

**OFFICE OF BANKS AND REAL ESTATE**

**NOTICE OF ADOPTED AMENDMENTS**

1) Heading of the Part: Home Inspector License Act

2) Code Citation: 68 Ill. Adm. Code 1410

3) Section Numbers:                      Adopted Action:

1410.10	New
1410.20	New
1410.100	New
1410.110	New
1410.120	New
1410.130	New
1410.140	New
1410.150	New
1410.160	New
1410.170	New
1410.180	New
1410.200	New
1410.210	New
1410.220	New
1410.230	New
1410.240	New
1410.250	New
1410.260	New
1410.300	New
1410.310	New
1410.320	New
1410.330	New
1410.340	New
1410.350	New
1410.400	New
1410.410	New
1410.420	New
1410.500	New
1410.510	New
1410.520	New
1410.530	New
1410.540	New
1410.550	New

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1410.560	New
1410.570	New
1410.580	New
1410.590	New
1410.600	New

- 4) Statutory Authority: Implementing and authorized by the Home Inspector License Act [225 ILCS 441].
- 5) Effective Date of Rule: January 17, 2003
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Do these adopted rules contain incorporations by reference? No
- 8) A copy of these adopted rules is on file in the Office of Banks and Real Estate's (OBRE's) principal office and is available for public inspection.
- 9) Notice(s) of Proposal Published in Illinois Register:  
26 Ill. Reg. 13125 on September 6, 2002
- 10) Has JCAR issued a Statement of Objection to these rules? If answer is "yes," please complete the following: No
- 11) Difference(s) between proposal and final version: OBRE has incorporated JCAR's recommendations for technical and clarifying changes.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will these rules replace any emergency rules currently in effect? Yes
- 14) Are there any rulemakings pending on this Part? No
- 15) Summary and Purpose of Rule: This rulemaking contains licensing, standards of practice, education, discipline, and other provisions to implement the new Home Inspector License Act.

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- 16) Information and questions regarding these adopted rules shall be directed to:

Norm Willoughby  
Assistant Commissioner  
Office of Banks and Real Estate  
500 E. Monroe Street  
Springfield, IL 62701  
217/782-3000

The full text of the adopted rules begin on the next page:

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**TITLE 68: PROFESSIONS AND OCCUPATIONS  
CHAPTER VIII: OFFICE OF BANKS AND REAL ESTATE**

**PART 1410  
HOME INSPECTOR LICENSE ACT**

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**SUBPART G: HEARINGS**

Section 1410.600 Hearings

AUTHORITY: Implementing and authorized by the Home Inspector License Act [225 ILCS 441].

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SOURCE: Emergency rules adopted at 26 Ill. Reg. 13317, effective August 22, 2002, for a maximum of 150 days; adopted at 27 Ill. Reg. 1513, effective January 17, 2003.

#### SUBPART A: DEFINITIONS AND APPLICABILITY OF THIS PART

##### Section 1410.10 Definitions

Unless otherwise clarified by this Part, definitions set forth in the Act also apply for the purposes of this Part.

“Act” means the Home Inspector License Act [225 ILCS 441].

“Classroom hour” or “hour” as it pertains to the education requirements means classroom attendance for a minimum of 50 minutes of lecture or its equivalent through a distance-learning program approved by OBRE.

“Compensation” means the valuable consideration or the intention or expectation of receiving valuable consideration given by one person or entity to another person or entity in exchange for the performance of some activity or service. Compensation shall include the transfer of valuable consideration, including without limitation the following:

commissions;

referral fees;

bonuses;

prizes;

merchandise;

finder fees;

performance of services;

coupons or gift certificates;

discounts;

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rebates;

a chance to win a raffle, drawing, lottery, or similar game of chance not prohibited by any other law or statute;

retainer fee; or

salary.

“License” means a certificate of authority, permit or registration issued by OBRE.

“Licensee” means a person who has been issued a license under the Act or this Part.

#### Section 1410.20 Applicability of this Part

Nothing in this Part shall supersede the Illinois Plumbing Law [225 ILCS 320] administered through the Plumbers Licensing Code (68 Ill. Adm. Code 750) and the Illinois Plumbing Code (77 Ill. Adm. Code 890).

### **SUBPART B: LICENSING AND EDUCATION REQUIREMENTS**

#### Section 1410.100 Application for a Home Inspector License

Each initial applicant for a Home Inspector License shall submit to OBRE:

- a) An application, provided by OBRE, that is signed and fully completed by the applicant;
- b) The fee as provided by this Part;
- c) Proof of successful completion of the pre-license education requirements as provided by the Act and this Part or has verified meeting the waiver requirements provided by Section 5-15 of the Act; and
- d) proof of successful completion of the examination authorized by OBRE.

#### Section 1410.110 Application for a Home Inspector Entity License

An entity who desires to practice as a home inspector or provide home inspections in the State of Illinois in the form of a corporation, Limited Liability Company or a legally formed partnership shall submit to OBRE:

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- a) An application, provided by OBRE, that is signed and fully completed by the applicant;
- b) The fee as provided by this Part;
- c) A list of all owners, partners, officers, members, managers or directors of the entity; and
- d) Articles of Incorporation, Articles of Organization or other evidence of legal formation or authority.

