
By: **Delegates Morhaim and Moe**
Introduced and read first time: January 31, 2001
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **State Commission of Real Estate Appraisers and Home Inspectors**

3 FOR the purpose of incorporating into the State Commission of Real Estate
4 Appraisers a licensing and regulatory authority for home inspectors;
5 establishing the State Commission of Real Estate Appraisers and Home
6 Inspectors; providing for home inspector members of the Commission; altering
7 certain residency requirements for members of the Commission; providing for a
8 vice chairman of the Commission; altering the qualifications of the executive
9 director and employees of the Commission; providing that a member of the
10 Commission may not be held personally liable for certain enforcement actions
11 taken by the Commission; authorizing the Commission to review and approve
12 certain training programs, keep certain records, and adopt an official seal;
13 requiring an individual to be licensed before the individual may engage in the
14 business of performing home inspections in the State; providing for certain
15 exceptions to the requirements for licensure as a home inspector; establishing
16 certain requirements for licensure as a home inspector; providing for the
17 issuance, scope, term, renewal, and reinstatement of home inspector licenses;
18 authorizing the Commission to deny a home inspector license to any applicant,
19 reprimand a home inspector licensee, or suspend or revoke a home inspector
20 license under certain circumstances; providing for certain home inspection
21 reports within a certain period of time; prohibiting certain acts; providing for
22 certain penalties; defining certain terms; repealing certain provisions relating to
23 home inspections; making technical corrections; and generally relating to the
24 licensing and regulation of home inspectors by the Commission of Real Estate
25 Appraisers and Home Inspectors.

26 BY repealing and reenacting, with amendments,
27 Article - Business Occupations and Professions
28 Section 16-101; 16-201, 16-202, 16-203, 16-204, 16-205, 16-207, 16-208,
29 16-209, 16-210, 16-211, 16-212, 16-213, 16-214, 16-216, and 16-220 to
30 be under the amended subtitle "Subtitle 2. State Commission of Real
31 Estate Appraisers and Home Inspectors"; 16-601, 16-602, 16-701, 16-702,
32 16-703, and 16-801 to be under the amended title "Title 16. Real Estate
33 Appraisers and Home Inspectors"
34 Annotated Code of Maryland

1 (2000 Replacement Volume and 2000 Supplement)

2 BY repealing and reenacting, without amendments,
3 Article - Business Occupations and Professions
4 Section 16-206, 16-215, 16-217, 16-218, and 16-219; 16-301 to be under the
5 amended subtitle "Subtitle 3. Licensing of Real Estate Appraisers"; 16-401
6 to be under the amended subtitle "Subtitle 4. Miscellaneous Provisions for
7 Real Estate Appraisers"; 16-501 to be under the amended subtitle
8 "Subtitle 5. Certification of Real Estate Appraisers"; 16-704, 16-705,
9 16-706, and 16-802
10 Annotated Code of Maryland
11 (2000 Replacement Volume and 2000 Supplement)

12 BY adding to
13 Article - Business Occupations and Professions
14 Section 16-210.1; 16-3A-01 through 16-3A-08 to be under the new subtitle
15 "Subtitle 3A. Licensing of Home Inspectors"; 16-4A-01 through 16-4A-03
16 to be under the new subtitle "Subtitle 4A. Miscellaneous Provisions for
17 Home Inspectors"; 16-701.1, 16-703.1, 16-705.1, and 16-707
18 Annotated Code of Maryland
19 (2000 Replacement Volume and 2000 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article - Business Regulation
22 Section 2-108(a)(25)
23 Annotated Code of Maryland
24 (1998 Replacement Volume and 2000 Supplement)

25 BY repealing
26 Article - Real Property
27 Section 10-801 and the subtitle "Subtitle 8. Home Inspections"
28 Annotated Code of Maryland
29 (1996 Replacement Volume and 2000 Supplement)

30 BY repealing and reenacting, with amendments,
31 Article - State Government
32 Section 8-403(b)(58)
33 Annotated Code of Maryland
34 (1999 Replacement Volume and 2000 Supplement)

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

Article - Business Occupations and Professions

Title 16. Real Estate Appraisers AND HOME INSPECTORS.

16-101.

(a) In this title the following words have the meanings indicated.

(b) (1) "Appraisal" means an analysis, conclusion, or opinion about the nature, quality, utility, or value of interests in or aspects of identified real estate.

(2) "Appraisal" includes:

(i) a valuation appraisal;

(ii) an analysis assignment; and

(iii) a review assignment.

(3) "Appraisal" does not include an opinion to a potential seller or third party by a person licensed under Title 17 of this article about the recommended listing price or recommended purchase price of real estate, provided that the opinion is not referred to as an appraisal.

(c) "Appraisal report" means any communication, oral or written, of an appraisal.

(d) (1) "Certificate" means, unless the context requires otherwise, a certificate issued by the Commission that allows an individual to provide certified real estate appraisal services.

(2) "Certificate" includes, unless the context requires otherwise, each of the following certificates:

(i) a certificate to provide certified real estate appraisal services for general real estate; and

(ii) a certificate to provide certified real estate appraisal services for residential real estate.

(e) "Certified appraisal report" means an appraisal report prepared and signed by a certified real estate appraiser.

(f) (1) "Certified real estate appraiser" means, unless the context requires otherwise, an individual who is certified by the Commission to provide certified real estate appraisal services.

(2) "Certified real estate appraiser" includes:

(i) a certified real estate appraiser for general real estate; and

1 (ii) a certified real estate appraiser for residential real estate.

2 (g) "Commission" means the State Commission of Real Estate Appraisers AND
3 HOME INSPECTORS.

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

10 (I) "HOME INSPECTOR" MEANS AN INDIVIDUAL WHO ENGAGES IN THE
11 BUSINESS OF PERFORMING HOME INSPECTIONS FOR COMPENSATION.

12 [(h)] (J) "License" means, unless the context requires otherwise, a license
13 issued by the Commission to provide real estate appraisal services.

14 (K) "LICENSED HOME INSPECTOR" MEANS AN INDIVIDUAL WHO IS LICENSED
15 BY THE COMMISSION TO ENGAGE IN THE BUSINESS OF PERFORMING HOME
16 INSPECTIONS.

