provide the person who has entered into a contract  
8 for the purchase of the property:

9 (1) A list of the credentials of:

10 (i) The home inspector; and

11 (ii) If the individual who will actually perform the inspection is  
12 different from the home inspector, that individual; and

13 (2) A disclosure in 10-point bold type that states:

14 "An inspection is intended to assist in evaluation of the overall condition of a  
15 building. The inspection is based on observation of the visible and apparent condition  
16 of the building and its components on the date of inspection.17 The results of this home inspection are not intended to make any representation  
18 regarding latent or concealed defects that may exist, and no warranty or guaranty is  
19 expressed or implied.20 If the person conducting your home inspection is not a licensed structural  
21 engineer or other professional whose license authorizes the rendering of an opinion as  
22 to the structural integrity of a building or its other component parts, you may be  
23 advised to seek a professional opinion as to any defects or concerns mentioned in the  
24 report."25 (c) The information required to be provided under subsection (b) of this  
26 section shall be included in the home inspection report that is delivered to the person  
27 who has entered into a contract for the purchase of the property.]28 **Article - Business Regulation**

29 TITLE 9B. HOME INSPECTORS.

30 SUBTITLE 1. DEFINITIONS; GENERAL PROVISIONS.

31 9B-101.

32 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

1 (B) "BOARD" MEANS THE STATE BOARD OF HOME INSPECTORS.

2 (C) "HOME INSPECTION" MEANS A WRITTEN EVALUATION OF ONE OR MORE  
3 OF THE COMPONENTS OF AN EXISTING RESIDENTIAL BUILDING, INCLUDING THE  
4 HEATING SYSTEM, COOLING SYSTEM, PLUMBING SYSTEM, ELECTRICAL SYSTEM,  
5 STRUCTURAL COMPONENTS, FOUNDATION, ROOF, MASONRY STRUCTURE, EXTERIOR  
6 AND INTERIOR COMPONENTS, OR ANY OTHER RELATED RESIDENTIAL HOUSING  
7 COMPONENT.

8 (D) "HOME INSPECTOR" MEANS AN INDIVIDUAL WHO ENGAGES IN THE  
9 BUSINESS OF PERFORMING HOME INSPECTIONS FOR COMPENSATION.

10 (E) "LICENSE" MEANS, UNLESS THE CONTEXT REQUIRES OTHERWISE, A  
11 LICENSE ISSUED BY THE BOARD TO ENGAGE IN THE BUSINESS OF PERFORMING  
12 HOME INSPECTIONS.

13 (F) "LICENSED HOME INSPECTOR" MEANS AN INDIVIDUAL WHO IS LICENSED  
14 BY THE BOARD TO ENGAGE IN THE BUSINESS OF PERFORMING HOME INSPECTIONS.  
15 9B-102.

16 THE PURPOSE OF THIS TITLE IS TO ESTABLISH A LICENSING PROGRAM FOR  
17 INDIVIDUALS WHO ENGAGE IN THE BUSINESS OF PERFORMING HOME INSPECTIONS  
18 TO:

19 (1) PROTECT THE PUBLIC;

20 (2) PROVIDE REPORTS TO MAINTAIN EFFICIENT AND SAFE  
21 COMPONENTS OF RESIDENTIAL BUILDINGS;

22 (3) PROMOTE HIGH PROFESSIONAL STANDARDS; AND

23 (4) ENSURE THAT QUALIFIED INDIVIDUALS CARRY OUT ITEMS (1), (2),  
24 AND (3) OF THIS SECTION.

25 9B-103.