#### Section 1410.120 Application for Non-Resident Home Inspector License by Reciprocity

An initial applicant who desires a Home Inspector License by reciprocity and holds a valid Home Inspector License issued by a proper licensing authority of another jurisdiction, that OBRE has a valid reciprocal agreement shall submit to OBRE:

- a) An application, provided by OBRE, that is signed and fully completed by the applicant;
- b) The fee as provided by this Part; and
- c) A certificate of good standing from the applicant's licensing authority.

#### Section 1410.130 Expiration of Home Inspector Licenses

All Home Inspector Licenses issued pursuant to Sections 100, 110 and 120 of this Part shall expire on November 30 of even numbered years.

#### Section 1410.140 Renewal of Home Inspector Licenses

- a) Each applicant for renewal of a Home Inspector License issued pursuant to Sections 100 and 120 of this Part shall submit to OBRE:
  - 1) An application, provided by OBRE, that is signed and fully completed by the applicant;
  - 2) The fee as provided by this part; and
  - 3) Proof of successful completion of the continuing education requirements as provided by this Part.
- b) Each applicant for renewal of a home inspector entity license issued pursuant to Section 110 of this Part shall submit to OBRE:
  - 1) An application, provided by OBRE, that is signed and fully completed by the applicant;
  - 2) A certificate of good standing or authorization to conduct business in Illinois from the Secretary of State of Illinois; and
  - 3) The fee as provided by this Part.

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- c) Any person who fails to submit a renewal application and renew his or her license by the expiration date of the license may renew his or her license for a period of 2 years following the expiration date of his or her license by submitting to OBRE:
  - 1) An application, provided by OBRE, that is signed and fully completed by the applicant;
  - 2) The fee and late penalty as provided by this Part; and
  - 3) proof of successful completion of the continuing education requirements as provided by this Part.
- d) Any person who fails to submit a renewal application within 2 years of the expiration date shall not be eligible to renew his or her license, and must meet the requirements of a new applicant as required by the Act and this Part.

#### Section 1410.150 Pre-License Education Requirements

- a) Any person who makes application for a Home Inspector License shall be required, as a pre-requisite to examination, to have successfully completed 60 classroom hours of pre-license instruction in a course of study pursuant to Subpart F of this Part. Pre-license education requirements shall only be accepted from education providers and courses approved by OBRE, except as provided in subparagraph (b) of this Section.
- b) OBRE may accept evidence of successful completion of pre-license education credit or partial credit from courses taken after January 1, 2001 and prior to January 1, 2003. An applicant who wishes to obtain credit for pre-license education courses not licensed by OBRE shall submit to OBRE prior to June 30, 2003:
  - 1) An application, provided by OBRE, to request approval for pre-license education credit signed and fully completed by the applicant;
  - 2) A certificate of successful completion provided by the education provider or any other evidence to be considered by OBRE; and
  - 3) The fee as provided in Section 1410.400.

#### Section 1410.160 Continuing Education Requirements

- a) A home inspector who makes application to renew his or her Home Inspector License shall successfully complete the equivalent of 6 hours per year of approved continuing education pursuant to Subpart F, preceding the renewal; for example, a total of 12 hours of approved continuing education for a 2 year renewal cycle. Continuing education may be obtained anytime during the pre-renewal period.

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- b) If a home inspector was issued an initial license for less than one year prior to the expiration of the license, then no continuing education is required for that renewal. If a home inspector has held a license for more than one year prior to the expiration, but less than two years, then 6 hours of approved continuing education is required.

#### Section 1410.170 Issuance of Certificate of Licensure

OBRE shall issue a certificate of licensure and a pocket card to all home inspectors approved for licensure under this Act and this Part. The certificate shall include the name and license number of the home inspector or home inspector entity, address, and the date of expiration.

#### Section 1410.180 Exemptions

As set forth in Section 5-5(c)(2) of the Act, nothing in the Home Inspector License Act or this Part shall limit or prohibit a person who has been issued a valid license, registration, certification or other credential by a regulatory authority of the State of Illinois that authorizes a person to engage in a practice or hold oneself out to engage in an activity or use any title for which such a license, registration, certification or credentials were issued.

### **SUBPART C: STANDARDS OF PRACTICE AND BUSINESS REQUIREMENTS**

#### Section 1410.200 Standards of Practice

- a) For the purposes of this Section, the terms listed below shall mean:
  - 1) Alarm Systems: Warning devices, installed or free-standing, including but not limited to: carbon monoxide detectors, flue gas and other spillage detectors, security equipment, ejector pumps and smoke alarms.
  - 2) Client: A person or person who engages or seeks to engage the services of a home inspector for an inspection assignment.
  - 3) Component: A part of a system.
  - 4) Decorative: Ornamental; not required for the operation of the essential systems and components of a home.
  - 5) Describe: To report a system or component by its type or other observed, significant characteristics to distinguish it from other systems or components.
  - 6) Home Inspection: As defined in Section 1-10 of the Act.