17 [(i)] (L) "Licensed real estate appraiser" means an individual who is licensed
18 by the Commission to provide real estate appraisal services.

19 [(j)] (M) "Provide certified real estate appraisal services" means to provide
20 real estate appraisal services as a certified real estate appraiser.

21 [(k)] (N) "Provide real estate appraisal services" means to make for
22 consideration an appraisal of real estate or prepare or sign an appraisal report in
23 connection with a federally related transaction, as defined in the federal Financial
24 Institutions Reform, Recovery, and Enforcement Act of 1989.

25 [(l)] (O) (1) "Real estate" means any interest in real property that is located
26 in the State or elsewhere.

27 (2) "Real estate" includes:

28 (i) an interest in a condominium; and

29 (ii) a time-share estate or a time-share license, as those terms are
30 defined in § 11A-101 of the Real Property Article.

31 [(m)] (P) "Real estate appraiser trainee" means an individual who is licensed
32 by the Commission to provide real estate appraisal services while:

33 (1) under the supervision of a supervising appraiser; and

34 (2) in training to become a licensed real estate appraiser or certified real
35 estate appraiser.

1 [(n)] (Q) "Supervising appraiser" means a licensed real estate appraiser or a
2 certified real estate appraiser who has the responsibility of supervising one or more
3 real estate appraiser trainees.

4 [(o)] (R) (1) "Supervision" means the responsibility of a supervising
5 appraiser to provide on-site direction or immediately available direction, through
6 written instructions or by electronic means, to real estate appraiser trainees
7 performing real estate appraisal services.

8 (2) "Supervision" includes a supervising appraiser accepting direct
9 responsibility for a real estate appraisal prepared by the real estate appraiser trainee
10 while the trainee is under the supervising appraiser's direction on a specific appraisal
11 assignment.

12 Subtitle 2. State Commission of Real Estate Appraisers AND HOME INSPECTORS.

13 16-201.

14 There is a State Commission of Real Estate Appraisers AND HOME INSPECTORS
15 in the Department.

16 16-202.

17 (a) (1) The Commission consists of [9] 15 members.

18 (2) Of the [9] 15 members of the Commission:

19 (i) 2 shall be certified general real estate appraisers;

20 (ii) 1 shall be a certified residential real estate appraiser;

21 (iii) 1 shall be a licensed real estate appraiser;

22 (iv) 2 shall be representatives of a financial institution who are not
23 certified or licensed real estate appraisers OR HOME INSPECTORS; [and]

24 (V) 1 SHALL BE A LICENSED HOME INSPECTOR WHO IS A MEMBER
25 OF THE AMERICAN SOCIETY OF HOME INSPECTORS (ASHI);

26 (VI) 1 SHALL BE A LICENSED HOME INSPECTOR WHO IS A MEMBER
27 OF THE NATIONAL ASSOCIATION OF HOME INSPECTORS;

28 (VII) 2 SHALL BE LICENSED HOME INSPECTORS WITHOUT REGARD
29 TO AFFILIATION WITH OR MEMBERSHIP IN ANY SOCIETY OR ASSOCIATION; AND

30 [(v)] (VIII) [3] 5 shall be consumer members.

31 (3) Of the [9] 15 members of the Commission:

32 (i) [4] 10 shall be at large members;

1 (II) THE 4 APPRAISER MEMBERS AND 1 NONAPPRAISER MEMBER
2 SHALL BE APPOINTED AS FOLLOWS:

3 [(ii)] 1. 1 shall be a resident of any county in the area that consists
4 of Caroline, Cecil, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico, and
5 Worcester counties;

6 [(iii)] 2. 1 shall be a resident of any county in the area that consists
7 of Baltimore, Carroll, Harford, and Howard counties;

8 [(iv)] 3. 1 shall be a resident of Baltimore City;

9 [(v)] 4. 1 shall be a resident of any county in the area that consists
10 of Anne Arundel, Calvert, Charles, Prince George's, and St. Mary's counties; and

11 [(vi)] 5. 1 shall be a resident of any county in the area that consists
12 of Allegany, Frederick, Garrett, Montgomery, and Washington counties.

13 (4) [(i)] The Governor shall appoint the members with the advice of the
14 Secretary and with the advice and consent of the Senate.

15 [(ii)] The Governor may not appoint more than 2 members from any
16 1 region specified in paragraph (3) of this subsection.]

17 (b) Each member of the Commission shall be a citizen of the State.

18 (c) Each real estate appraiser member of the Commission:

19 (1) shall have been a resident of any of the counties in the area from
20 which the member is appointed for at least 5 years immediately before appointment;
21 or

22 (2) if an at large member, shall have been a resident of the State for at
23 least 5 years immediately before appointment.

24 (d) (1) Each consumer member of the Commission:

25 (i) shall be a member of the general public;

26 (ii) may not be a licensee, holder of a certificate, or otherwise be
27 subject to regulation by the Commission;

28 (iii) may not be required to meet the qualifications for the
29 professional members of the Commission; and

30 (iv) may not, within 1 year before appointment, have had a financial
31 interest in or have received compensation from a person regulated by the
32 Commission.

33 (2) While a member of the Commission, a consumer member may not:

1 (i) have a financial interest in or receive compensation from a
2 person regulated by the Commission; or

3 (ii) grade any examination given by or for the Commission.

4 (e) Before taking office, each appointee to the Commission shall take the oath
5 required by Article I, § 9 of the Maryland Constitution.

6 (f) (1) The term of a member is 3 years.

7 (2) The terms of members are staggered as required by the terms
8 provided for members of the Commission on January 1, 1991.

9 (3) At the end of a term, a member continues to serve until a successor is
10 appointed and qualifies.

11 (4) A member who is appointed after a term has begun serves only for
12 the rest of the term and until a successor is appointed and qualifies.

13 (5) A member may not serve for more than 2 consecutive 3-year terms.

14 (g) The Governor may remove a member for incompetence or misconduct.

15 16-203.