26 THIS TITLE DOES NOT APPLY TO:

27 (1) AN INDIVIDUAL WHO IS EMPLOYED AS A BUILDING CODE  
28 ENFORCEMENT OFFICIAL BY THE STATE OR A POLITICAL SUBDIVISION OF THE  
29 STATE, WHILE ACTING WITHIN THE SCOPE OF THAT EMPLOYMENT;

30 (2) AN INDIVIDUAL WHO IS EMPLOYED AS A FEDERAL OR STATE  
31 INSPECTOR, WHILE ACTING WITHIN THE SCOPE OF THAT EMPLOYMENT;

32 (3) A PLUMBER, ELECTRICIAN, REAL ESTATE APPRAISER, REAL ESTATE  
33 BROKER OR AGENT, OR HEATING, VENTILATION, REFRIGERATION, OR  
34 AIR-CONDITIONING CONTRACTOR WHO IS LICENSED IN THE STATE, WHILE ACTING  
35 WITHIN THE SCOPE OF THAT LICENSE;

1 (4) A ROOFER, GENERAL CONTRACTOR, REMODELER, OR STRUCTURAL  
2 PEST CONTROL SPECIALIST, WHILE ACTING WITHIN THE SCOPE OF THAT  
3 OCCUPATION; OR

4 (5) ANY OTHER PROFESSIONAL WHOSE SERVICES MAY BE REQUIRED IN  
5 THE BUILDING OR REMODELING OF REAL PROPERTY AND WHO DOES NOT CLAIM TO  
6 BE A LICENSED HOME INSPECTOR.

7 SUBTITLE 2. STATE BOARD OF HOME INSPECTORS.

8 9B-201.

9 THERE IS A STATE BOARD OF HOME INSPECTORS IN THE DEPARTMENT.

10 9B-202.

11 (A) (1) THE BOARD CONSISTS OF SEVEN MEMBERS.

12 (2) OF THE SEVEN BOARD MEMBERS:

13 (I) ONE SHALL BE A LICENSED HOME INSPECTOR WHO IS A  
14 MEMBER OF THE AMERICAN SOCIETY OF HOME INSPECTORS (ASHI);

15 (II) ONE SHALL BE A LICENSED HOME INSPECTOR WHO IS A  
16 MEMBER OF THE NATIONAL ASSOCIATION OF HOME INSPECTORS (NAHI);

17 (III) THREE SHALL BE LICENSED HOME INSPECTORS WHO ARE NOT  
18 AFFILIATED WITH ASHI OR NAHI; AND

19 (IV) TWO SHALL BE CONSUMER MEMBERS.

20 (3) THE GOVERNOR SHALL APPOINT THE MEMBERS OF THE BOARD  
21 WITH THE ADVICE OF THE SECRETARY AND WITH THE ADVICE AND CONSENT OF THE  
22 SENATE.

23 (B) EACH MEMBER OF THE BOARD SHALL BE:

24 (1) A CITIZEN OF THE UNITED STATES; AND

25 (2) A RESIDENT OF THE STATE.

26 (C) EACH CONSUMER MEMBER OF THE BOARD:

27 (1) SHALL BE A MEMBER OF THE GENERAL PUBLIC;

28 (2) MAY NOT BE A LICENSEE OR OTHERWISE BE SUBJECT TO THE  
29 REGULATION OF THE BOARD;

30 (3) MAY NOT PROVIDE HOME INSPECTION SERVICES; AND

1 (4) MAY NOT HAVE HAD WITHIN 1 YEAR BEFORE APPOINTMENT A  
2 FINANCIAL INTEREST IN OR HAVE RECEIVED COMPENSATION FROM A PERSON  
3 REGULATED BY THE BOARD.

4 (D) BEFORE TAKING OFFICE, EACH APPOINTEE TO THE BOARD SHALL TAKE  
5 THE OATH REQUIRED BY ARTICLE I, § 9 OF THE MARYLAND CONSTITUTION.

6 (E) (1) THE TERM OF A MEMBER IS 4 YEARS AND BEGINS ON JULY 1.

7 (2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE  
8 TERMS PROVIDED FOR MEMBERS OF THE BOARD ON OCTOBER 1, 1999.

9 (3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A  
10 SUCCESSOR IS APPOINTED AND QUALIFIES.

11 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES  
12 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND  
13 QUALIFIES.

14 (5) THE GOVERNOR MAY REMOVE A MEMBER FOR INCOMPETENCE OR  
15 MISCONDUCT.