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- 7) Home Inspection Report: A written evaluation prepared and issued by a home inspector upon completion of a home inspection, that meets the standards of practice as established by OBRE.
  - 8) Inspect: To visually examine readily accessible systems and components of a building in accordance with these Standards of Practice, using normal operating controls and opening readily accessible access panels.
  - 9) Roof Drainage Systems: Components used to carry water off a roof and away from a building.
  - 10) Significantly Deficient: Unsafe or not functioning.
  - 11) Solid Fuel Burning Appliances: A hearth and fire chamber or similar prepared place in which a fire may be built and which is built in conjunction with a chimney; or a listed assembly of a fire chamber, its chimney and related factory-made parts designed for unit assembly without requiring field construction.
  - 12) Structural Component: A component that supports non-variable forces or weights (dead loads) and variable forces or weights (live loads).
  - 13) System: A combination of interacting or interdependent components, assembled to carry out one or more functions.
  - 14) Under Floor Crawl Space: The area within the confines of the foundation and between the ground and the underside of the floor.
  - 15) Unsafe: A condition in a system or component that poses a significant risk of personal injury or property damage during normal, day-to-day use. The risk may be due to damage, deterioration, improper installation or a change in accepted residential construction standards.
- b) These Standards of Practice define the practice of home inspection in the State of Illinois and shall:
- 1) Provide home inspection guidelines; and
  - 2) Define certain terms relating to these home inspections.
- c) The purpose of these standards of practice is to establish a minimum and uniform standard for licensed home inspectors to provide the client with information regarding the condition of the systems and components of the home as inspected at the time of the home inspection.
- d) Home inspectors or home inspector entities shall enter into a written agreement with the client prior to the home inspection that includes at a minimum:
- 1) The purpose of the inspection;
  - 2) The date of the inspection;
  - 3) The name, address and license number of the home inspector or home inspector entity;
  - 4) The fee for services performed;

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- 5) A statement that the inspection will be performed in accordance with these Standards;
  - 6) A list of the systems and components to be inspected;
  - 7) Limitations or exclusions of systems or components being inspected; and
  - 8) The signature of the home inspector or the duly authorized representative of a home inspector entity.
- e) At the conclusion of the home inspection, a home inspector shall submit a written report to the client or duly authorized representative, that includes the home inspector's signature and license number and shall:
- 1) Describe the systems and components that were inspected;
  - 2) Report on those systems and components inspected that, in the opinion of the inspector, are significantly deficient; and
    - A) A reason why the system or component is significantly deficient.
    - B) Disclose any systems or components designated for inspection, that were present at the time of the home inspection, but were not inspected and a reason they were not inspected.
- f) These Standards are not intended to limit home inspectors from:
- 1) Including other inspection services, systems or components in addition to those defined in these standards of practice; and
  - 2) Excluding systems and components in the written agreement from the inspection.
- g) When, pursuant to written agreement with a client, the structural system/foundation is inspected, the home inspector shall:
- 1) Inspect the structural components including the foundation and framing; and
  - 2) Describe the foundation and report the methods used to inspect the underfloor crawl space, floor, wall, ceiling, roof, structure and report the methods used to inspect the attic.
- h) When, pursuant to the written agreement with a client, the exterior is inspected, the home inspector shall:
- 1) Inspect the exterior wall covering, flashing, trim, all exterior doors, attached decks, balconies, stoops, steps, porches, and their associated railings, the eaves, soffits, and fascias where accessible from the ground level, the vegetation, grading, surface drainage, and retaining walls on the property when any of these are likely to adversely affect the building, walkways, patios, and driveways leading to dwelling entrances; and
  - 2) Describe the exterior wall covering.
- i) When, pursuant to the written agreement with a client, the roof system is inspected, the home inspector shall:

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- 1) Inspect the roof covering, the roof drainage systems, the flashings, the skylights, chimneys, and roof penetrations; and
  - 2) Describe the roof covering and report the methods used to inspect the roof.
- j) When, pursuant to the written agreement with a client, the plumbing system is observed, the home inspector shall describe in detail the interior water supply and distribution including all fixtures and faucets, the drain, waste and vent systems including all fixtures, the water heating equipment, the vent systems, flues, and chimneys, the fuel storage and fuel distribution systems, the drainage sumps, sump pumps, and related piping, and the location of main water and main fuel shut-off valves.
- k) When, pursuant to the written agreement with a client, the electrical system is inspected, the home inspector shall:
- 1) Inspect the service drop, the service entrance conductors, cables, and raceways, the service equipment and main disconnects, the service grounding, the interior components of service panels and sub panels, the conductors, the over-current protection devices, installed lighting fixtures, switches, and receptacles, the ground fault circuit interrupters;
  - 2) Describe the amperage and voltage rating of the service, the location of main disconnects and sub panels, the wiring methods; and
  - 3) Report on the presence of solid conductor aluminum branch circuit wiring and on the absence of smoke detectors.
- l) When, pursuant to the written agreement with a client, the heating system is inspected, the home inspector shall:
- 1) Inspect the installed heating equipment, the vent systems, flues, and chimneys; and
  - 2) Describe the energy source, the heating method by its distinguishing characteristics.
- m) When, pursuant to the written agreement with a client, the cooling system is inspected, the home inspector shall:
- 1) inspect the installed central and through-wall cooling equipment; and
  - 2) describe the energy source, the cooling method by its distinguishing characteristics.
- n) When, pursuant to the written agreement with a client, the interior is inspected, the home inspector shall inspect the walls, ceilings, and floors, the steps, stairways, and railings, the countertops, installed cabinets, doors and windows, garage doors and garage door operators.
- o) When, pursuant to the written agreement with a client, the insulation and ventilation are inspected, the home inspector shall:

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- 1) inspect the insulation and vapor retarders in unfinished spaces, the ventilation of attics and foundation areas, the mechanical ventilation systems; and
  - 2) describe the insulation and vapor retarders in unfinished spaces, the absence of insulation in unfinished spaces at conditioned surfaces.
- p) When, pursuant to the written agreement with a client, the fireplaces and solid fuel burning appliances are inspected, the home inspector shall:
- 1) Inspect the system components, the vent systems, flues, and chimneys; and
  - 2) Describe the fireplaces, solid fuel burning appliances, and the chimneys.

