

CHAPTER 40

STATE BOARD OF PROFESSIONAL ENGINEERS
AND LAND SURVEYORS

Authority

N.J.S.A. 45:8-27 et seq.

Source and Effective Date

R.2006 d.80, effective January 26, 2006.
See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Chapter Expiration Date

Chapter 40, State Board of Professional Engineers and Land Surveyors, expires on January 26, 2011.

Chapter Historical Note

Chapter 40, State Board of Professional Engineers and Land Surveyors, was adopted and became effective prior to September 1, 1969.

Subchapter 7, Permissible Division of Responsibility in Submission of Site Plans and Major Subdivision Plats, was adopted as R.1981 d.320, effective September 10, 1981. See: 13 N.J.R. 231(a), 13 N.J.R. 607(a).

Pursuant to Executive Order No. 66(1978), Subchapter 6, Fees, was readopted as R.1983 d.418, effective September 15, 1983. See: 15 N.J.R. 1077(a), 15 N.J.R. 1667(a).

Subchapter 8, Maintenance of Project Records, was adopted as R.1985 d.225, effective May 6, 1985. See: 16 N.J.R. 1027(a), 17 N.J.R. 1133(a).

Subchapter 9, Responsible Charge of Engineering or Land Surveying Work, was adopted as R.1985 d.222, effective May 6, 1985. See: 16 N.J.R. 2067(b), 17 N.J.R. 1134(a).

Subchapter 1, Title Blocks for Professional Engineers, was repealed and Subchapter 1, Title Blocks and Seals for Professional Engineers and Land Surveyors, was adopted as new rules, and Subchapter 2, Title Blocks for Land Surveyors, was repealed by R.1985 d.694, effective January 21, 1986. See: 17 N.J.R. 2602(b), 18 N.J.R. 205(a).

Subchapter 2, Application Requirements, was adopted as new rules by R.1987 d.355, effective September 8, 1987. See: 19 N.J.R. 851(a), 19 N.J.R. 1649(b).

Subchapter 10, Contract to Provide Professional Services, was adopted as R.1989 d.64, effective February 6, 1989. See: 20 N.J.R. 2243(b), 21 N.J.R. 339(a).

Pursuant to Executive Order No. 66(1978), Chapter 40, State Board of Professional Engineers and Land Surveyors, was readopted as R.1990 d.434, effective August 3, 1990. See: 22 N.J.R. 1867(a), 22 N.J.R. 2747(b).

Petition for Rulemaking. See: 25 N.J.R. 3032(a), 25 N.J.R. 3871(a).

Subchapter 11, Land Surveyors; Continuing Competency, was adopted as R.1995 d.305, effective June 19, 1995. See: 26 N.J.R. 4314(a), 27 N.J.R. 2415(a).

Pursuant to Executive Order No. 66(1978), Chapter 40, State Board of Professional Engineers and Land Surveyors, was readopted as R.1995 d.474, effective August 2, 1995. See: 27 N.J.R. 1748(a), 27 N.J.R. 3370(a).

Subchapter 12, Retired License and No-Fee Retired License Status, was adopted as R.1998 d.224, effective May 4, 1998. See: 30 N.J.R. 290(a), 30 N.J.R. 1618(a).

Pursuant to Executive Order No. 66(1978), Chapter 40, State Board of Professional Engineers and Land Surveyors, was readopted as R.2000 d.355, effective August 1, 2000. See: 32 N.J.R. 1906(a), 32 N.J.R. 3328(a).

Subchapter 15, Home Inspection Advisory Committee, was adopted as new rules by R.2002 d.169, effective June 3, 2002. See: 33 N.J.R. 1318(a), 34 N.J.R. 1935(a).

Chapter 40, State Board of Professional Engineers and Land Surveyors, was readopted by R.2006 d.80, effective January 26, 2006. See: Source and Effective Date. See, also, section annotations.

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plumber, who is acting within the scope of practice of his or her profession or occupation;

3. Any real estate broker, broker-salesperson, or salesperson who is licensed by the State when acting within the scope of his or her profession;

4. Any person regulated by the State as an insurance adjuster, who is acting within the scope of his or her profession;

5. Any State licensed real estate appraiser or certified general or residential real estate appraiser, who is acting within the scope of that profession;

6. Any person certified or registered as a pesticide applicator pursuant to N.J.A.C. 7:30-6 or 8, who is acting within the scope of the practice for which certification has been issued;

7. Any person performing home inspections under the on-site supervision of a licensed home inspector for the purpose of meeting the associate home inspector requirements of N.J.A.C. 13:40-15.5(a)4.

Amended by R.2006 d.80, effective February 21, 2006.

See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

In (b), deleted "or associate home inspectors"; in (c), deleted "After May 29, 2003."

13:40-15.2 Definitions

The following terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

"Accessible" means available for visual inspection without requiring the moving of personal property, dismantling, destructive measures, or any action which will likely involve risk to persons or property.

"Act" means the Home Inspection Professional Licensing Act, N.J.S.A. 45:8-61 et seq.