16 9B-203.

17 (A) THE BOARD SHALL ELECT A CHAIRMAN AND A VICE CHAIRMAN FROM  
18 AMONG THE MEMBERS.

19 (B) THE MANNER OF ELECTION OF OFFICERS SHALL BE AS THE BOARD  
20 DETERMINES.

21 9B-204.

22 (A) (1) THE BOARD SHALL MEET AT LEAST TWICE EACH YEAR IN A  
23 LOCATION DETERMINED BY THE BOARD.

24 (2) SPECIAL MEETINGS OF THE BOARD MAY BE HELD IF CALLED BY THE  
25 CHAIRMAN OR ANY TWO MEMBERS OF THE BOARD.

26 (B) A MAJORITY OF THE MEMBERS THEN SERVING ON THE BOARD IS A  
27 QUORUM.

28 (C) THE BOARD MAY EMPLOY A STAFF IN ACCORDANCE WITH THE STATE  
29 BUDGET.

30 (D) A MEMBER OF THE BOARD:

31 (1) MAY NOT RECEIVE COMPENSATION; BUT

32 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE  
33 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

1 9B-205.

2 IN ADDITION TO ANY POWERS SET FORTH ELSEWHERE, THE BOARD SHALL:

3 (1) ADOPT RULES AND REGULATIONS TO CARRY OUT OF THIS TITLE;

4 (2) ADOPT AND ENFORCE A CODE OF ETHICS AND STANDARD OF  
5 PRACTICE FOR INDIVIDUALS LICENSED UNDER THIS TITLE;

6 (3) DETERMINE THE QUALIFICATIONS AND FITNESS OF APPLICANTS  
7 FOR LICENSES AND RENEWAL LICENSES;

8 (4) REVIEW AND APPROVE ANY ON-SITE TRAINING PROGRAMS,  
9 INCLUDING PROGRAMS THAT HAVE BEEN APPROVED BY NATIONAL HOME  
10 INSPECTION ORGANIZATIONS;

11 (5) ISSUE, RENEW, DENY, REVOKE, OR SUSPEND LICENSES UNDER THIS  
12 TITLE;

13 (6) KEEP A LIST OF ALL LICENSEES;

14 (7) REVIEW, APPROVE, AND ESTABLISH CONTINUING EDUCATION  
15 REQUIREMENTS IN ACCORDANCE WITH NATIONAL HOME INSPECTION  
16 ORGANIZATIONS;

17 (8) KEEP A RECORD OF ITS PROCEEDINGS;

18 (9) SUBMIT AN ANNUAL REPORT TO THE GENERAL ASSEMBLY; AND

19 (10) ADOPT AN OFFICIAL SEAL TO AUTHENTICATE ITS PROCEEDINGS,  
20 OFFICIAL RECORDS, AND LICENSES.

21 9B-206.

22 (A) THE BOARD MAY INVESTIGATE ANY COMPLAINT THAT ALLEGES FACTS  
23 THAT CONSTITUTE A VIOLATION OF THIS TITLE.

24 (B) ON RECEIPT OF THE RESULTS OF AN INVESTIGATION MADE UNDER THIS  
25 SECTION, THE BOARD PROMPTLY SHALL TAKE ACTION THAT IS APPROPRIATE UNDER  
26 THIS TITLE TO ENSURE COMPLIANCE WITH THIS TITLE.

27 (C) (1) IF THE BOARD CONCLUDES THAT ANY CONDUCT ALLEGED TO BE IN  
28 VIOLATION OF THIS TITLE WILL RESULT IN HARM TO ANY CITIZEN OF THE STATE,  
29 THE BOARD MAY SEEK A PERMANENT OR TEMPORARY INJUNCTION WITH RESPECT  
30 TO THE CONDUCT FROM THE CIRCUIT COURT OF ANY COUNTY IN WHICH THE  
31 ALLEGED VIOLATION OCCURS, OR IN WHICH THE VIOLATOR HAS ITS PRINCIPAL  
32 PLACE OF BUSINESS.