16 (a) (1) From among its members, the Commission annually shall elect a
17 chairman AND A VICE CHAIRMAN, PROVIDED:

18 (I) IF A CHAIR IS ELECTED FROM AMONG THE REAL ESTATE
19 APPRAISER MEMBERS, THEN THE VICE CHAIRMAN SHALL BE ELECTED FROM AMONG
20 THE LICENSED HOME INSPECTOR MEMBERS; AND

21 (II) IF A CHAIR IS ELECTED FROM AMONG THE LICENSED HOME
22 INSPECTOR MEMBERS, THEN THE VICE CHAIRMAN SHALL BE ELECTED FROM
23 AMONG THE REAL ESTATE APPRAISER MEMBERS.

24 (2) At the end of a term, the chairman AND VICE CHAIRMAN may be
25 reelected.

26 (b) The chairman shall perform the duties that this title and the Commission
27 require.

28 (c) While in office, the chairman shall be covered by a surety bond in the form
29 and amount required by law.

30 16-204.

31 (a) [(1) Subject to paragraph (2) of this subsection, 5] A MAJORITY of the
32 members [of] THEN SERVING ON the Commission [are] IS a quorum.

33 [(2) At least 2 of the 5 members shall be real estate appraiser members.]

1 (b) (1) The Commission shall meet at least once each calendar quarter, at
2 the times and places that the Commission determines.

3 (2) Each member of the Commission shall receive written notice of the
4 time and place of a meeting at least 10 days before the scheduled date of the meeting.

5 (3) Within a reasonable time after giving notice to the Commission, a
6 member of the public is entitled to be heard, at a meeting of the Commission, on any
7 matter within the jurisdiction of the Commission.

8 (c) Each member of the Commission is entitled to:

9 (1) compensation in accordance with the State budget; and

10 (2) reimbursement for expenses under the Standard State Travel
11 Regulations, as provided in the State budget.

12 16-205.

13 (a) (1) The Secretary shall appoint the executive director of the Commission
14 from a list of 3 nominees submitted by the Commission.

15 (2) The executive director serves at the pleasure of the Secretary.

16 (b) The executive director shall possess a broad knowledge of generally
17 accepted practices in the real estate appraisal business in the State.

18 (c) (1) [The executive director shall devote full time to the duties of office.

19 (2)] The executive director may not hold any position or engage in
20 another business that:

21 (i) interferes with the position of executive director; or

22 (ii) might conflict with the position of executive director.

23 [(3)] (2) While employed by the Commission, the executive director may
24 not:

25 (i) be licensed in any state as a real estate appraiser OR A HOME
26 INSPECTOR;

27 (ii) engage in any act for which a license is required under this title;
28 or

29 (iii) in connection with any real estate appraisal transaction OR
30 HOME INSPECTION ENGAGEMENT, directly or indirectly receive or become entitled to
31 receive any compensation, fee, or perquisite.

32 (d) The executive director is entitled to:

1 (1) compensation in accordance with the State budget; and

2 (2) reimbursement for expenses under the Standard State Travel
3 Regulations, as provided in the State budget.

4 (e) The executive director is a special appointment in the State Personnel
5 Management System.

6 (f) While employed as executive director, the executive director shall be
7 covered by a surety bond in the form and amount required by law.

8 16-206.

9 The executive director shall:

10 (1) keep a record of each act, communication, and proceeding of the
11 Commission; and

12 (2) perform any other duty that the Commission considers appropriate.
13 16-207.

14 (a) The Commission, in accordance with the State budget, may employ:

15 (1) a general staff; and

16 (2) an investigative staff to conduct investigations.

17 (b) While employed by the Commission, an individual may not:

18 (1) be licensed in any state as a real estate appraiser OR HOME
19 INSPECTOR;

20 (2) engage in any act for which a license is required under this title; or

21 (3) in connection with any real estate appraisal transaction OR HOME
22 INSPECTION ENGAGEMENT, directly or indirectly receive or become entitled to receive
23 any compensation, fee, or perquisite.

24 16-208.

25 (a) To protect the interests of the public, the Commission shall promptly
26 adopt, by regulation[,]:

27 (1) appraisal standards of conduct for all individuals licensed or certified
28 AS REAL ESTATE APPRAISERS under this title, including standards regarding conflicts
29 of interest and ethical conduct; AND

30 (2) A CODE OF ETHICS AND STANDARDS OF PRACTICE FOR INDIVIDUALS
31 LICENSED AS HOME INSPECTORS UNDER THIS TITLE.

1 (b) The Commission shall promptly adopt at a minimum the uniform
2 standards of professional appraisal practice of the appraisal foundation to meet the
3 requirement under subsection (a) of this section.

4 (c) At least once every 2 years, the Commission shall provide a copy of the
5 appraisal standards it adopts to each licensed real estate appraiser AND A COPY OF
6 HOME INSPECTION STANDARDS IT ADOPTS TO EACH LICENSED HOME INSPECTOR.

7 16-209.

8 (a) (1) The Commission shall administer and enforce the provisions of this
9 title.

10 (2) In connection with any action to enforce the provisions of this title,
11 the Commission may:

12 (i) hold hearings;

13 (ii) administer oaths;

14 (iii) issue a subpoena for the attendance of a witness to testify or the
15 production of evidence; or

16 (iv) take depositions, in the same manner and with the same fees
17 and compensation for mileage as provided in civil cases in the State.

18 (3) The Police Department of Baltimore City, the sheriff of a county, or a
19 private process server shall serve a subpoena issued under this subsection.

20 (4) If a person fails to comply with a subpoena issued under this
21 subsection, on petition of the Commission or another party, a circuit court may compel
22 compliance with the subpoena.

23 (b) (1) If the Commission concludes that conduct alleged to be a violation of
24 any provision of this title may result in irreparable harm to a person, the Commission
25 may sue to enforce a provision of this title by ex parte, interlocutory, or final
26 injunction.

27 (2) In seeking an injunction under this subsection, the Commission is not
28 required to:

29 (i) post bond, if the injunction is sought against a person who does
30 not hold a license issued under this title; [or]

31 (ii) allege or prove that an adequate remedy at law does not exist;
32 OR

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

1 (c) (1) Subject to the provisions of this section, the Commission shall
2 conduct an investigation that relates to any complaint alleging that an unauthorized
3 person has provided real estate appraisal services OR ENGAGED IN THE BUSINESS OF
4 PERFORMING HOME INSPECTIONS.

5 (2) A complaint shall:

6 (i) be in writing;

7 (ii) state specifically the facts on which the complaint is based; and

8 (iii) be submitted to the Commission.