"Acting within the scope of practice of a profession or occupation" means performing those specific duties for which certification, registration or licensure by a board, committee, commission, or agency of the State or Federal government is necessary and has in fact been granted to an individual.

"Additional inspection services" does not encompass repairs or improvements. "Additional inspection services" means:

1. Tests performed by a home inspector which are not part of a home inspection but which, in the opinion of the home inspector, are warranted or which the client requests. Such tests include, but are not limited to, radon, asbestos, lead paint, carbon monoxide or urea-formaldehyde testing. Such testing may be performed providing the home inspector has the relevant experience, education, training and/or licensing and/or certification to perform such additional tests as set forth in N.J.A.C. 13:40-15.22;

SUBCHAPTER 15. HOME INSPECTION ADVISORY COMMITTEE

13:40-15.1 Purpose; scope; applicability

(a) The purpose of the rules in this subchapter is to implement P.L. 1997, c.323 (N.J.S.A. 45:8-61 et seq.), the Home Inspection Professional Licensing Act.

(b) This subchapter shall apply to all persons licensed as home inspectors by the State of New Jersey and applicants for such licensure, performing home inspections of residential buildings with four or fewer dwelling units and other related residential housing components.

(c) No person shall perform or hold oneself out as permitted to perform a home inspection nor represent or call oneself a home inspector unless licensed pursuant to N.J.A.C. 13:40-15.5 or 15.6.

(d) This subchapter shall not apply to:

1. Any person who is employed as a code enforcement official by the State or a political subdivision thereof when acting within the scope of that government employment;

2. Any person licensed by the State as an architect, professional engineer, electrical contractor or master

2. Inspecting systems and components which the home inspector is not required to, but is not prohibited from, inspecting pursuant to the standards of practice, N.J.A.C. 13:40-15.16;

3. Inspecting systems and components which are not part of the home inspection but which the home inspector may inspect if experienced, educated, trained, certified, registered or licensed as set forth in N.J.A.C. 13:40-15.22; and

4. Engineering and architectural services which are necessitated as a result of a home inspection.

“Additional inspection services” does not encompass repairs or improvements.

“Board” means the State Board of Professional Engineers and Land Surveyors.

“Client” means any current or prospective homeowner who engages, or seeks to engage, the services of a home inspector for the purpose of obtaining an inspection of and written report regarding the condition of a residential building.

“Client’s representative” means an attorney at law of the State of New Jersey who has been retained by the client and identified to the home inspector in writing. For the purposes of this subchapter, a real estate broker or agent is not the client’s representative.

“Committee” means the Home Inspection Advisory Committee established pursuant to N.J.S.A. 45:8-63.

“Component” means a part which, together with other parts, make up a system.

“Continuing education unit” means an hour of an educational activity in which a minimum of 50 minutes of the hour comprises active instruction or learning.

“Decorative” means ornamental, and not required for the operation of the systems and components of a residential building.

“Describe” means to report in writing a system or component by its type or other observed significant characteristics to distinguish it from other systems or components.

“Direct, on-site supervision” means that a licensed home inspector is physically present at and monitors the entire home inspection and prepares and signs the home inspection report.

“Exterior surfaces” means exterior cladding or siding, flashing, trim, eaves, soffits and/or fascia.

“Functional drainage” means the drainage of a plumbing fixture sufficient to prevent fixture overflow during normal usage.

“Functional water flow” means the delivery of a quantity of water at flow and pressure sufficient to use a fixture for its intended purpose.

“Home inspection” means a visual, functional, non-invasive inspection conducted for a fee or any other consideration and performed without moving personal property, furniture, equipment, plants, soil, snow, ice, or debris, using the mandatory equipment and including the preparation of a home inspection report of the readily-accessible elements of the following components of a residential building: structural components, exterior components, roofing system, plumbing system, electrical system, heating system, cooling system, interior components, insulation components and ventilation system, fireplaces and solid fuel burning appliances, or any other related residential housing component as determined by the Board, in consultation with the Committee, by rule, but excluding recreational facilities and outbuildings other than garages or carports.

“Home inspection report” means a written report prepared for a fee or any other consideration by a home inspector which:

1. Discloses those systems and components which are designated for inspection pursuant to this subchapter and are present at the time of the inspection, as well as those which are present at the time of the home inspection but are not inspected and the reason(s) they are not inspected;
2. Describes systems and components as specified in this subchapter;
3. States what material defects are found in systems or components;
4. States the significance of findings; and
5. Provides recommendations regarding the need to repair, replace or monitor a system or component, or to obtain examination and analysis by a qualified professional, tradesman or service technician.

“Home inspection training report” means a written report prepared by a trainee pursuant to N.J.A.C. 13:40-15.5(a)4, which:

1. Discloses those systems and components which are designated for inspection pursuant to this subchapter and are present at the time of the inspection, as well as those which are present at the time of the home inspection but are not inspected and the reason(s) they are not inspected;
2. Describes systems and components as specified in the rules of this subchapter;
3. States what material defects are found in systems or components;
4. States the significance of findings; and
5. Provides recommendations as to the need to repair, replace or monitor a system or component, or to obtain

examination and analysis by a qualified professional, tradesman or service technician.