33 (2) IN SEEKING AN INJUNCTION UNDER THIS SUBSECTION, THE BOARD  
34 IS NOT REQUIRED TO:

1 (I) POST BOND;

2 (II) ALLEGE OR PROVE THAT AN ADEQUATE REMEDY AT LAW DOES  
3 NOT EXIST; OR

4 (III) ALLEGE OR PROVE THAT SUBSTANTIAL OR IRREPARABLE  
5 DAMAGE WOULD RESULT FROM THE CONTINUED VIOLATION OF THE PROVISION.

6 (D) (1) ANY FOUR MEMBERS OF THE BOARD, OR A HEARING OFFICER  
7 DESIGNATED BY THE BOARD, MAY ADMINISTER OATHS, HOLD HEARINGS, AND TAKE  
8 TESTIMONY ABOUT ALL MATTERS WITHIN THE JURISDICTION OF THE BOARD.

9 (2) THE BOARD, OR ITS DESIGNEE, MAY TAKE TESTIMONY OF ANY  
10 PERSON BY DEPOSITION IN THE SAME MANNER AS IN JUDICIAL PROCEEDINGS IN  
11 STATE CIVIL CASES.

12 (3) ANY PARTY TO ANY HEARING BEFORE THE BOARD HAS THE RIGHT  
13 TO ATTENDANCE OF WITNESSES, AFTER MAKING A REQUEST TO THE BOARD AND  
14 DESIGNATING THE PERSON SOUGHT TO BE SUBPOENAED.

15 (4) A MEMBER OF THE BOARD MAY NOT BE HELD PERSONALLY LIABLE  
16 FOR ANY ACTION TAKEN UNDER THIS SECTION.

17 (E) (1) THE BOARD OR ITS DESIGNEE MAY ISSUE A SUBPOENA.

18 (2) THE POLICE DEPARTMENT OF BALTIMORE CITY OR THE SHERIFF OF  
19 A COUNTY SHALL SERVE A SUBPOENA ISSUED UNDER THIS SUBSECTION.

20 (3) IF A PERSON FAILS TO COMPLY WITH A SUBPOENA ISSUED UNDER  
21 THIS SUBSECTION, ON PETITION OF THE BOARD, A COURT OF COMPETENT  
22 JURISDICTION MAY COMPEL COMPLIANCE WITH THE SUBPOENA.

23 9B-207.

24 (A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE BOARD MAY SET  
25 REASONABLE FEES, INCLUDING APPLICATION FEES, FOR THE ISSUANCE AND  
26 RENEWAL OF LICENSES AND ITS OTHER SERVICES.

27 (B) REVENUES GENERATED BY THE BOARD SHALL BE AT LEAST EQUAL TO  
28 EXPENSES INCURRED BY THE BOARD.

29 (C) THE BOARD SHALL PAY ALL MONEYS COLLECTED UNDER THIS TITLE INTO  
30 THE GENERAL FUND OF THE STATE.

## SUBTITLE 3. LICENSING.

2 9B-301.

3 EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, AN INDIVIDUAL SHALL BE  
4 LICENSED BY THE BOARD AS A HOME INSPECTOR BEFORE THE INDIVIDUAL  
5 ENGAGES IN THE BUSINESS OF PERFORMING HOME INSPECTIONS IN THE STATE.

6 9B-302.

7 (A) TO QUALIFY FOR A LICENSE UNDER THIS TITLE, AN APPLICANT MUST BE  
8 AN INDIVIDUAL WHO MEETS THE REQUIREMENTS OF THIS SECTION.