9 (3) If a complaint is made by any person other than a member of the
10 Commission, the complaint shall be made under oath by the person who submits the
11 complaint.

12 (D) A MEMBER OF THE COMMISSION MAY NOT BE HELD PERSONALLY LIABLE
13 FOR ANY ACTION TAKEN UNDER THIS SECTION.

14 16-210.

15 (a) The Commission shall establish a Real Estate Appraisal Hearing Board.

16 (b) (1) The Hearing Board shall consist of 3 members of the Commission,
17 appointed by the Commission.

18 (2) Of the 3 positions on the REAL ESTATE APPRAISER Hearing Board:

19 (i) 1 shall be a representative of a financial institution;

20 (ii) 1 shall be a consumer member; and

21 (iii) 1 shall be an appraiser with a level of licensure or certification
22 at least equal to the individual subject to the disciplinary action.

23 (c) From among the members of the Hearing Board, the Commission shall
24 designate a chairman.

25 16-210.1.

26 (A) THE COMMISSION SHALL ESTABLISH A HOME INSPECTOR HEARING
27 BOARD.

28 (B) (1) THE HEARING BOARD SHALL CONSIST OF 3 MEMBERS OF THE
29 COMMISSION, APPOINTED BY THE COMMISSION.

30 (2) OF THE 3 POSITIONS ON THE HOME INSPECTOR HEARING BOARD:

31 (I) 2 SHALL BE LICENSED HOME INSPECTORS; AND

1 (II) 1 SHALL BE A CONSUMER MEMBER.

2 (C) FROM AMONG THE MEMBERS OF THE HEARING BOARD, THE COMMISSION
3 SHALL DESIGNATE A CHAIRMAN.

4 16-211.

5 (a) The Commission shall refer to the Hearing Board for a hearing any matter
6 for which a hearing may be required under [§ 16-701] § 16-701 OR § 16-701.1 of this
7 title.

8 (b) The Hearing Board may exercise the same powers and shall conduct a
9 hearing in accordance with the same procedures applicable to the Commission under
10 § 16-602 of this title.

11 (c) (1) The Hearing Board shall determine if there is a reasonable basis to
12 believe that there are grounds for disciplinary action under this title against a
13 licensee.

14 (2) (i) If the Hearing Board finds a reasonable basis as provided under
15 paragraph (1) of this subsection, the Hearing Board shall:

- 16 1. hold a hearing on the matter; and
17 2. file its finding with the Commission.

18 (ii) If the Hearing Board does not find a reasonable basis as
19 provided under paragraph (1) of this subsection, the Hearing Board shall dismiss the
20 complaint.

21 (3) A Hearing Board shall advise the Commission specifically of any
22 action brought against a licensee as a result of monetary loss, misappropriation of
23 money, or fraud.

24 (d) (1) (i) Within 15 days after the filing of a decision by a Hearing Board,
25 the Commission or any of its members may file an exception to the decision of the
26 Hearing Board.

27 (ii) On the filing of an exception under subparagraph (i) of this
28 paragraph, the Commission shall set a hearing on the matter.

29 (2) If an exception is not filed within the time allowed under paragraph
30 (1)(i) of this subsection:

31 (i) the decision of the Hearing Board shall be considered as the
32 final decision of the Commission; and

33 (ii) any party aggrieved by the decision may take a judicial appeal
34 as provided in this title.

1 16-212.

2 (a) The Commission shall keep an indexed record of:

3 (1) each application for licensure or certification;

4 (2) each issuance of a license or certificate;

5 (3) each reprimand of a licensed real estate appraiser or certified real
6 estate appraiser OR HOME INSPECTOR; and

7 (4) each suspension or revocation of a licensed real estate appraiser or
8 certified real estate appraiser OR HOME INSPECTOR.

9 (b) The Commission shall make available to the public:

10 (1) the record during business hours; and

11 (2) on request, a copy of the record at a reasonable price that the
12 Commission sets.

13 16-213.

14 (a) The Commission shall issue at least annually a roster that shows:

15 (1) the name of each licensed real estate appraiser [and], certified real
16 estate appraiser, AND HOME INSPECTOR; and

17 (2) the name and place of business of each licensed real estate appraiser
18 [and], certified real estate appraiser, AND HOME INSPECTOR.

19 (b) On request, the Commission shall make available to the public a copy of
20 the roster at a reasonable price that the Commission sets.

21 16-214.

22 On request, the Commission shall issue a document of good standing to a
23 licensed real estate appraiser [or], certified real estate appraiser, OR LICENSED
24 HOME INSPECTOR who:

25 (1) is in good standing in the State; and

26 (2) pays the issuance fee set by the Commission.

27 16-215.

28 The Commission shall submit to the Secretary an annual report that includes:

29 (1) a statement of the total receipts and expenditures of the Commission;
30 and

1 (2) any other information that reflects the work of the Commission.
2 16-216.

3 In addition to any powers set forth elsewhere, the Commission may:

4 (1) sponsor research and other educational activities about real estate
5 appraising OR HOME INSPECTING; [and]

6 (2) adopt any regulation to carry out the provisions of this title;

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

10 (4) KEEP A RECORD OF ITS PROCEEDINGS; AND

11 (5) ADOPT AN OFFICIAL SEAL TO AUTHENTICATE ITS PROCEEDINGS,
12 OFFICIAL RECORDS, LICENSES, AND CERTIFICATES.

13 16-217.

14 Except as otherwise provided by law, the Commission shall pay all money
15 collected under this title into the General Fund of the State.

16 16-218.

17 Any person aggrieved by a final decision of the Commission in a contested case,
18 as defined in § 10-202 of the State Government Article, may take an appeal as
19 allowed in §§ 10-222 and 10-223 of the State Government Article.

20 16-219.

21 The Commission exercises its powers, duties, and functions subject to the
22 authority of the Secretary.

23 16-220.

24 All regulations adopted under this title by the Commission APPLICABLE TO THE
25 PROVISION OF REAL ESTATE APPRAISAL SERVICES shall comply with the
26 requirements of the federal Financial Institutions Reform, Recovery, and
27 Enforcement Act of 1989.

28 Subtitle 3. Licensing OF REAL ESTATE APPRAISERS.

29 16-301.