“Home inspector” means any person licensed as a home inspector pursuant to N.J.S.A. 45:8-62 et seq. and this subchapter who practices as a home inspector and inspects the condition of a residential building on behalf of a client for which the client is charged a fee.

“Inspect” means to visually examine any readily accessible system or component of a building, including viewing the interior of readily openable access panels, and operating building systems using normal operating controls in accordance with this subchapter.

“Installed” means affixed apparatus or component of a system that is permanently integrated in a residential building.

“Licensee” means a home inspector licensed by the Committee and subject to this subchapter.

“Material defect” means a condition, or functional aspect, of a structural component or system that is readily ascertainable during a home inspection that substantially affects the value, habitability or safety of the dwelling, but does not include decorative, stylistic, cosmetic, or aesthetic aspects of the system, structure or component.

“Normal operating controls” means devices such as thermostats, switches or valves intended to be operated by the homeowner in the ordinary use of a system component or appliance.

“Other related residential housing component” means an attached or detached garage or carport unless that garage or carport contains a residence separate from the primary residential building.

“Person” means any natural person, limited or general partnership, association, corporation, or other legal entity, or any combination thereof.

“Readily openable access panel” means a panel provided for inspection and maintenance that is within normal reach, can be removed by one person, and is not sealed in place.

“Recreational facilities” means spas, saunas, steam baths, swimming pools, exercise, entertainment, athletic, playground or other similar equipment and associated accessories.

“Residential building” means a structure consisting of from one to four family dwelling units and their garages or carports, unless such garage or carport contains a separate dwelling unit but excluding the common elements and areas in multiple unit housing such as condominiums and cooperative housing; that has been occupied as such prior to the time when a home inspection is requested or contracted for in accordance with the Act and this subchapter, but does not include any such structure newly constructed and not previously occupied.

“Significance of findings” means an explanation of the reason the home inspector reported that a system or component designated for inspection pursuant to this subchapter contained a material defect, for the purpose of advising the client of the need for appropriate action.

“Structural component” means an integral part of a residential building, including the masonry structure and foundation, that supports non-variable forces or weights, that is, dead loads, and variable forces or weights, that is, live loads.

“System” means a combination of interacting or interdependent components, assembled to carry out one or more functions.

“Trainee” means any person who performs a home inspection under the direct, on-site supervision of a licensed home inspector pursuant to the provisions of N.J.A.C. 13:40-15.5.

“Unsafe” means a condition of a readily accessible, installed component or system caused by obsolescence, damage, deterioration, improper installation or inherent defects which presents a significant risk of injury or property damage under normal, day-to-day operation.

“Under-floor crawl space” means the area within the confines of the foundation and between the ground and the underside of the floor.

Amended by R.2006 d.80, effective February 21, 2006.

See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Rewrote definitions “Additional inspection services,” “Home inspection,” “Home inspection report,” “Licensee” and “Significance of findings”; and deleted definitions “Associate home inspector” and “Regular and effective, direct supervision.”

13:40-15.3 Office of the Committee

The office of the Committee shall be maintained with the Board at 124 Halsey Street, Newark, New Jersey. The mailing address of the Committee is PO Box 45043, Newark, New Jersey 07101.

13:40-15.4 Requirements for initial licensure as home inspector (grandfathering)

(a) Pursuant to N.J.S.A. 45:8-72, by December 30, 2005, persons may apply for licensure as a home inspector by completing and submitting to the Committee an application which will require information that the applicant:

1. Is of good moral character;
2. Has successfully completed high school or its equivalent;
3. Has, as of December 31, 1999, passed the examination offered by the American Society of Home Inspectors (ASHI) or has, since January 1, 2000, passed the National Home Inspection Examination administered by

the Examination Board of Professional Home Inspectors (EBPHI);

4. Has performed home inspections as defined in N.J.A.C. 13:40-15.2 on or before December 30, 2005, in either of the following numbers:

- i. 400; or
- ii. 300 for at least three years preceding December 30, 2005.

5. Maintains an errors and omissions insurance policy in the minimum amount of \$500,000 per occurrence.

(b) An applicant for licensure under this section shall:

1. Pay an application fee as set forth in N.J.A.C. 13:40-15.23;

2. Submit copies of income tax returns, business incorporation papers or similar documentation to verify that the applicant was in the business of performing home inspections for at least three years prior to December 30, 2005; and

3. Submit a list of the home inspections completed for compensation as required pursuant to (a)5 above by December 30, 2005.

(c) The Committee shall randomly audit applications to verify that applicants for licensure as a home inspector under this section performed the home inspections as required by (a)5 above. Applicants that are audited shall submit copies of home inspection reports as requested by the Committee.

(d) Pursuant to N.J.S.A. 45:1-21 and N.J.A.C. 13:40-15.20, the Committee may deny, refuse to renew, temporarily suspend or revoke a license, or impose a civil penalty, upon proof that an applicant has obtained a license under this section through fraud, deception or misrepresentation.

