

**VIRGINIA BOARD FOR
ASBESTOS, LEAD, AND HOME INSPECTORS
SB627 HOME INSPECTOR COMMITTEE MEETING MINUTES**

The SB627 Home Inspector Committee of the Virginia Board for Asbestos, Lead, and Home Inspectors (Board) met on June 28, 2018, at the offices of the Department of Professional and Occupational Regulation (DPOR), Perimeter Center, 9960 Mayland Drive, 2nd Floor, Board Room 1, Richmond, Virginia 23233.

The following members of the Committee were present:

Douglas (Scooter) Burgess
Charles Chisholm
John Cranor
Barry Robinson
David Rushton, Chair
Jim Vaughn

The following staff members were present for part or all of the meeting:

Trisha L. Henshaw, Executive Director
Paul G. Saunders, III, Board Administrator
Tanya M. Pettus, Administrative Assistant

Mr. Rushton called the meeting to order at 11:04 a.m.

Call to Order

Mr. Rushton led the introduction of Committee members and staff.

**Introduction of the
Committee**

Ms. Henshaw advised the Board of the emergency evacuation procedures.

**Emergency
Evacuation
Procedures**

Mr. Cranor moved to approve the agenda as presented. Mr. Vaughn seconded the motion which was unanimously approved by: Burgess, Chisholm, Cranor, Robinson, Rushton, and Vaughn.

Approval of Agenda

Ms. Henshaw opened the floor for public comment. Gregory Patti of All Pro Services was present to address the Committee. Mr. Patti stated that home inspectors contend with limited access to areas of a home at the time of inspection and “willful concealment” of flaws by homeowners and sellers. Mr. Patti feels that if there is no limit to a home inspector’s liability during a home inspection, then the home inspector’s access to the home should not be limited during a home inspection.

**Public Comment
Period**

Lori Scaparo addressed the Committee as the spouse of a home

inspector and as someone who comes from a professional background which also requires licensing and continuing education. Ms. Scaparo commended the Commonwealth and DPOR for developing a mandatory licensure program for home inspectors as it has improved the industry. Ms. Scaparo also stated she appreciates the hard work of home inspectors and hopes all of those who attended the Home Inspector SB627 Public Hearing will be represented, not just those who made public comments. Ms. Scaparo expressed disappointment that there was little participation from other industries at the public hearing such as real estate professionals and builders.

Mark Londner, Architect and Licensed Home Inspector, addressed the Committee and stated he believes implementing SB 627 will result in frivolous lawsuits brought against home inspectors. Mr. Londner also stated he does not feel it is necessary to examine a home warranty requirement or the timeframe in which a home inspector's pre-inspection agreement is made available to a client.

Alex Aderton of Merit Home Inspectors addressed the Committee and suggested that the Board develop resources to track statistics on matters that affect the home inspector industry. Mr. Aderton provided the following as examples: number of homes sold verses number of home inspections performed, and number of complaints received against home inspectors.

Mr. Rushton provided an overview of the responsibilities before the Committee. The Board formed the Committee to study Senate Bill 627 at the request of the bill's patron, and form a recommendation as to the feasibility of the implementation of SB 627.

**Review Purpose of
Committee and
Overview of
Legislative Study
Guidelines**

Ms. Henshaw provided an overview of legislative guidelines, and advised the Committee's recommendation and draft study report will be presented to the Board for review at its August 16, 2018, Board meeting. After Board review, the final report in response to the study will be forwarded to the Senate Committee on General Laws and Technology and the bill's patron.

The Committee discussed general provisions related to limitations on contract liability, protections, and the potential adverse impacts on insurance rates and cost to consumers.

**Consider
Recommendation on
SB 627**

The Committee reviewed and discussed other states' regulations governing contract liability, as well as other DPOR licensing Boards' regulatory provisions regarding contracts.