#### Section 1410.210 Notification of Name Change

It is the responsibility of each licensee issued a license under this Act to notify OBRE in writing, within fifteen (15) days of any change of name. For example, if the licensee has had a name change either by court order or due to a change in marital status, the licensee shall notify OBRE of the name change together with a certified copy of the marriage certificate or portions of the court order relating to the name change, and indicate under the name the license shall be issued.

#### Section 1410.220 Assumed Name

If a licensee operates under any name other than that appearing on his or her license, he or she shall submit to OBRE a certified copy of his or her registration under the Assumed Business Name Act [805 ILCS 405] at the time of application or within 30 days after the registration.

#### Section 1410.230 Address Change; Street Address

It is the responsibility of each licensee to notify OBRE in writing of a change of address within fifteen (15) days of such change. A licensee may use a Post Office Box number for example P.O. Box 1001, as a mailing address, but must additionally notify OBRE of a street address of the licensee's residence or business location.

#### Section 1410.240 Work Log of Inspections

A person or entity licensed under the Act shall be required to maintain a work log record of home inspections conducted for a period of 5 years after the home inspection is performed. The

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work log shall be kept in a sequential format and shall include the date, the name of the client and the address of the home inspected.

#### Section 1410.250 Entities must Utilize Licensed Home Inspectors

A Home Inspector Entity licensed pursuant to the Act and this Part shall only utilize licensed home inspectors to conduct home inspections and to sign home inspection reports. The licensed home inspector who signs a home inspection report on behalf of a home inspector entity shall include his or her license number on such report. A Home Inspector Entity is responsible for the actions of all their employees, agents and inspectors while providing home inspections in Illinois.

#### Section 1410.260 Disclosure of a Conflict of Interest

As set forth in Section 15-10(20) of the Act, a home inspector may provide services to a client in addition to a home inspection. The home inspector shall first, however, provide a written notice of the services intended and how such services may conflict with the home inspection services provided. Thereafter, the described additional services may only be performed upon securing the written consent of the client. The written notice of services and written consent shall not be contained in the written agreement with a client, but must be provided in a separate document.

### **SUBPART D: ENFORCEMENT PROVISIONS**

#### Section 1410.300 Grounds for Discipline

A rebuttable presumption of dishonest, unethical or unprofessional conduct shall arise whenever a home inspector, while performing a home inspection or developing a home inspection report, commits one or more of the following acts or omissions and fails to provide a credible explanation upon request:

- a) The licensee expresses an opinion without being based on practical experience or education and honest conviction.
- b) The licensee fails to act in good faith in dealing with a client.
- c) The licensee discloses any information concerning the results of a home inspection without the approval of the clients.
- d) The licensee accepts compensation from more than one interested party for the same service without the consent of all interested parties.
- e) The licensee offers or accepts commissions or allowances, directly or indirectly, from other parties dealing with a client while providing a home inspection.

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- f) The licensee fails to promptly disclose in writing to a client any interest in a business or the subject property that may affect or have the potential to affect the client.
- g) The licensee allows an interest in any business to affect the quality of the results of a home inspection.
- h) The licensee fails to disclose in writing to the client prior to the home inspection any limitations or exclusions of systems or components being inspected.
- i) The licensee aids or assists another in the violation of the Act or this Part.
- j) The licensee fails to satisfy a material term of a consent to administrative supervision order or consent order.
- k) The licensee aids, assists, or facilitates another to use or appropriate credentials or a license for the purpose of preparing a home inspection report knowing such person to be unlicensed.
- l) The licensee advises a client as to whether the client should or should not engage in a real estate transaction or provides an opinion of value regarding the residential real property that is the subject of the home inspection.

#### Section 1410.310 Felony Convictions; Discipline of Other Professional License; Notification

- a) A licensee who holds a valid license issued under the Act shall notify OBRE in writing within 30 days from the date of conviction of any crime described in Section 15-10(a)(4) of the Act. In addition to the notice, the licensee shall provide to OBRE all court records, including but not limited to indictments, information, plea agreements, pre-trial sentencing motions, investigations and orders, as well as judgment and sentencing orders, or other information as required by OBRE to determine fitness for licensure.
- b) A licensee who holds a valid license issued under the Act who has had another professional license disciplined as described in Section 15-10(a)(9) of the Act shall notify OBRE in writing within 30 days after any adverse temporary or final order. In addition to the notice, the licensee shall provide all adverse orders, whether by consent or otherwise, plea agreements, motions or pleadings wherein a licensee has made a written statement or admission of culpability in the violation of a professional regulation or standard, or other information as required by OBRE to determine fitness for licensure.

#### Section 1410.320 Cooperation Required with OBRE

Pursuant to Section 15-10(a)(16) of the Act, all licensees are required to fully cooperate with any audit, investigation, interrogatory, examination or request for information regarding any aspect

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of the licensee's home inspection practice or application for licensure. Full cooperation includes but is not necessarily limited to:

- a) Providing to OBRE a complete copy of a signed home inspection report as it was transmitted to the client, including file memoranda, work files, supporting and/or verification documentation that are required to be maintained by the Act;
- b) Providing to OBRE continuing education certificates or work logs that are required to be maintained by the Act or this Part; or
- c) Providing to OBRE a complete response to any written interrogatory or request for clarification submitted to a licensee or applicant.