Amended by R.2006 d.80, effective February 21, 2006.
See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).
Rewrote the section.

13:40-15.5 (Reserved)

Repealed by R.2006 d.80, effective February 21, 2006.
See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Section was "Requirements for licensure as associate home inspector".

13:40-15.6 Requirements for initial licensure as home inspector

(a) An applicant for licensure as a home inspector shall complete and submit to the Committee an application which will require information that the applicant:

1. Is of good moral character;
2. Has successfully completed high school or its equivalent;

3. Has successfully completed an approved course of study of 180 hours, as prescribed by the Board, after consultation with the New Jersey Department of Education, which shall include not less than 40 hours of unpaid field-based inspections in the presence of and under the direct supervision of a licensed home inspector. The inspections shall be provided by the school administering the approved course of study; or

4. Has performed at least 250 home inspections as defined in N.J.A.C. 13:40-15.2 for which the client was charged a fee. The inspections shall be performed in the presence of and under the direct supervision of a licensed home inspector who oversees and takes full responsibility for the inspection and any report produced;

5. Shall secure and maintain an errors and omissions insurance policy in the minimum amount of \$500,000 per occurrence; and

6. Pay an application fee as set forth in N.J.A.C. 13:40-15.23.

(b) The Committee shall randomly audit applications to verify that applicants for licensure as a home inspector under this section performed at least 250 home inspections as required by (a)4 above. Applicants that are audited shall submit copies of home inspection reports as requested by the Committee.

(c) Pursuant to N.J.S.A. 45:1-21 and N.J.A.C. 13:40-15.20, the Committee may deny, refuse to renew, temporarily suspend or revoke a license, or issue a civil penalty, upon proof that an applicant has obtained a license through fraud, deception or misrepresentation.

Amended by R.2006 d.80, effective February 21, 2006.
See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Deleted former (a)3; added new (a)3; rewrote (a)4.

13:40-15.7 (Reserved)

Repealed by R.2006 d.80, effective February 21, 2006.
See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Section was "Supervision of associate home inspectors".

13:40-15.8 Insurance requirement

(a) All licensed home inspectors and engaged in the profession of home inspection shall maintain an errors and omissions insurance policy in the minimum amount of \$500,000 per occurrence and file proof of the policy with the Committee.

(b) Every proof of an errors and omissions policy required to be filed with the Committee shall provide that cancellation or nonrenewal of the policy shall not be effective unless and until the Committee has received at least 10 days written notice of intention to cancel or nonrenew.

(c) Both the home inspector and the insurance company shall provide written notification to the Committee at least 10

days prior to the discontinuation of the errors and omissions policy.

Amended by R.2006 d.80, effective February 21, 2006.

See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

In (a) and (c), deleted "associate home inspector."

13:40-15.9 Identification cards

(a) All licensed home inspectors shall, during the performance of a home inspection, carry an identification card issued by the Committee. The identification card shall contain the name, photograph, license number and signature of the person to whom the identification card has been issued.

(b) Identification cards shall not be transferable. A duplicate identification card to replace one lost or destroyed may be issued upon notice to the Committee and payment of a fee as established by rule by the Division.

Amended by R.2006 d.80, effective February 21, 2006.

See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

In (a), deleted "and associate home inspectors."

13:40-15.10 License renewal

(a) All licenses issued by the Committee shall be issued for a two year period. A licensee who seeks renewal of the license shall submit a license renewal application and the license renewal fee set forth in N.J.A.C. 13:40-15.23 to the Committee prior to the expiration of the license.

(b) Renewal applications shall provide the applicant with the option of either active or inactive status. A licensee electing inactive status shall pay the inactive license fee as set forth in N.J.A.C. 13:40-15.23 and shall not engage in the practice of home inspection.

(c) If the licensee does not renew the license prior to its expiration date, the licensee may renew it within 30 days of its expiration by submitting a renewal application, a license renewal fee and a late fee, as set forth in N.J.A.C. 13:40-15.23.

(d) A license that is not renewed within 30 days of its expiration shall be automatically suspended. An individual who continues to practice with a suspended license shall be deemed to be engaged in unlicensed practice.

13:40-15.11 Change of license status: inactive to active

(a) A licensee, upon application to the Committee, may change from inactive to active status upon payment of the renewal fee as set forth in N.J.A.C. 13:40-15.23 and submission of evidence of having completed the following:

1. Forty units of Committee-approved continuing education within the two year period preceding the application for reinstatement if the license has been inactive for a period of two years or less;

2. Sixty units of Committee-approved continuing education within the three year period immediately preceding the application for reinstatement or the course of study as required by N.J.A.C. 13:40-15.5(a)3 within one year immediately preceding the application for reinstatement if the license has been inactive for a period of more than two and less than five years; or

3. The course of study as required by N.J.A.C. 13:40-15.5(a)3 within one year immediately preceding the application for reinstatement if the license has been inactive for a period of five or more years.