30 (a) After June 30, 1991, and except as otherwise provided in this title, an
31 individual shall be licensed by the Commission to provide real estate appraisal
32 services before the individual may provide real estate appraisal services in the State.

1 (b) This section does not apply to an individual who provides real estate
2 appraisal services that are only incidental real estate appraisal services, including
3 home inspectors and environmental auditors.

4 (c) In addition to subsection (b) of this section, this section does not apply to
5 an individual who provides real estate appraisal services that the Commission
6 defines by regulation to be only incidental real estate appraisal services.

7 (d) This section does not apply to an individual who is licensed to practice any
8 business or occupation in the State while acting within the scope of the license.

9 SUBTITLE 3A. LICENSING OF HOME INSPECTORS.

10 16-3A-01.

11 (A) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, AN INDIVIDUAL SHALL
12 BE LICENSED BY THE COMMISSION AS A HOME INSPECTOR BEFORE THE INDIVIDUAL
13 MAY ENGAGE IN THE BUSINESS OF PERFORMING HOME INSPECTIONS IN THE STATE.

14 (B) THIS TITLE DOES NOT APPLY TO:

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

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

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

24 (4) A ROOFER, GENERAL CONTRACTOR, REMODELER, OR STRUCTURAL
25 PEST CONTROL SPECIALIST, WHILE ACTING WITHIN THE SCOPE OF THAT
26 OCCUPATION; OR

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

30 16-3A-02.

31 (A) TO QUALIFY FOR A LICENSE AS A HOME INSPECTOR, AN APPLICANT MUST
32 BE AN INDIVIDUAL WHO MEETS THE REQUIREMENTS OF THIS SECTION.

33 (B) PRIOR TO JULY 1, 2002, AN APPLICANT FOR A HOME INSPECTOR LICENSE
34 SHALL:

35 (1) MEET ONE OF THE FOLLOWING CONDITIONS:

1 (I) HAVE COMPLETED A MINIMUM OF 48 HOURS OF AN ON-SITE
2 TRAINING COURSE APPROVED BY A NATIONAL HOME INSPECTION ORGANIZATION OR
3 THE COMMISSION;

4 (II) HAVE COMPLETED AT LEAST 100 HOME INSPECTIONS FOR
5 COMPENSATION; OR

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

8 1. AMERICAN SOCIETY OF HOME INSPECTORS; OR

9 2. NATIONAL ASSOCIATION OF HOME INSPECTORS;

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

11 (3) HAVE GENERAL LIABILITY INSURANCE IN AN AMOUNT NOT LESS
12 THAN \$50,000;

13 (4) SUBMIT TO THE COMMISSION AN APPLICATION ON THE FORM THAT
14 THE COMMISSION PROVIDES; AND

15 (5) PAY TO THE COMMISSION AN APPLICATION FEE OF \$50.

16 16-3A-03.

17 EFFECTIVE JULY 1, 2002, AN APPLICANT FOR A HOME INSPECTOR LICENSE
18 SHALL:

19 (1) HAVE COMPLETED A MINIMUM OF 48 HOURS OF AN OFF-SITE
20 TRAINING COURSE APPROVED BY A NATIONAL HOME INSPECTION ORGANIZATION OR
21 THE COMMISSION;

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

23 (3) HAVE GENERAL LIABILITY INSURANCE IN AN AMOUNT NOT LESS
24 THAN \$50,000;

25 (4) SUBMIT TO THE COMMISSION AN APPLICATION ON THE FORM THAT
26 THE COMMISSION PROVIDES; AND

27 (5) PAY TO THE COMMISSION AN APPLICATION FEE OF \$50.

28 16-3A-04.

29 (A) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, SUBJECT TO
30 THE LICENSING PROVISIONS OF THIS SECTION, THE COMMISSION MAY ISSUE A
31 LICENSE BY RECIPROCITY UNDER THIS SECTION FOR AN APPLICANT WHO IS
32 LICENSED TO PERFORM HOME INSPECTIONS IN ANOTHER STATE.

1 (B) THE COMMISSION MAY ISSUE A LICENSE BY RECIPROCITY UNDER THIS
2 SECTION FOR AN APPLICANT WHO IS LICENSED TO PERFORM HOME INSPECTIONS IN
3 ANOTHER STATE ONLY IF THE APPLICANT:

4 (1) PAYS TO THE COMMISSION AN APPLICATION FEE AS SET BY THE
5 COMMISSION; AND

6 (2) PROVIDES ADEQUATE EVIDENCE THAT THE APPLICANT:

7 (I) MEETS THE QUALIFICATIONS OTHERWISE REQUIRED BY THIS
8 SUBTITLE;

9 (II) HOLDS AN ACTIVE LICENSE IN GOOD STANDING FROM THE
10 OTHER STATE;

11 (IV) BECAME LICENSED IN THE OTHER STATE AFTER MEETING, IN
12 THAT OR ANOTHER STATE, REQUIREMENTS THAT WERE AT LEAST EQUIVALENT TO
13 THOSE THEN REQUIRED BY THE LAWS OF THIS STATE; OR

14 (V) AT THE TIME OF THE APPLICATION FOR A LICENSE BY
15 RECIPROCITY UNDER THIS SECTION, THE APPLICANT MEETS THE REQUIREMENTS
16 CURRENTLY REQUIRED BY THE LAWS OF THIS STATE.

17 (C) SUBJECT TO THE LICENSING PROVISIONS IN THIS SECTION, THE
18 COMMISSION MAY ISSUE A LICENSE BY RECIPROCITY TO ENGAGE IN THE BUSINESS
19 OF PERFORMING HOME INSPECTIONS TO AN INDIVIDUAL WHO SATISFIES TO THE
20 COMMISSION THAT THE APPLICANT IS QUALIFIED BASED ON A COMBINATION OF
21 COMPARABLE EDUCATION, TRAINING, AND EXPERIENCE IN PERFORMING HOME
22 INSPECTIONS.

23 16-3A-05.

24 IF AN APPLICANT QUALIFIES FOR A HOME INSPECTOR LICENSE UNDER THIS
25 TITLE, THE COMMISSION SHALL SEND THE APPLICANT A NOTICE THAT STATES:

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

27 (2) THE COMMISSION WILL ISSUE THE HOME INSPECTOR LICENSE TO
28 AN APPLICANT UPON RECEIPT OF:

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

31 (II) A LICENSE FEE OF \$400.