9 (B) AN APPLICANT FOR A HOME INSPECTOR LICENSE SHALL:

10 (1) MEET ONE OF THE FOLLOWING CONDITIONS:

11 (I) HAVE COMPLETED A MINIMUM OF 48 HOURS OF AN ON-SITE  
12 TRAINING COURSE APPROVED BY A NATIONAL HOME INSPECTION ORGANIZATION OR  
13 THE BOARD;

14 (II) HAVE COMPLETED AT LEAST 100 HOME INSPECTIONS FOR  
15 COMPENSATION;

16 (III) SUBMIT PROOF OF FULL MEMBERSHIP IN OR CERTIFICATION  
17 BY ONE OF THE FOLLOWING NATIONAL HOME INSPECTION ORGANIZATIONS:

- 18 1. AMERICAN SOCIETY OF HOME INSPECTORS;
- 19 2. NATIONAL ASSOCIATION OF HOME INSPECTORS;
- 20 3. BUILDING OFFICIAL AND CODE ADMINISTRATORS; OR
- 21 4. COUNCIL OF AMERICAN BUILDING OFFICIALS; OR

22 (IV) SATISFY THE BOARD THAT THE APPLICANT IS QUALIFIED  
23 BASED ON PROOF OF A COMBINATION OF ITEMS (I), (II), OR (III) OF THIS ITEM;

24 (2) HAVE A HIGH SCHOOL DIPLOMA OR ITS EQUIVALENT; AND

25 (3) HAVE GENERAL LIABILITY INSURANCE IN AN AMOUNT NOT LESS  
26 THAN \$50,000.

27 9B-303.

28 AN APPLICANT FOR A LICENSE SHALL:

29 (1) SUBMIT TO THE BOARD AN APPLICATION ON THE FORM THAT THE  
30 BOARD PROVIDES; AND

31 (2) PAY TO THE BOARD AN APPLICATION FEE SET BY THE BOARD.



1 9B-304.

2 (A) THE BOARD:

3 (1) SHALL REVIEW EACH APPLICATION FOR A LICENSE SUBMITTED TO  
4 IT; AND

5 (2) WITHIN 30 DAYS AFTER RECEIVING THE APPLICATION, SHALL  
6 NOTIFY EACH APPLICANT THAT THE APPLICATION IS EITHER ACCEPTED OR DENIED.

7 (B) IF AN APPLICANT QUALIFIES FOR A HOME INSPECTOR LICENSE UNDER  
8 THIS TITLE, THE BOARD SHALL SEND THE APPLICANT A NOTICE THAT STATES:

9 (1) THE APPLICANT HAS QUALIFIED FOR THE LICENSE; AND

10 (2) THE BOARD WILL ISSUE THE LICENSE TO AN APPLICANT ON RECEIPT  
11 OF:

12 (I) PROOF OF GENERAL LIABILITY INSURANCE IN AN AMOUNT NOT  
13 LESS THAN \$50,000; AND

14 (II) A LICENSE FEE ESTABLISHED BY THE BOARD.

15 (C) IF THE BOARD DENIES AN APPLICATION, THE NOTICE SENT TO THE  
16 APPLICANT MUST STATE THE REASONS FOR THE REJECTION.

17 (D) THE BOARD SHALL ISSUE A LICENSE TO EACH APPLICANT WHO MEETS  
18 THE REQUIREMENTS OF THIS SUBTITLE.

19 9B-305.

20 WHILE A HOME INSPECTOR LICENSE IS IN EFFECT, IT AUTHORIZES THE  
21 LICENSEE TO ENGAGE IN THE BUSINESS OF PERFORMING HOME INSPECTIONS.

22 9B-306.

23 (A) UNLESS A LICENSE IS RENEWED FOR A 2-YEAR TERM AS PROVIDED IN  
24 THIS SECTION, THE LICENSE EXPIRES ON THE SECOND OCTOBER 1 THAT COMES  
25 AFTER ITS EFFECTIVE DATE.