13:40-15.12 Reinstatement of suspended license

(a) An individual whose license has been suspended for nonpayment of a biennial renewal fee may be reinstated by the Committee, provided the applicant otherwise qualifies for licensure pursuant to N.J.S.A. 45:8-68 and N.J.A.C. 13:40-15.6, and submits one of the following to the Board:

1. A certification or licensure in good standing from any other state or jurisdiction in which the applicant has practiced as a home inspector during the period the license was suspended in this State;

2. An affidavit by the applicant stating that he or she has practiced as a home inspector in a state or jurisdiction which does not require certification or licensure, during the period the license was suspended in this State; or

3. An affidavit stating that the applicant has not practiced as a home inspector in this or any other jurisdiction during the period the license was suspended in this State.

(b) An applicant who has practiced as a home inspector in the manner described in (a)1 or 2 above shall submit written verification, on a form provided by the Committee, from all of the applicant's employers. The verification shall document dates of employment from the date the New Jersey license was suspended to the date of application for reinstatement, and the name, address and telephone number of each employer.

(c) An applicant who has been practicing as a home inspector in any manner described in (a)1 or 2 above during the period the license was suspended in this State shall submit proof that he or she has completed a minimum of 40 Committee-approved continuing education units pursuant to N.J.A.C. 13:40-15.13 in the two year period immediately prior to application for reinstatement.

(d) An applicant who has not practiced as a home inspector during the period the license was suspended in this State shall meet the following requirements as a condition of reinstatement:

1. An individual whose license has been suspended for a period of two years or less shall complete 40 units of

Committee-approved continuing education within the two year period preceding reinstatement;

2. An individual whose license has been suspended for a period of more than two and less than five years shall complete 60 units of Committee-approved continuing education within the three year period immediately preceding reinstatement or successfully complete the course of study as required by N.J.A.C. 13:40-15.5(a)3 within one year immediately preceding reinstatement; or

3. An individual whose license has been suspended for a period of five or more years shall retake and pass the Home Inspector Examination administered by the Examination Board of Professional Home Inspectors (EBPHI) prior to reinstatement.

(e) Prior to reinstatement, an applicant shall pay a reinstatement fee and all past delinquent biennial renewal fees pursuant to N.J.A.C. 13:40-15.23.

Amended by R.2006 d.80, effective February 21, 2006.
See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

In introductory paragraph (a), deleted reference to N.J.S.A. 45:8-69 and N.J.A.C. 13:40-15.5; deleted "or associate home inspector" throughout.

13:40-15.13 Change of address provision; service of process

(a) A licensed home inspector shall notify the Committee in writing of any change of address from that registered with the Committee and shown on the most recently issued certificate. Such notice shall be sent to the Committee by certified mail, return receipt requested, not later than 30 days following the change of address. Failure to notify the Board of any change of address may result in disciplinary action in accordance with N.J.S.A. 45:1-21(h).

(b) Service of an administrative complaint or other Committee-initiated action at a licensee's address which is on file with the Committee shall be deemed adequate notice for the purposes of N.J.A.C. 1:1-7.1 and the commencement of any disciplinary proceedings.

(c) A license shall, within 30 days of receiving notice of disciplinary action taken against the licensee in any state, territory or jurisdiction, report to the Committee in writing of such notification and provide a copy of the notification and the underlying documentation of the disciplinary action.

Amended by R.2006 d.80, effective February 21, 2006.
See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

In (a), deleted "or licensed associate home inspector."

13:40-15.14 Continuing education requirements

(a) The Committee shall not issue a license renewal unless the applicant attests, when submitting the renewal application sent by the Committee, that he or she has completed courses of continuing professional education of the types and number of units specified in (b), (c) and (d) below. Falsification of

any information submitted with the renewal application may result in penalties and/or suspension of the license pursuant to N.J.S.A. 45:1-21 through 25 and N.J.A.C. 13:40-15.20.

(b) Continuing education unit requirements for biennial license renewal are as follows:

1. Each home inspector shall be required to complete during the preceding biennial period a minimum of 40 units of continuing education in courses and programs as provided in (c) and (d) below.

2. Persons receiving initial licensure as home inspectors shall complete continuing education requirements prorated as follows:

i. Any person receiving initial licensure as a home inspector in the first year of a biennial registration period shall complete a minimum of 40 continuing education units before the end of that biennial registration period; and

ii. Any person receiving initial licensure as a home inspector in the second year of a biennial registration period shall complete a minimum of 20 continuing education units before the end of that biennial registration period.

3. A licensee who completes more than the minimum continuing education units as set forth in (b)1 above in any biennial registration period may carryover no more than 10 of the additional units into a succeeding biennial period, but only if the units were earned in the last six months of the preceding biennial period.

4. Any continuing education units completed by the licensee in compliance with an order or directive from the Committee as set forth in (h) below may not be used to satisfy the minimum continuing education requirements as set forth in this section.

5. A licensee on inactive status who seeks to reactivate his or her license shall submit to the Committee proof of successful completion of continuing education units as set forth in N.J.A.C. 13:40-15.10(a), (b) and (c) above, as applicable.