32 16-3A-06.

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

1 16-3A-07.

2 (A) UNLESS A LICENSE IS RENEWED FOR A 2-YEAR TERM AS PROVIDED IN
3 THIS SECTION, THE LICENSE EXPIRES ON A STAGGERED BASIS AS DETERMINED BY
4 THE SECRETARY.

5 (B) AT LEAST 1 MONTH BEFORE A LICENSE EXPIRES, THE COMMISSION SHALL
6 MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE:

7 (1) A RENEWAL APPLICATION FORM; AND

8 (2) A NOTICE THAT STATES:

9 (I) THE DATE ON WHICH THE CURRENT LICENSE EXPIRES; AND

10 (II) THE AMOUNT OF THE RENEWAL FEE.

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

13 (1) OTHERWISE IS ENTITLED TO BE LICENSED;

14 (2) PAYS TO THE COMMISSION A RENEWAL FEE OF \$400; AND

15 (3) SUBMITS:

16 (I) A RENEWAL APPLICATION ON THE FORM THAT THE
17 COMMISSION PROVIDES; AND

18 (II) PAYMENT OF THE RENEWAL FEE OF \$400.

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

21 16-3A-08.

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

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

26 (2) MEETS THE RENEWAL REQUIREMENTS UNDER § 16-3A-07 OF THIS
27 SUBTITLE; AND

28 (3) IN ADDITION TO THE RENEWAL FEE REQUIRED UNDER § 16-3A-07 OF
29 THIS SUBTITLE, PAYS TO THE COMMISSION A REINSTATEMENT FEE OF \$50.

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

1 Subtitle 4. Miscellaneous [Licensing] Provisions FOR REAL ESTATE APPRAISERS.

2 16-401.

3 (a) Subject to the provisions of subsection (b) of this section, a licensed real
4 estate appraiser shall keep, for 5 years from the date of delivery to the client, the
5 original or a copy of:

6 (1) each contract the licensee enters into for the provision of real estate
7 appraisal services;

8 (2) each appraisal report the licensee prepares or signs; and

9 (3) all supporting data that the licensee assembles or formulates to
10 prepare an appraisal report.

11 (b) If, within the 5-year period for the retention of records, a licensed real
12 estate appraiser is given notice that an appraisal or appraisal report is involved in
13 litigation, a new 5-year period shall start on the date of the final disposition of the
14 litigation.

15 (c) On request, a licensed real estate appraiser shall make any record
16 required to be kept under this section available to the Commission to inspect or copy.

17 SUBTITLE 4A. MISCELLANEOUS PROVISIONS FOR HOME INSPECTORS.

18 16-4A-01.

19 (A) A LICENSED HOME INSPECTOR SHALL GIVE TO EACH PERSON FOR WHOM
20 THE LICENSEE PERFORMS A HOME INSPECTION FOR COMPENSATION A WRITTEN
21 REPORT THAT STATES:

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

23 (2) THE CONDITIONS OBSERVED DURING THE HOME INSPECTION THAT
24 ARE SUBJECT TO THE ADOPTED STANDARDS OF PRACTICE AND CODE OF ETHICS
25 APPROVED BY THE COMMISSION;

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

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

29 (I) "AN INSPECTION IS INTENDED TO ASSIST IN THE EVALUATION
30 OF THE OVERALL CONDITION OF A BUILDING. THE INSPECTION IS BASED ON
31 OBSERVATION OF THE VISIBLE AND APPARENT CONDITION OF THE BUILDING AND
32 ITS COMPONENTS ON THE DATE OF THE INSPECTION";

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

4 (III) "IF YOUR HOME INSPECTOR IS NOT A LICENSED SPECIALIST IN
5 THE BUILDING PROFESSION OR OTHER PROFESSIONAL WHOSE LICENSE
6 AUTHORIZES THE RENDERING OF AN OPINION AS TO STRUCTURAL INTEGRITY OF A
7 BUILDING OR AN OPINION REGARDING OTHER COMPONENTS OR SYSTEMS, YOU MAY
8 WISH TO SEEK THE PROFESSIONAL OPINION OF ONE LICENSED IN THE SPECIALTY
9 RELATED TO THE STRUCTURAL INTEGRITY OR COMPONENTS OR SYSTEMS OF
10 CONCERN TO YOU REGARDING ANY POSSIBLE DEFECTS OR OTHER OBSERVATIONS
11 SET FORTH IN THIS REPORT";

12 (IV) "ONLY HOME INSPECTIONS PERFORMED BY MARYLAND
13 LICENSED HOME INSPECTORS WILL BE RECOGNIZED BY THE BUYER AS A
14 CONTRACTUAL VALID HOME INSPECTION"; AND

15 (5) THE LIABILITY OF THE HOME INSPECTOR FOR ANY DAMAGES
16 RESULTING FROM THE REPORT ON THE HOME INSPECTION.

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

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

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

23 16-4A-02.

24 EACH LICENSEE SHALL DISPLAY THE LICENSE CERTIFICATE IN THE MANNER
25 REQUIRED BY THE COMMISSION.

26 16-4A-03.

27 A LICENSEE MUST REPORT ANY CHANGE OF ADDRESS TO THE COMMISSION IN
28 WRITING WITHIN 15 DAYS.

29 Subtitle 5. Certification OF REAL ESTATE APPRAISERS.

30 16-501.

31 (a) After June 30, 1991, and except as otherwise provided in this title, an
32 individual shall be certified by the Commission to provide certified real estate
33 appraisal services before the individual may provide certified real estate appraisal
34 services in the State.

35 (b) Notwithstanding subsection (a) of this section, a licensed real estate
36 appraiser who is not certified may:

1 (1) help a certified real estate appraiser to prepare a certified appraisal
2 report; and

3 (2) cosign the report.

4 16-601.

5 (a) Subject to the provisions of this section, the Commission shall start
6 proceedings under [§ 16-701] § 16-701 OR § 16-701.1 of this title on a complaint made
7 to the Commission by any person.

8 (b) (1) A complaint shall:

9 (i) be in writing; and

10 (ii) state specifically the facts on which the complaint is based.

