



Significant Issues

1. SB 589 proposes that the board composition should be five members, four of whom are to be home inspectors, and one of whom is to be a member of the public with no home inspection experience.
2. The bill establishes the qualifications that a home inspector board member must possess and the duties the board will perform, including issuing and renewing licenses, adopting home inspection practices, codes and standards, and taking disciplinary action against licensees who do not conduct their business in accordance with the board's codes and standards.
3. The bill similarly sets forth the minimum requirements / qualifications necessary to be a licensee in the home inspection field. These include:
  - a. Being 18 years of age,
  - b. A resident of New Mexico,
  - c. Completed a course of study that covers all components of a residential building, and
  - d. Training and experience as deemed appropriate by the board.
4. The bill provides for an interim license to be provided to applicants of good moral character, with a high school diploma (or the equivalent), with two years of experience and more than 250 inspection completed, and with a successful score on the national home inspector examination. Interim licenses are to be available until July 1, 2004.

**FISCAL IMPLICATIONS**

The bill does not contain an initial, start-up appropriation. However, the bill does provide a fee schedule for examination, application, triennial licensure, and administrative expenses. These fees will be paid into the home inspector fund with the state treasury.

Money in the fund is to be used by the board to meet necessary expenses incurred in the enforcement of the provisions of the Home Inspector Licensing Act, in carrying out the duties imposed by the act, and for the promotion of education and standards of home inspectors in New Mexico.

All unexpended or unencumbered balances remaining at the end of each fiscal year shall remain in the fund for use in accordance with the provisions of the Home Inspectors Licensing Act.

**ADMINISTRATIVE IMPLICATIONS**

This new board will need to be staffed, likely including a board administrator, a support staff person—who will need to perform the administrative tasks associated with licensing and renewals, and a complaints administrator.

As one of 20+ state licensing boards, is it expected that this board will be grouped with the other similar professional boards and commissions? Is this board to be administratively attached to the Regulation and Licensing Department similar to other state licensing boards?

The Civil Division of the Attorney General's Office will likely provide representation to the board, as a public entity, and the Litigation Division will likely assume responsibility for administrative prosecutions of complaints.

### **CONFLICT / RELATIONSHIP**

If the Home Inspectors Licensing Board is to be grouped with the other state licensing boards currently "attached" to the Regulation and Licensing Department, SB 101 will likely need to be amended to add this new board as one of the boards whose administrative relationship to the department is better defined.

### **OTHER SUBSTANTIVE ISSUES**

This new board should be clear in defining the nature of its work and scope of its assessments. This board will not be able to evaluate a structure's *comprehensive* safety, since many key components of the structure where problems occur are inaccessible for inspection. However, the structural elements that are accessible will provide a solid general indication of the structure's overall health. It simply will not address everything, and the persons seeking these licensed services need to be clear on what their expectations should rightly be.

**SJM/sb**