The Committee reviewed public comments received on SB627 from

June 12, 2018 to June 25, 2018. Ms. Henshaw provided statistics on public comments received. Of 83 written comments received through June 25, 2018, one commenter was in favor of implementing SB627. One commenter stated he opposed SB627 as written, but suggested amendments to the bill that he would support. All other commenters were opposed to the implementation of SB627. Of the 25 commenters who spoke at the Home Inspector SB627 Public Hearing, none spoke in support of the bill.

Discussion was held on several topics including:

- Regulations governing termite inspectors and termite inspections performed by home inspectors;
- whether the home inspector licensing requirement has been in effect long enough to determine if further regulation is required;
- the Board's complaint process and the number of complaints against home inspectors in relation to the number of homes sold and inspections performed;
- demographics of consumers who would be most harmed by rising costs of home inspections;
- the availability of the DPOR complaint process in the event a home inspector is alleged to be in violation of the regulations; and
- the civil process for contract issues, including instances that may supersede any liability limitations in a contract, such as gross negligence, malfeasance, or incompetence.

Ms. Henshaw advised the Committee of House Bill 883, which establishes a regulatory reform pilot program to reduce regulatory requirements by 25% over the next three years. The pilot program will focus, in part, on DPOR, and is a reflection of the legislature's goal of reducing and streamlining regulatory requirements that impact regulated businesses and individuals.

After discussion, Mr. Cranor moved to recommend to the Board that it encourage the legislature to not pursue any amendment to the law that would prohibit a home inspector from limiting liability as proposed in Senate Bill 627 (2018) as the enforceability of limits of liability are best left to the courts; no other DPOR profession or occupation is prohibited from limiting liability; and no evidence or justification, either anecdotally or through complaints filed, has been provided demonstrating that such prohibition on licensed home inspectors is necessary. Mr. Robinson seconded the motion which was unanimously approved by: Burgess, Chisholm, Cranor, Robinson, Rushton, and

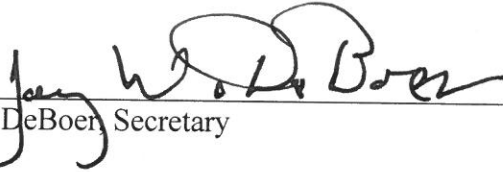
Committee
Recommendation

Vaughn.

There being no further business, the meeting was adjourned at 12:29 Adjourn
p.m.



Peter D. Palmer, Chair



Jay W. DeBoer, Secretary

**STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT**

TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government

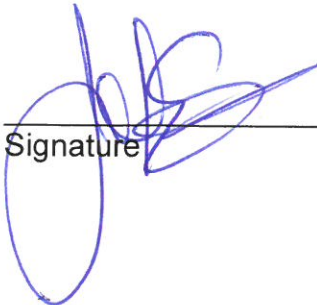
1. Name: John E. Cranor
2. Title: Board Member
3. Agency: Board for Asbestos, Lead, & Home Inspectors
4. Meeting/IFF Date: June 28, 2018
5. I have a personal interest in the following transaction:

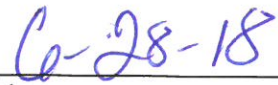
Nature of Personal Interest Affected by Transaction: _____

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

- _____
- I am able to participate in this transaction fairly, objectively, and in the public interest.
- or
- I did not participate in the transaction.

6. I **do not** have a personal interested in any transactions taken at this meeting.


Signature _____


Date _____

STATE AND LOCAL GOVERNMENT
CONFLICT OF INTERESTS ACT

TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government

1. Name: David P. Rushton
2. Title: Board Member
3. Agency: Board for Asbestos, Lead, & Home Inspectors
4. Meeting/IFF Date: June 28, 2018
5. I have a personal interest in the following transaction:

NO

Nature of Personal Interest Affected by Transaction: NONE

I declare that I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

YES

I am able to participate in this transaction fairly, objectively, and in the public interest.

or

I did not participate in the transaction.

6. I **do not** have a personal interested in any transactions taken at this meeting.

David P. Rushton
Signature

6/28/18
Date