11 (2) If a complaint is made by any person other than the Commission, the
12 complaint shall be made under oath by the person who submits the complaint.

13 (3) A complaint may be accompanied by documentary or other evidence.

14 (c) The Commission shall investigate each complaint submitted to the
15 Commission if the complaint:

16 (1) alleges facts that establish a prima facie case that is grounds for
17 disciplinary action under [§ 16-701] § 16-701 OR § 16-701.1 of this title; and

18 (2) meets the requirements of this section.

19 (d) (1) On conclusion of the investigation, the Commission shall determine if
20 there is a reasonable basis to believe that there are grounds for disciplinary action
21 under [§ 16-701] § 16-701 OR § 16-701.1 of this title against an applicant or licensee.

22 (2) (i) If the Commission finds a reasonable basis as provided under
23 paragraph (1) of this subsection, the Commission shall act on the complaint as
24 provided under § 16-602 of this subtitle.

25 (ii) If the Commission does not find a reasonable basis as provided
26 under paragraph (1) of this subsection, the Commission shall dismiss the complaint.

27 16-602.

28 (a) Except as otherwise provided in § 10-226 of the State Government Article,
29 before the Commission takes any final action under [§ 16-701] § 16-701 OR § 16-701.1
30 of this title, it shall give the individual against whom the action is contemplated an
31 opportunity for a hearing before:

32 (1) the Commission; or

33 (2) the Hearing Board for proceedings under § 16-211 of this title.

1 (b) The Commission shall give notice and hold the hearing in accordance with
2 Title 10, Subtitle 2 of the State Government Article.

3 (c) The Commission may administer oaths in connection with any proceeding
4 under this section.

5 (d) The hearing notice to be given to the individual shall be sent by certified
6 mail to the last known address of the individual at least 10 days before the hearing.

7 (e) The individual may be represented at the hearing by counsel.

8 (f) (1) The Commission may issue subpoenas in connection with any
9 proceeding under this section.

10 (2) If a person fails to comply with a subpoena issued under this
11 subsection, on petition of the Commission, a circuit court may compel compliance with
12 the subpoena.

13 (g) If, after due notice, the individual against whom the action is
14 contemplated fails or refuses to appear, nevertheless the Commission may hear and
15 determine the matter.

16 16-701.

17 (a) Subject to the hearing provisions of § 16-602 of this title, the Commission
18 may deny a REAL ESTATE APPRAISAL license to any applicant, deny a certificate to
19 any applicant, reprimand any REAL ESTATE APPRAISER licensee, reprimand any
20 certificate holder, suspend or revoke a REAL ESTATE APPRAISAL license or certificate,
21 or impose a fine of not more than \$5,000, if the REAL ESTATE APPRAISAL applicant,
22 license holder, or certificate holder:

23 (1) fraudulently or deceptively obtains or attempts to obtain a license or
24 certificate for the applicant, licensee, certificate holder, or for another;

25 (2) fraudulently or deceptively uses a license or certificate;

26 (3) commits an act or makes an omission in the provision of real estate
27 appraisal services or certified real estate appraisal services that is an act of
28 dishonesty, fraud, or misrepresentation if the applicant, licensee, or certificate holder
29 intends:

30 (i) to benefit substantially the applicant, licensee, certificate
31 holder, or another person; or

32 (ii) to injure substantially another person;

33 (4) is held civilly or criminally liable for deceit, fraud, or
34 misrepresentation in the provision of real estate appraisal services or certified real
35 estate appraisal services;

36 (5) under the laws of the United States or of any state, is convicted of:

- 1 (i) a felony; or
- 2 (ii) a misdemeanor that is directly related to the fitness and
3 qualification of the applicant, licensee, or certificate holder to provide real estate
4 appraisal services;
- 5 (6) pays a finder's fee or a referral fee to a person who lacks a license;
- 6 (7) makes a false or misleading statement in:
- 7 (i) the part of a written appraisal report about professional
8 qualifications; or
- 9 (ii) testimony about professional qualifications;
- 10 (8) violates the confidential nature of governmental records to which a
11 licensee or certificate holder gained access in the provision of real estate appraisal
12 services or certified real estate services;
- 13 (9) accepts a fee for providing an independent appraisal service in
14 violation of this title;
- 15 (10) fails to exercise reasonable diligence to develop, prepare, or
16 communicate an appraisal;
- 17 (11) commits negligence or incompetence in developing, preparing, or
18 communicating an appraisal;
- 19 (12) violates any other provision of this title; or
- 20 (13) violates any regulation adopted under this title.
- 21 (b) The Commission shall consider the following facts in the granting, denial,
22 renewal, suspension, or revocation of a license or certificate or the reprimand of a
23 licensee or certificate holder when an applicant, certificate holder, or licensee is
24 convicted of a felony or a misdemeanor described in subsection (a)(5) of this section:
- 25 (1) the nature of the crime;
- 26 (2) the relationship of the crime to the activities authorized by the
27 license or certificate;
- 28 (3) with respect to a felony, the relevance of the conviction to the fitness
29 and qualification of the applicant, licensee, or certificate holder to provide real estate
30 appraisal services;
- 31 (4) the length of time since the conviction; and
- 32 (5) the behavior and activities of the applicant, licensee, or certificate
33 holder before and after the conviction.

1 16-701.1.

2 SUBJECT TO THE HEARING PROVISIONS OF § 16-602 OF THIS TITLE, THE
3 COMMISSION MAY DENY A HOME INSPECTOR LICENSE TO ANY APPLICANT,
4 REPRIMAND ANY HOME INSPECTOR LICENSEE, OR SUSPEND OR REVOKE A HOME
5 INSPECTOR LICENSEE IF THE APPLICANT OR LICENSEE:

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

8 (2) FRAUDULENTLY OR DECEPTIVELY USES A LICENSE;

9 (3) ENGAGES IN CONDUCT THAT DEMONSTRATES BAD FAITH,
10 INCOMPETENCY, NEGLIGENCE OR UNTRUSTWORTHINESS, OR THAT CONSTITUTES
11 DISHONEST, FRAUDULENT, OR IMPROPER DEALINGS;

12 (4) UNDER THE LAWS OF THE UNITED STATES OR OF ANY STATE, IS
13 CONVICTED OF:

14 (I) A FELONY; OR

15 (II) A MISDEMEANOR THAT IS DIRECTLY RELATED TO THE FITNESS
16 AND QUALIFICATION OF THE APPLICANT OR LICENSEE TO PERFORM HOME
17 INSPECTIONS;

18 (5) VIOLATES ANY PROVISION OF THIS TITLE;

19 (6) VIOLATES ANY REGULATION ADOPTED UNDER THIS TITLE;

20 (7) AIDS, ABETS, OR ASSISTS ANY PERSON IN VIOLATING ANY PROVISION
21 OF THIS TITLE OR ANY REGULATION ADOPTED UNDER THIS TITLE.