#### Section 1410.330 Administrative Warning Letter

OBRE may issue an administrative warning letter with or without a compliance agreement that may include a fee pursuant to this Part. A compliance agreement may include conditions in order to maintain the standards of professional conduct, the competency of a licensee, and the protection of the public. Administrative warning letters with or without a compliance agreement are not considered to be discipline and are not subject to the Freedom of Information Act [5 ILCS 140].

#### Section 1410.340 Additional Education; Reporting Requirements

OBRE may require a licensee, pursuant to a compliance agreement or order, to complete remedial education, additional continuing education or pre-license education coursework, provide any reports, records or other documents pertaining to home inspection practice that OBRE may deem necessary to maintain standards of professional conduct, the competency of a licensee, and for the protection of the public.

#### Section 1410.350 Suspension or Denial for Failure to Pay Taxes, Child Support or any Illinois-Guaranteed Student Loan

- a) If OBRE receives certification that a licensee is in violation of Section 15-40, 15-45 or 15-50 of the Act, OBRE shall notify the licensee, by certified or registered mail, return receipt requested, or other signature restricted delivery, that the licensee may be refused renewal of the license at its expiration date, unless the licensee provides to OBRE certification that the licensee has eliminated the arrearage or has arranged for payment of the obligations in a manner satisfactory to the appropriate administering agency.
- b) If OBRE receives certification that an applicant is in violation of Section 15-40, 15-45 or 15-50 of the Act, OBRE shall notify such applicant, by certified or

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registered mail, return receipt requested, or other signature restricted delivery, of its intent to deny the applicant a license under the Act, unless the applicant provides to OBRE proof that the applicant has eliminated the arrearage or has arranged for payment of the obligations in a manner satisfactory to the appropriate administering agency.

- c) For the purposes of this Section, “certification” shall mean:
  - 1) a verified statement by the appropriate administering agency of such delinquency, failure to file or failure to pay; or
  - 2) a finding by an administrative body after notice to the licensee or applicant of evidentiary proceedings or a court of competent jurisdiction that the licensee or applicant is delinquent in child support or is liable to pay a certain amount for Illinois taxes or is delinquent or has defaulted on an Illinois-guaranteed student loan obligation.
- d) A licensee or applicant may participate in a hearing, but the basis for the hearing shall only be for the purpose of proving that the petitioner is not the person for which such failure to pay or arrearage information was received, that the petitioner has executed a formal, written payment plan with the appropriate administering agency, signed by both parties, or that the petitioner has satisfied the outstanding debt. Collateral attack of the certification is not permitted.
- e) A license will be eligible for reinstatement, renewal or issuance upon a showing that the certified failure to file, failure to pay delinquency or default has been satisfied, and by completing the appropriate application and paying any fees provided in this Part.

### SUBPART E: ADMINISTRATIVE PROVISIONS

#### Section 1410.400 Fees

- a) Initial application fee for a Home Inspector License pursuant to Sections 5-10 and 5-12 of the Act and Sections 1410.100, 1410.110, 1410.120 and 1410.130 of this Part.
  - 1) The application fee for an initial license as a home inspector shall be \$250.
  - 2) The application fee for an initial license as a home inspector entity shall be \$250.
- b) Renewal application fee for a Home Inspector License pursuant to Sections 5-16 and 5-17 of the Act and Section 1410.130 of this Part.
  - 1) The application fee to renew a license as a home inspector shall be calculated at \$200 per year for a total of \$400 per renewal.

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- 2) The application to renew a home inspector entity license shall be calculated at \$200 per year for a total of \$400 per renewal.
- 3) The application fee to renew a license, that has expired, as a home inspector or a home inspector entity shall be the sum of all lapsed renewal fees plus \$50 late fee.
- c) Initial application fee for a license as an education provider, a pre-license course, and a continuing education course.
  - 1) The application fee for a license as an education provider pursuant to Section 20-5 of the Act and Section 1410.570 of this Part shall be \$1,000, plus course application fees.
  - 2) The application fee for a license for a pre-license course pursuant to Section 20-10 of the Act and Section 1410.570 of this Part shall be \$100.
  - 3) The application fee for a license for a continuing education course pursuant to Section 20-10 of the Act and Section 1410.570 of this Part shall be \$50.
- d) Application fee to renew a license as an education provider, a pre-license course, and a continuing education course.
  - 1) The application fee to renew a license as an education provider shall be calculated at \$500 per year for a total of \$1,000 per renewal.
  - 2) The application fee to renew a license, that has expired, as an education provider shall be the sum of all lapsed renewal fees plus a \$50 late fee.
  - 3) The application fee to renew a license as a pre-license course shall be calculated at \$50 per year for a total of \$100 per renewal.
  - 4) The application fee to renew a license that has expired, as a pre-license course shall be the sum of all lapsed renewal fees plus a \$50 late fee.
  - 5) The application fee to renew a license as a continuing education course shall be calculated at \$25 per year for a total of \$50 per renewal.
  - 6) The application fee to renew a license, that has expired, as a continuing education course shall be the sum of all lapsed renewal fees plus a \$50 late fee.
- e) For the purposes of determining if a license has expired under this Section, OBRE shall consider the license expired, if the post-mark on the renewal application is a date later than the expiration date, or, if delivered other than by mail, the license shall be considered expired, if the renewal application is received by OBRE on a date after the expiration date.
- f) General
  - 1) All fees paid pursuant to the Act and this Part are non-refundable.
  - 2) The fee for the issuance of a duplicate license certificate or pocket card for the issuance of a replacement license certificate or pocket card, that has

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been lost or destroyed, or for the issuance of a license certificate or pocket card with a name or address change other than during the renewal period shall be \$25.