26 (B) AT LEAST 1 MONTH BEFORE A LICENSE EXPIRES, THE BOARD SHALL MAIL  
27 TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE:

28 (1) A RENEWAL APPLICATION FORM; AND

29 (2) A NOTICE THAT STATES:

30 (I) THE DATE ON WHICH THE CURRENT LICENSE EXPIRES;

1 (II) THE DATE BY WHICH THE BOARD MUST RECEIVE THE  
2 RENEWAL APPLICATION FOR THE RENEWAL TO BE ISSUED AND MAILED BEFORE THE  
3 CURRENT LICENSE EXPIRES;

4 (III) THE AMOUNT OF THE RENEWAL FEE; AND

5 (IV) THE APPLICANT MUST SUBMIT PROOF OF SUCCESSFUL  
6 COMPLETION OF CONTINUING EDUCATION CREDITS AS DETERMINED BY THE  
7 BOARD.

8 (C) BEFORE A LICENSE EXPIRES, THE LICENSEE MAY RENEW IT FOR AN  
9 ADDITIONAL 2-YEAR TERM, IF THE LICENSEE:

10 (1) OTHERWISE IS ENTITLED TO BE LICENSED;

11 (2) PAYS TO THE BOARD A RENEWAL FEE ESTABLISHED BY THE BOARD;  
12 AND

13 (3) SUBMITS:

14 (I) PROOF OF ANY CONTINUING EDUCATION REQUIREMENTS SET  
15 BY THE BOARD; AND

16 (II) A RENEWAL APPLICATION ON THE FORM THAT THE BOARD  
17 PROVIDES.

18 (D) THE BOARD SHALL RENEW THE LICENSE OF AND ISSUE A RENEWAL  
19 CERTIFICATE TO EACH LICENSEE WHO MEETS THE REQUIREMENTS OF THIS  
20 SECTION.

21 9B-307.

22 (A) THE BOARD SHALL REINSTATE THE LICENSE OF AN INDIVIDUAL WHO HAS  
23 FAILED TO RENEW THE LICENSE FOR ANY REASON IF THE INDIVIDUAL:

24 (1) APPLIES TO THE BOARD FOR REINSTATEMENT WITHIN 5 YEARS  
25 AFTER THE LICENSE EXPIRES;

26 (2) MEETS THE RENEWAL REQUIREMENTS UNDER § 9B-306 OF THIS  
27 SUBTITLE; AND

28 (3) PAYS TO THE BOARD A LATE FEE SET BY THE BOARD.

29 (B) THE BOARD MAY NOT REINSTATE THE LICENSE OF AN INDIVIDUAL WHO  
30 FOR ANY REASON FAILS TO APPLY FOR REINSTATEMENT WITHIN 5 YEARS AFTER THE  
31 LICENSE HAS EXPIRED.

32 9B-308.

33 (A) EACH LICENSEE SHALL DISPLAY THE LICENSE CERTIFICATE IN THE  
34 MANNER REQUIRED BY THE BOARD.

1 (B) A LICENSEE WHOSE ADDRESS CHANGES MUST REPORT THE CHANGE TO  
2 THE BOARD.

3 9B-309.

4 SUBJECT TO THE HEARING PROVISIONS OF § 9B-310 OF THIS SUBTITLE, THE  
5 BOARD MAY DENY A LICENSE TO ANY APPLICANT, REPRIMAND ANY LICENSEE, OR  
6 SUSPEND OR REVOKE A LICENSE IF THE APPLICANT OR LICENSEE:

7 (1) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR ATTEMPTS TO OBTAIN A  
8 LICENSE FOR THE APPLICANT OR LICENSEE OR FOR ANOTHER;

9 (2) FRAUDULENTLY OR DECEPTIVELY USES A LICENSE;

10 (3) COMMITS AN ACT OF MALPRACTICE, GROSS NEGLIGENCE, OR  
11 INCOMPETENCE IN THE PRACTICE OF HOME INSPECTIONS;

12 (4) HAS BEEN CONVICTED OR PLED GUILTY OR NOLO CONTENDERE TO A  
13 CRIME OF MORAL TURPITUDE; OR

14 (5) VIOLATES ANY PROVISION OF THIS TITLE OR ANY REGULATION ADOPTED  
15 UNDER THIS TITLE OR AIDS, ABETS, OR ASSISTS ANY PERSON IN VIOLATING ANY  
16 PROVISION OF THIS TITLE OR ANY REGULATION ADOPTED UNDER THIS TITLE.