22 16-702.

23 After June 30, 1991, and except as otherwise provided in this title, a person may
24 not provide, attempt to provide, or offer to provide real estate appraisal services in the
25 State unless licensed by the Commission AS A REAL ESTATE APPRAISER.

26 16-703.

27 Except as otherwise provided in this title, a person may not provide, attempt to
28 provide, or offer to provide certified real estate appraisal services in the State unless
29 certified by the Commission AS A REAL ESTATE APPRAISER.

30 16-703.1.

31 EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, A PERSON MAY NOT
32 PERFORM, ATTEMPT TO PERFORM, OR OFFER TO PERFORM HOME INSPECTIONS IN
33 THIS STATE UNLESS LICENSED AS A HOME INSPECTOR BY THE COMMISSION.

1 16-704.

2 Unless authorized under this title to provide real estate appraisal services, a
3 person may not represent to the public, by use of a title, including "licensed real
4 estate appraiser", by description of services, methods, or procedures, or otherwise,
5 that the person is authorized to provide real estate appraisal services in the State.

6 16-705.

7 (a) Unless authorized under this title to provide certified real estate appraisal
8 services, a person may not represent to the public, by use of a title, including
9 "certified real estate appraiser", by description of services, methods, or procedures, or
10 otherwise, that the person is authorized to provide certified real estate appraisal
11 services in the State.

12 (b) A person may not use the title "certified real estate appraiser" after or with
13 the name or signature of a firm, partnership, corporation, or group in a way that the
14 title could be interpreted to refer to anyone other than the individual who is certified
15 under this title.

16 16-705.1.

17 UNLESS AUTHORIZED UNDER THIS TITLE TO ENGAGE IN THE BUSINESS OF
18 PERFORMING HOME INSPECTIONS, A PERSON MAY NOT REPRESENT TO THE PUBLIC,
19 BY USE OF A TITLE, INCLUDING "LICENSED HOME INSPECTOR", BY DESCRIPTION OF
20 SERVICES, METHODS, OR PROCEDURES, OR OTHERWISE, THAT THE PERSON IS
21 AUTHORIZED TO ENGAGE IN THE PERFORMANCE OF HOME INSPECTIONS IN THE
22 STATE.

23 16-706.

24 A person who violates any provision of this title is guilty of a misdemeanor and
25 on conviction is subject to a fine not exceeding \$5,000 or imprisonment not exceeding
26 1 year or both.

27 16-707.

28 (A) THE COMMISSION MAY IMPOSE ON A PERSON WHO VIOLATES THIS TITLE
29 A CIVIL PENALTY NOT EXCEEDING \$5,000 FOR EACH VIOLATION, WHETHER OR NOT
30 THE PERSON IS LICENSED OR HOLDS A CERTIFICATE UNDER THIS TITLE.

31 (B) IN SETTING THE AMOUNT OF A CIVIL PENALTY, THE COMMISSION SHALL
32 CONSIDER:

33 (1) THE SERIOUSNESS OF THE VIOLATION;

34 (2) THE GOOD FAITH OF THE VIOLATOR;

35 (3) ANY PREVIOUS VIOLATIONS;

1 (4) THE HARMFUL EFFECT OF THE VIOLATION ON THE COMPLAINANT,
2 THE PUBLIC, AND THE BUSINESS OF HOME INSPECTIONS OR REAL ESTATE
3 APPRAISALS;

4 (5) THE ASSETS OF THE VIOLATOR;

5 (6) ANY OTHER RELEVANT FACTORS.

6 16-801.

7 This title may be cited as the "Maryland Real Estate Appraisers AND HOME
8 INSPECTORS Act".

9 16-802.

10 Subject to the evaluation and reestablishment provisions of the Maryland
11 Program Evaluation Act, this title and all regulations adopted under this title shall
12 terminate and be of no effect after July 1, 2003.

13 **Article - Business Regulation**

14 2-108.

15 (a) The following units are in the Department:

16 (25) the State Commission of Real Estate Appraisers AND HOME
17 INSPECTORS.

18 **Article - Real Property**

19 [Subtitle 8. Home Inspections.]

20 [10-801.

21 (a) In this subtitle, "home inspector" means a person who provides or offers to
22 provide home inspection services.

23 (b) Promptly after agreeing to perform an inspection and before a home is
24 inspected, a home inspector shall provide the person who has entered into a contract
25 for the purchase of the property:

26 (1) A list of the credentials of:

27 (i) The home inspector; and

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

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

1 "An inspection is intended to assist in evaluation of the overall condition of a
2 building. The inspection is based on observation of the visible and apparent condition
3 of the building and its components on the date of inspection.

4 The results of this home inspection are not intended to make any representation
5 regarding latent or concealed defects that may exist, and no warranty or guaranty is
6 expressed or implied.

7 If the person conducting your home inspection is not a licensed structural
8 engineer or other professional whose license authorizes the rendering of an opinion as
9 to the structural integrity of a building or its other component parts, you may be
10 advised to seek a professional opinion as to any defects or concerns mentioned in the
11 report."

12 (c) The information required to be provided under subsection (b) of this
13 section shall be included in the home inspection report that is delivered to the person
14 who has entered into a contract for the purchase of the property.]

15 **Article - State Government**

16 8-403.

17 (b) Except as otherwise provided in subsection (a) of this section, on or before
18 the evaluation date for the following governmental activities or units, an evaluation
19 shall be made of the following governmental activities or units and the statutes and
20 regulations that relate to the governmental activities or units:

21 (58) Real Estate Appraisers AND HOME INSPECTORS, State Commission
22 of (§ 16-201 of the Business Occupations and Professions Article: July 1, 2002);

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 October 1, 2001.