- 3) The fee for a certification of a licensee's record for any purpose shall be \$25.
- 4) The fee for a decorative wall license showing registration shall be the cost of producing the license.
- 5) The fee for a roster of persons licensed under the Act shall be the cost of producing the roster.
- 6) The fee for an applicant to take the examination for a Home Inspector License shall be the cost of providing the examination. If a designated testing service is utilized for the examination, the fee shall be paid directly to the designated testing service. Failure to appear for the examination on the scheduled date, at the time and place specified, after the applicant's application for examination has been received and acknowledged, shall result in the forfeiture of the examination fee.
- 7) The fee for requesting a waiver of any education requirement provided by the Act and this Part shall be \$50.
- 8) The fee for a copy of the transcript of any proceeding under the Act shall be the cost to produce such copy.
- 9) The fee for certifying any record, for example, a copy of a disciplinary order or application, shall be \$1 per page.
- 10) OBRE may charge an administrative fee not to exceed \$2,000 as a part of a compliance agreement issued with an administrative warning letter pursuant to Section 1410.330 of this Part.

#### Section 1410.410 Duties of the Liaison

- a) The Commissioner may delegate the authority of OBRE and the Commissioner to the liaison as provided in Section 25-15 of the Act. Such delegation may include, but is not limited to:
  - 1) Determine the course of an investigation based upon his or her knowledge, training and experience;
  - 2) Determine whether a complaint be closed without an investigation, given the allegations, or evidence of a violation of the Act and this Part;
  - 3) Close a complaint without any action;
  - 4) Issue an administrative warning letter, cease and desist letter, or request that an attorney issue such letters;
  - 5) Enter into compliance agreements;

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- 6) Refer a complaint for prosecution; or
- 7) Act upon a request for a variance from this Part.
- b) The authority, once delegated, shall continue until such time as it is amended or withdrawn.

#### Section 1410.420 Granting of Variances

The Commissioner of the Office of Banks and Real Estate may grant variances from these rules in individual cases where he or she finds:

- a) the provision from that the variance is granted is not statutorily mandated;
- b) the granting of the variance would not be contrary to the public welfare; and
- c) the rule from that the variance is granted would, in the particular case, be unreasonable or unnecessarily burdensome.

### **SUBPART F: EDUCATION PROVIDER AND COURSE REQUIREMENTS**

#### Section 1410.500 Education Provider Application; Requirements

- a) In accordance with Section 20-5 of the Act, any person or entity seeking approval to provide pre-license and/or continuing education courses shall submit an application on forms provided by OBRE, that is signed by the applicant and fully completed along with the appropriate fee required by this Part.
- b) The program of pre-license and/or continuing education for a licensed education provider shall:
  - 1) be approved by the provider's governing and/or supervising body;
  - 2) utilize qualified instructors; and
  - 3) offer courses that are approved and licensed, and conform to the standards established in this Subpart.
- c) Facilities
  - 1) An education provider must provide an office for the maintenance of all records, office equipment and office space necessary for customer service.
  - 2) The premises, equipment and facilities of the education provider shall comply with applicable community, state or federal fire codes, building codes, and health and safety standards.
  - 3) The education provider is subject to inspection prior to approval or at any time thereafter by authorized representatives of OBRE. Inspections shall be conducted during regular business hours, with at least 48 hours advance notice.

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- 4) No education provider shall maintain an office, or conduct education courses in a private residence.
  - 5) An education provider shall only conduct education courses in locations that are conducive to learning.
- d) Administration
- 1) No licensed education provider shall advertise that it is endorsed, recommended, or accredited by OBRE. The education provider may indicate that it is licensed by and the course of study has been approved and licensed by OBRE.
  - 2) Each education provider shall provide a prospective student prior to enrollment with information that specifies the course of study to be offered, the tuition, the provider's policy regarding refund policies, any additional fee for supplies, materials or books, and other matters that are material to the relationship between the provider and the student.
  - 3) Each education provider shall maintain for each student a record that shall include the course of study undertaken, dates of attendance, and a transcript of courses satisfactorily completed. All records shall be maintained by the education provider for a period of 5 years and shall be made available to the student or to OBRE upon request during regular business hours. An education provider may charge a student the cost of reproducing copies of a transcript.
  - 4) Each education provider shall upon request by OBRE, provide evidence of financial resources available to equip and maintain its program, as documented by, for example, a current balance sheet or an income statement.
  - 5) Any out-of-state education providers shall reimburse OBRE for all reasonable expenses incurred by OBRE while inspecting its facilities.
  - 6) Each education provider shall notify OBRE of all proposed changes in ownership of the education provider at least 30 days prior to the change in ownership.

#### Section 1410.510 Pre-License Education Course Requirements of Education Providers

- a) For the purposes of this section, a course shall be defined as a course of instruction, that meets the curriculum requirements of this Part, and shall be at least 15 hours in length.
- b) Each course shall meet the appropriate course curriculum prescribed by this Part.
- c) Each course shall include an examination of a minimum of 25 questions for each 15 hours of instruction, for example, a 15 hour course would require a 25 question

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examination, a 30 hour course would require a 50 question examination. The questions shall be either multiple choice or true/false or a combination of the same. Open book examinations shall not be accepted. No student shall be deemed to have successfully completed the course, unless he or she has scored a minimum of 70% on the course examination.