17 9B-310.

18 (A) EXCEPT AS OTHERWISE PROVIDED IN TITLE 10 , SUBTITLE 4 OF THE STATE  
19 GOVERNMENT ARTICLE, BEFORE THE BOARD TAKES ANY FINAL ACTION UNDER §  
20 9B-309 OF THIS SUBTITLE, IT SHALL GIVE THE INDIVIDUAL AGAINST WHOM THE  
21 ACTION IS CONTEMPLATED AN OPPORTUNITY FOR A HEARING BEFORE THE BOARD.

22 (B) THE BOARD SHALL GIVE NOTICE AND HOLD THE HEARING IN  
23 ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

24 (C) THE BOARD MAY ADMINISTER OATHS IN CONNECTION WITH ANY  
25 PROCEEDING UNDER THIS SECTION.

26 (D) IF, AFTER DUE NOTICE, THE INDIVIDUAL AGAINST WHOM THE ACTION IS  
27 CONTEMPLATED FAILS OR REFUSES TO APPEAR, NEVERTHELESS THE BOARD MAY  
28 HEAR AND DETERMINE THE MATTER.

29 9B-311.

30 ANY PERSON AGGRIEVED BY A FINAL DECISION OF THE BOARD IN A  
31 CONTESTED CASE, AS DEFINED IN § 10-202 OF THE STATE GOVERNMENT ARTICLE,  
32 MAY TAKE AN APPEAL AS ALLOWED IN § 10-222 OF THE STATE GOVERNMENT  
33 ARTICLE.

1 9B-312.

2 AN APPLICATION MAY BE MADE TO THE BOARD FOR REINSTATEMENT OF A  
3 REVOKED LICENSE IF THE REVOCATION HAS BEEN IN EFFECT FOR AT LEAST 1 YEAR.

4 SUBTITLE 4. MISCELLANEOUS PROVISIONS.

5 9B-401.

6 (A) A LICENSED HOME INSPECTOR SHALL GIVE TO EACH PERSON FOR WHOM  
7 THE LICENSEE PERFORMS A HOME INSPECTION FOR COMPENSATION A WRITTEN  
8 REPORT THAT STATES:

9 (1) THE SCOPE AND THE EXCLUSIONS OF THE INSPECTION;

10 (2) THE CONDITIONS OBSERVED DURING THE HOME INSPECTION THAT  
11 ARE SUBJECT TO THE ADOPTED STANDARDS OF PRACTICE AND CODE OF ETHICS  
12 APPROVED BY THE BOARD;

13 (3) THE LICENSE NUMBER OF THE LICENSEE; AND

14 (4) A DISCLOSURE IN 14-POINT BOLD TYPE THAT INCLUDES THE  
15 FOLLOWING STATEMENTS:

16 (I) "AN INSPECTION IS INTENDED TO ASSIST IN THE EVALUATION  
17 OF THE OVERALL CONDITION OF A BUILDING. THE INSPECTION IS BASED ON  
18 OBSERVATION OF THE VISIBLE AND APPARENT CONDITION OF THE BUILDING AND  
19 ITS COMPONENTS ON THE DATE OF THE INSPECTION";

20 (II) "THE RESULTS OF THIS HOME INSPECTION ARE NOT INTENDED  
21 TO MAKE ANY REPRESENTATION REGARDING LATENT OR CONCEALED DEFECTS  
22 THAT MAY EXIST, AND NO WARRANTY OR GUARANTY IS EXPRESSED OR IMPLIED";