(c) A licensee may obtain continuing education units from the following:

1. Successful completion of continuing education courses or programs approved by the Committee pursuant to (g) below. The Committee shall maintain a list of all approved programs, courses and lecturers at the Board office and shall furnish this information to licensees upon request;

2. Participation in instructional activities such as developing curriculum for a new program or course and/or teaching a new program or course, provided the program or course is directly related to the practice of home inspection in the State of New Jersey. "New" means that the licensee

has never taught or developed curriculum for that course or program in any educational setting;

3. Authorship of a textbook or manual directly related to the practice of home inspection in the State of New Jersey, provided the textbook or manual, as published, is at least 7,500 words in length;

4. Authorship of a published article related to the practice of home inspection in the State of New Jersey, provided the article, as published, is at least 250 words in length; and

5. Direct, on-site supervision of associate home inspectors and/or trainees during home inspections used for training purposes. To qualify for continuing education credit, a home inspection used for training purposes shall require at least one hour to complete and shall not be attended by more than two associate home inspectors and/or trainees in the aggregate.

(d) Credit for continuing education shall be granted as follows for each biennial registration period:

1. Attendance at continuing education programs approved by the Committee: one unit for each hour of attendance at an approved course. Credit shall not be granted for courses that are less than one instructional hour long. Completion of an entire course or segment of course instruction shall be required in order to receive any continuing education units;

2. Attendance at courses approved by the Committee: one unit for each hour of attendance at an approved course. Credit shall not be granted for courses that are less than one instructional hour long. Completion of an entire course or segment of course instruction is required in order to receive any continuing education units;

3. Successful completion of correspondence, Internet or other distance learning courses approved by the Committee: one continuing education unit per hour of course instruction as determined by the Committee to a maximum of 10 units per biennial registration period;

4. Participation in instructional activities pursuant to (c)2 above: one continuing education unit per hour of program or course instruction to a maximum of 16 units per biennial registration period;

5. Authorship of a textbook or manual pursuant to (c)3 above: 10 continuing education units per textbook or manual to a maximum of 10 units per biennial registration period;

6. Authorship of a published article pursuant to (c)4 above: one continuing education unit per published article to a maximum of 10 units per biennial registration period; and

7. Direct, on-site supervision of associate home inspectors and/or trainees during training home inspections

pursuant to (c)5 above: one continuing education unit per home inspection used for training purposes to a maximum of 16 units per biennial registration period.

(e) The Committee shall perform audits of randomly selected licensees to determine compliance with continuing education requirements. A licensee shall maintain the following documentation for a period of five years after completion of the continuing education units and shall submit such documentation to the Committee upon request:

1. Certificate of completion from sponsor—for attendance at courses or programs approved by the Committee;

2. The published item—for publication of manual, textbook, or article;

3. Documentation, including copy of curriculum, location, date and time of course, duration of course by hour, and letter from sponsor, confirming that the licensee developed or taught the course or program—for developing curriculum or teaching a course or program, including those for realtors and/or civic groups; and

4. Documentation, including the location, date and time, duration, a list of participants, and copies of all completed home inspection training reports—for each training home inspection directly supervised by the licensee.

(f) Waiver, extension or other modification of the continuing education requirements may be granted as follows:

1. The Committee upon receipt of a request for waiver, extension or other modification received at least 90 days prior to license renewal, may waive, extend or otherwise modify the continuing education requirements of this section on an individual basis for reasons of hardship, such as severe illness, disability, or military service; and

2. A licensee seeking a waiver, extension or other modification of the continuing education requirements shall apply to the Committee in writing which must be received at least 90 days prior to license renewal and set forth in specific detail the reasons for the request. The licensee shall provide the Committee with such supplemental materials as will support the request.

(g) All sponsors of continuing education courses or programs shall:

1. Obtain Committee approval prior to representing that any course, seminar, or program fulfills the requirements of this section;

2. Submit for evaluation by the Committee, the following for each course, seminar or program offered:

i. A detailed description of course content and estimated hours of instruction; and

ii. The curriculum vitae of each lecturer, including specific background which qualifies the individual as a lecturer of repute in the area of instruction;

3. Monitor the attendance at each approved course, seminar or program and furnish to each enrollee a verification of attendance, which shall include at least the following information:

i. The title, date and location of course, seminar or program offering;

ii. The name and license number of attendee;

iii. The number of hours attended; and

iv. The name and signature of officer or responsible party;

4. Solicit course, seminar or program evaluations from both the participants and the instructors; and

5. Submit a fee pursuant to N.J.A.C. 13:40-15.23 for each biennial period during which a course(s), seminar(s) or programs is offered.

(h) The Committee shall approve only such continuing education courses and programs as are available and advertised on a reasonable nondiscriminatory basis to all persons practicing home inspecting in the State and are directly related to the practice of home inspection in the State of New Jersey.

(i) The Committee may direct or order a licensee to complete continuing education units:

1. As part of a disciplinary or remedial measure; or

2. To correct a deficiency in the licensee's continuing education requirements.

Amended by R.2006 d.80, effective February 21, 2006.

See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Rewrote the section.