- d) OBRE shall only grant approval for courses, and that are a part of an overall pre - license education program for a Home Inspector License. An education provider must have a complete 60 hour pre-license program approved by OBRE.
- e) Each education provider who seeks approval of a course shall submit to OBRE an application on forms provided by OBRE, that is signed by the applicant and fully completed, and shall include, but not be limited to, an outline and course description for each course, materials to be used in instruction, an examination with answer key, and the appropriate fee pursuant to this Part.

#### Section 1410.520 Pre-License Course Curriculum

- a) Pre-license education course work to obtain a license as a home inspector shall consist of a minimum of 60 hours of instruction, of which no less than 40 hours shall be classroom instruction and no less than 10 hours shall be practical lab instruction. The content for pre-license instruction courses shall not be repetitive and shall represent a progression of instruction in that the home inspector's knowledge is increased in the following topics, including but not limited to:
  - 1) Exteriors: Exterior study must contain the following as a minimum.
    - A) Identification and inspection of exposed foundations.
    - B) Identification and inspection of siding and exterior wall covering material, flashing, and trim including: Aluminum, brick, vinyl, steel Asphalt, hardboard, stucco, wood, exterior insulation finish system.
    - C) Identification and inspection of gutter and drainage control systems.
    - D) Inspection of porches steps and rails including the structural composition.
    - E) Identification and implications on vegetation, grading and surface drainage including: retaining walls, walk ways and driveways leading to a dwelling entrance.
  - 2) Interiors: Interior study must contain the following as a minimum:
    - A) Identification and inspection of wall, ceiling and floor defects.
    - B) Identification and inspection of step, stair and railing defects.

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- C) Identification and inspection of countertop, cabinet and island defects as it pertains to a kitchen or other type room.
  - D) Identification and inspection of interior and exterior door defects.
  - E) Identification and inspection of window defects and operation.
  - F) Identification and inspection of garage door defects, garage door opener defects, and garage structure defects including fire safety and habitability.
- 3) Roofing: Roofing study must contain the following as a minimum:
- A) Identification of the type and style of roofs.
  - B) Identification and inspection of the roofing materials used including: asphalt, cedar shake, cedar shingle, tar, residential rolled roofing, clay and concrete tiles, slate, metal, and asbestos.
  - C) Identification and inspection of skylights and flashing.
  - D) Identification of chimneys and other penetrations, including proper height and composition.
- 4) Plumbing: Plumbing study must contain the following as a minimum:
- A) Identification and inspection of the main distribution system including all fixtures and faucets and materials.
  - B) Identification and inspection of all drain, waste and vent systems including all fixtures and materials.
  - C) Identification and inspection of water heating systems.
  - D) Identification and inspection of fuel distribution systems and materials.
  - E) Inspection and identification of all drainage control devices, including sump pumps, ejector pumps or other related piping.
  - F) Identification of water source and sewer distribution.
- 5) Electrical: Electrical study must contain the following as a minimum:
- A) Identification and inspection of the main service, including the size, location, over current protection, such as a breaker or a fuse, service entrance conductors, cables, and raceways.
  - B) Identification and inspection of the branch distribution, including fuse boxes, breaker boxes, and sub-panels.
  - C) Identification and inspection of all over current protection devices and wire type identification.
  - D) Identification and inspection of installed lighting fixtures, switches, and receptacles.
  - E) Identification and inspection of safety devices, including ground fault circuit interrupters.

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- 6) Heating, ventilation and air conditioning (HVAC): HVAC study must include the following as a minimum:
  - A) Identification and inspection of the installed heating equipment, including: gas forced air, fuel oil forced air, heat pumps, electric forced air, and hydronic heating equipment as well and the distribution related to the various types.
  - B) Identification and inspection of fuel sources and distribution.
  - C) Identification and inspection of flue pipes and spent gas removal systems.
  - D) Identification and inspection of all related safety devices.
  - E) Identification and inspection of installed cooling systems, including central and window mounted systems.
- 7) Structural: Structural study must contain the following as a minimum:
  - A) Identification and inspection of all structural components, including floor and wall framing.
  - B) Identification and inspection of all foundation support systems, including: poured concrete, concrete block, brick, stone, wood and all related perimeter footing systems.
  - C) Identification and inspection of water related or seepage related sources.
  - D) Identification and inspection of flood control devices.
  - E) Identification and inspection of roof structure and systems related to composition.
  - F) Identification and inspection of under roof and under floor ventilation.
  - G) Identification and inspection of insulation and vapor protection systems.
- 8) Miscellaneous Appliances: Appliance study must contain the following as a minimum:
  - A) Identification of all fireplaces, solid fuel burning appliances, chimneys and vents.
  - B) Identification and inspection of all major appliances, including, but not limited to range, stove, oven, refrigerator, window air conditioner, washer, drier, trash compactor, and garbage disposal, and other appliances that may be a part of a transaction.
- 9) Applicable laws: Illinois specific law study must contain at a minimum:
  - A) Specific knowledge and understanding of the Illinois Home Inspector License Act and Administrative Rule.

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- B) General knowledge and understanding of Illinois Human Rights Act.
- C) General knowledge and understanding of contract law.
- 10) Standards of Practice: Standards of practice study must contain the following as a minimum:
  - A) Required disclosures to a client.
  - B) Required report content.
  - C) Competent report writing.
  - D) Specific knowledge of business practices and standards of practice.