23 (III) "IF YOUR HOME INSPECTOR IS NOT A LICENSED SPECIALIST IN  
24 THE BUILDING PROFESSION OR OTHER PROFESSIONAL WHOSE LICENSE  
25 AUTHORIZES THE RENDERING OF AN OPINION AS TO STRUCTURAL INTEGRITY OF A  
26 BUILDING OR AN OPINION REGARDING OTHER COMPONENTS OR SYSTEMS, YOU MAY  
27 WISH TO SEEK THE PROFESSIONAL OPINION OF ONE LICENSED IN THE SPECIALTY  
28 RELATED TO THE STRUCTURAL INTEGRITY OR COMPONENTS OR SYSTEMS OF  
29 CONCERN TO YOU REGARDING ANY POSSIBLE DEFECTS OR OTHER OBSERVATIONS  
30 SET FORTH IN THIS REPORT";

31 (IV) "ONLY HOME INSPECTIONS PERFORMED BY MARYLAND  
32 LICENSED HOME INSPECTORS WILL BE RECOGNIZED BY THE SELLER AS A  
33 CONTRACTUAL VALID HOME INSPECTION"; AND

34 (V) A STATEMENT OF THE LIABILITY OF THE HOME INSPECTOR  
35 FOR ANY DAMAGES RESULTING FROM THE REPORT ON THE HOME INSPECTION.

36 (B) THE LICENSEE SHALL GIVE THE PERSON THE REPORT:

1 (1) BY THE DATE SET IN A WRITTEN AGREEMENT BY THE PARTIES TO  
2 THE HOME INSPECTION; OR

3 (2) WITHIN 7 BUSINESS DAYS AFTER THE HOME INSPECTION WAS  
4 PERFORMED, IF NO DATE WAS SET IN A WRITTEN AGREEMENT BY THE PARTIES TO  
5 THE HOME INSPECTION.

6 9B-402.

7 THE BOARD SHALL ADOPT REGULATIONS THAT ENSURE CIRCULATION TO THE  
8 GENERAL PUBLIC OF THE LICENSING REQUIREMENTS OF THIS TITLE.

9 SUBTITLE 5. CIVIL PENALTIES

10 9B-501.

11 (A) THE BOARD MAY IMPOSE ON A PERSON WHO VIOLATES THIS TITLE A CIVIL  
12 PENALTY NOT EXCEEDING \$5,000 FOR EACH VIOLATION, WHETHER OR NOT THE  
13 PERSON IS LICENSED UNDER THIS TITLE.

14 (B) IN SETTING THE AMOUNT OF A CIVIL PENALTY, THE BOARD SHALL  
15 CONSIDER:

16 (1) THE SERIOUSNESS OF THE VIOLATION;

17 (2) THE GOOD FAITH OF THE VIOLATOR;

18 (3) ANY PREVIOUS VIOLATIONS;

19 (4) THE HARMFUL EFFECT OF THE VIOLATION ON THE COMPLAINANT,  
20 THE PUBLIC, AND THE BUSINESS OF HOME INSPECTIONS;

21 (5) THE ASSETS OF THE VIOLATOR; AND

22 (6) ANY OTHER RELEVANT FACTORS.

23 SUBTITLE 6. GENERAL CRIMINAL PENALTY.

24 9B-601.

25 A PERSON WHO VIOLATES ANY PROVISION OF THIS TITLE IS GUILTY OF A  
26 MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$1,000  
27 OR IMPRISONMENT NOT EXCEEDING 6 MONTHS OR BOTH.

28 SUBTITLE 7. SHORT TITLE; TERMINATION OF TITLE.

29 9B-701.

30 THIS TITLE MAY BE CITED AS THE "MARYLAND HOME INSPECTORS ACT".

1 9B-702.

2 SUBJECT TO THE EVALUATION AND REESTABLISHMENT PROVISIONS OF THE  
3 MARYLAND PROGRAM EVALUATION ACT, THIS TITLE AND ALL REGULATIONS  
4 ADOPTED UNDER THIS TITLE SHALL TERMINATE AND BE OF NO EFFECT AFTER JULY  
5 1, 2009.

6 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial  
7 members of the State Board of Home Inspectors shall expire as follows:

- 8 (1) 2 members in 2001;
- 9 (2) 2 members in 2002;
- 10 (3) 2 members in 2003; and
- 11 (4) 1 member in 2004.

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 October 1, 1999.