#### Section 1410.530 Example of Acceptable Pre-License Education Program

Examples of an acceptable pre-license education program and courses are:

- a) 15 hour course of classroom instruction.
  - 1) Exteriors;
  - 2) Interiors; and
  - 3) Roofing.
- b) 15 hour course of classroom instruction.
  - 1) Plumbing;
  - 2) Electrical; and
  - 3) HVAC.
- c) 15 hour course of classroom instruction.
  - 1) Structural;
  - 2) Miscellaneous Appliances;
  - 3) Applicable Laws; and
  - 4) Standards of Practice.
- d) 15 hour practical lab instruction.

#### Section 1410.540 Continuing Education Course Requirements of Education Providers

- a) A continuing education course shall be at least 3 hours in length and shall meet the course curriculum prescribed in Section 1410.550 of this Subpart.
- b) Each education provider who seeks approval of a continuing education course shall submit to OBRE an application on forms provided by OBRE, that is signed by the applicant and fully completed, and shall include, but not be limited to, a course outline and description of the course, a minimum 25 question exam with answer key, the number of hours sought, and the appropriate fee pursuant to this Part.

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#### Section 1410.550 Curriculum for Continuing Education Courses; Continuing Education Credit for Participation other than as a Student

- a) Continuing education courses for a home inspector shall include course work that shall increase his or her skill, knowledge and competency in home inspections and shall cover topics such as, but not limited to:
  - 1) Identifying and inspecting the following components and systems:
    - A) Exteriors;
    - B) Interiors;
    - C) Roofing;
    - D) Plumbing;
    - E) Electrical;
    - F) HVAC;
    - G) Structural; and
    - H) Miscellaneous appliances; and
  - 2) Applicable laws and standards of practice.
- b) Continuing education credit may also be granted by OBRE for participation, other than as a student, in home inspection educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, or authorship of textbooks. A home inspector who wishes to obtain continuing education credit for these activities shall submit to OBRE:
  - 1) An application on forms provided by OBRE, that is signed by the applicant and fully completed; and
  - 2) The fee provided for by this Part

#### Section 1410.560 Distance Education

- a) For pre-license education or continuing education, distance education is defined as any educational process based on the geographical separation of instructor and student for example CD ROM, on-line learning, correspondence courses, video conferencing, etc.
- b) Distance education courses may be approved and licensed by OBRE, if:
  - 1) the education provider is approved and licensed by OBRE;
  - 2) the distance education course meets the requirements for pre-license education and continuing education as provided in the Act and this Part; and
  - 3) the education provider establishes a mechanism for proctored examination approved by OBRE.

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#### Section 1410.570 Expiration Date and Renewal for Education Providers and Pre-License and Continuing Education Courses

- a) All education provider and pre-license and continuing education course licenses shall expire on December 31 of odd numbered years.
- b) Every education provider who wishes to renew his, her or its license and prelicense and continuing education course licenses shall submit to OBRE:
  - 1) an application, provided by OBRE, that is signed and fully completed;
  - 2) any course materials requested by OBRE during the renewal application process; and
  - 3) the fees as required by this Part.

#### Section 1410.580 Continuing Education Reporting

Each licensed education provider, pursuant to Section 20-5(e) of the Act, approved to offer approved continuing education courses shall submit to OBRE on or before the 15<sup>th</sup> of each month, a report of those licensees successfully completing the continuing education courses offered by the provider during the preceding calendar month.

- a) The monthly reports shall include, but not be limited to, the following information for each licensee:
  - 1) the licensee's name, address, social security number, and license number;
  - 2) the education provider's name and license number; and
  - 3) the continuing education course name and license number.
- b) If an education provider during the preceding calendar month offered no continuing education courses, the provider shall so report on forms provided by OBRE.
- c) The monthly reports shall be submitted in a computer readable format provided and specified by OBRE.
- d) There will be no processing fee for a monthly report submitted in the computer readable format provided and specified by OBRE. Each monthly report submitted on paper or in a format other than a computer readable format provided and specified by OBRE shall be accompanied by a processing fee of \$.50 per licensee, per course, listed on the report, payable by check to OBRE.
- e) A monthly report received by OBRE with a postmark after the day it is due (the 15<sup>th</sup> day of the month) shall be accompanied by an administrative late fee of \$200 in addition to the fees set forth above.
- f) If an education provider fails to file monthly reports or a statement that no courses were offered, or fails to pay the required fees for three consecutive months, the courses offered by that school may be disqualified pursuant to the procedures set

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forth in the Act and this Part until all delinquent reports, processing fees, and administrative fees as set forth in this Section have been submitted to and are received by OBRE. OBRE shall send notice to the school of an informal conference before the Board and of pending disqualification pursuant to the Act this Part by certified or registered mail, return receipt requested or by other signature restricted delivery service.

#### Section 1410.590 Transcript or Certificate of Completion

Each licensed education provider shall within 10 days of completion of the course provide to each student, who successfully completes an approved pre-license or continuing education course, a certified transcript or certificate of completion. The certified transcript or certificate of completion shall include the following information, but not limited to, the student's name, address, social security number, and license number (if applicable), the name and license number of the education provider, the name and license number of the course, and the approved hours completed.

### **SUBPART G: HEARINGS**

#### Section 1410.600 Hearings

All disciplinary hearings brought before the Board under Article 15 of the Act shall be conducted in accordance with the Rules of Practice in Administrative Hearings as provided for in 68 Illinois Administrative Code 1110.