13:40-15.15 Pre-inspection agreements

(a) A home inspector shall send a pre-inspection agreement to a client or client's representative, by mail, facsimile, email or other means of delivery, no later than one business day after the appointment for the home inspection is made. The pre-inspection agreement shall be executed prior to the start of the home inspection. The pre-inspection agreement shall contain, at a minimum, the following information:

1. The price of the home inspection;

2. A description of the systems and components which will be inspected as part of the home inspection as required pursuant to N.J.A.C. 13:40-15.16;

3. A description of that which is not required as part of the home inspection pursuant to this subchapter;

4. The full name and address of the client;

5. The address of the home to be inspected;

6. The date and time of the home inspection;

7. A statement that home inspectors are governed by the rules in the New Jersey Administrative Code contained at N.J.A.C. 13:40-15 and that the licensee shall comply with these rules and failure to comply with the rules may subject the licensee to discipline; and

8. A description of any additional inspection service(s), as defined in N.J.A.C. 13:40-15.2, for which the client is charged an additional fee(s) which are not part of the home inspection but may be performed pursuant to this subchapter.

(b) The pre-inspection agreement shall indicate whether any systems or components are excluded from the home inspection at the request of the client.

(c) The pre-inspection agreement shall indicate whether the home inspector will return at a later date to inspect any systems or components which are not inspected because of unforeseen circumstances at the initial home inspection and whether any additional fee will be charged for such subsequent inspection, and the amount of such fee, if any.

(d) A pre-inspection agreement shall be retained for a period of five years following the completion of the pre-inspection agreement.

Amended by R.2006 d.80, effective February 21, 2006.

See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Deleted "associate home inspector" throughout.

13:40-15.16 Standards of practice

(a) All home inspectors shall comply with the standards of practice contained in this section when conducting home inspections. The scope of home inspection services performed in compliance with the requirements set forth in this section shall provide the client with objective information regarding the condition of the systems and components of the home as determined at the time of the home inspection.

(b) Nothing in this section shall be construed to require a home inspector to:

1. Enter any area or perform any procedure which is, in the opinion of the home inspector, unsafe and likely to be dangerous to the inspector or other persons;

2. Enter any area or perform any procedure which will, in the opinion of the home inspector, likely damage the property or its systems or components;

3. Enter any area which does not have at least 24 inches of unobstructed vertical clearance and at least 30 inches of unobstructed horizontal clearance;

4. Identify concealed conditions and latent defects;

5. Determine life expectancy of any system or component;

6. Determine the cause of any condition or deficiency;
7. Determine future conditions that may occur including the failure of systems and components including consequential damage;
8. Determine the operating costs of systems or components;
9. Determine the suitability of the property for any specialized use;
10. Determine compliance with codes, regulations and/or ordinances;
11. Determine market value of the property or its marketability;
12. Determine advisability of purchase of the property;
13. Determine the presence of any potentially hazardous plants, animals or diseases or the presence of any suspected hazardous substances or adverse conditions such as mold, fungus, toxins, carcinogens, noise, and contaminants in soil, water, and air;
14. Determine the effectiveness of any system installed or method utilized to control or remove suspected hazardous substances;
15. Operate any system or component which is shut down or otherwise inoperable;
16. Operate any system or component which does not respond to normal operating controls;
17. Operate shut-off valves;
18. Determine whether water supply and waste disposal systems are public or private;
19. Insert any tool, probe or testing device inside electrical panels;
20. Dismantle any electrical device or control other than to remove the covers of main and sub panels;
21. Walk on unfloored sections of attics; and
22. Light pilot flames or ignite or extinguish fires.

(c) Home inspectors shall:

1. Inspect the following systems and components in residential buildings and other related residential housing components:
 - i. Structural components as required by (e) below;
 - ii. Exterior components as required by (f) below;
 - iii. Roofing system components as required by (g) below;
 - iv. Plumbing system components as required by (h) below;

- v. Electrical system components as required by (i) below;
- vi. Heating system components as required by (j) below;
- vii. Cooling system components as required by (k) below;
- viii. Interior components as required by (l) below;
- ix. Insulation components and ventilation system as required by (m) below; and
- x. Fireplaces and solid fuel burning appliances as required by (n) below;

2. Prepare a home inspection report which shall:

- i. Disclose those systems and components as set forth in (c)1 above which were present at the time of inspection;
- ii. Disclose systems and components as set forth in (c)1 above which were present at the time of the home inspection but were not inspected, and the reason(s) they were not inspected;
- iii. Describe the systems and components specified in these standards of practice;
- iv. State material defects found in systems or components;
- v. State the significance of findings where any material defects in the systems and components of (c)1 above were found; and
- vi. Provide recommendations where material defects were found to repair, replace or monitor a system or component or to obtain examination and analysis by a qualified professional, tradesman, or service technician without determining the methods, materials or cost of corrections; and

3. Retain copies of all home inspection reports prepared pursuant to (c)2 above, for a period of five years upon completion of the report;

(d) Subsection (c) above is not intended to limit home inspectors from:

1. Inspecting or reporting observations and conditions observed in systems and components in addition to those required in (c)1 above and inspecting systems and components other than those mandated for inspection in (c)1 above as long as the inspection and reporting is based on the licensee's professional opinion, prior work experience, education and training, unless these standards of practice prohibit the home inspector from inspecting such system or component;
2. Contracting with the client to provide, for an additional fee additional inspection services provided the home

inspector is educated, trained, certified, registered or licensed, pursuant to the provisions of N.J.A.C. 13:40-15.22 and other applicable statutes and rules; and

3. Excluding systems and components from the inspection if requested in writing by the client.

(e) When conducting the inspection of the structural components, the home inspector shall:

1. Inspect:
 - i. Foundation;
 - ii. Floors;
 - iii. Walls;
 - iv. Ceilings; and
 - v. Roof;
2. Describe:
 - i. Foundation construction type and material;
 - ii. Floor construction type and material;
 - iii. Wall construction type and material;
 - iv. Ceiling construction type and material; and
 - v. Roof construction type and material;
3. Probe structural components where deterioration is suspected unless such probing would damage any finished surface; and
4. Describe in the home inspection report the methods used to inspect under-floor crawl spaces and attics.

(f) When conducting the inspection of the exterior components, a home inspector shall:

1. Inspect:
 - i. Exterior surfaces, excluding shutters, and screening, awnings, and other similar seasonal accessories;
 - ii. Exterior doors excluding storm doors or safety glazing;
 - iii. Windows excluding storm windows and safety glazing;
 - iv. Attached or adjacent decks, balconies, stoops, steps, porches, and their railings;
 - v. Vegetation, grading, drainage, and retaining walls with respect to their immediate detrimental effect on the condition of the residential building, excluding fences, geological and/or soil conditions, sea walls, break-walls, bulkheads and docks, or erosion control and earth stabilization;
 - vi. Attached or adjacent walkways, patios, and driveways; and

vii. Garage doors including automatic door openers and entrapment protection mechanisms, excluding remote control devices; and

2. Describe exterior wall surface type and material.

(g) When inspecting the roof of a residential building, the home inspector shall:

1. Inspect:
 - i. Roofing surface, excluding antennae and other installed accessories such as solar heating systems, lightning arresters, and satellite dishes;
 - ii. Roof drainage systems;
 - iii. Flashing;
 - iv. Skylights; and
 - v. Exterior of chimneys;
2. Describe:
 - i. Roof surface;
 - ii. Roof drainage systems;
 - iii. Flashing;
 - iv. Skylights; and
 - v. Chimneys;
3. Employ reasonable, practicable and safe methods to inspect the roof such as:
 - i. Walking on the roof;
 - ii. Observation from a ladder at roof level; or
 - iii. Visual examination with binoculars from ground level; and
4. Describe the methods used to inspect the roof.

(h) When inspecting the plumbing system, a home inspector shall:

1. Inspect:
 - i. Interior water supply and distribution systems including functional water flow and functional drainage, excluding wells, well pumps, well water sampling or water storage related equipment, determination of water supply quantity or quality and water conditioning systems and lawn irrigation systems;
 - ii. All interior fixtures and faucets, excluding shut off valves, wells, well pumps, well water sampling and water storage related equipment;
 - iii. Drain, waste and vent systems;
 - iv. Domestic water heating systems, without operating safety valves or automatic safety controls, and excluding solar water heating systems;

v. Combustion vent systems excluding interiors of flues and chimneys;

vi. Fuel distribution systems; and

vii. Drainage sumps, sump pumps and related piping; and

2. Describe:

i. Predominant interior water supply and distribution piping materials;

ii. Predominant drain, waste and vent piping materials; and

iii. Water heating equipment including energy sources.

(i) When inspecting the electrical system, a home inspector shall:

1. Inspect:

i. Service entrance system;

ii. Main disconnects, main panel and sub panels, including interior components of main panel and sub panels;

iii. Service grounding;

iv. Wiring, without measuring amperage, voltage or impedance, excluding any wiring not a part of the primary electrical power distribution system, such as central vacuum systems, remote control devices, telephone or cable system wiring, intercom systems, security systems and low voltage wiring systems;

v. Over-current protection devices and the compatibility of their ampacity with that of the connected wiring;

vi. At least one of each interior installed lighting fixture, switch, and receptacle per room and at least one exterior installed lighting fixture, switch, and receptacle per side of house; and

vii. Ground fault circuit interrupters; and

2. Describe:

i. Amperage and voltage rating of the service;

ii. Location of main disconnect, main panels, and sub-panels;

iii. Type of over-current protection devices;

iv. Predominant type of wiring;

v. Presence of knob and tube branch circuit wiring; and

vi. Presence of solid conductor aluminum branch circuit wiring.

(j) When inspecting the heating system, a home inspector shall:

1. Inspect:

i. Installed heating equipment and energy sources, without determining heat supply adequacy or distribution balance, and without operating automatic safety controls or operating heat pumps when weather conditions or other circumstances may cause damage to the pumps, and excluding humidifiers, electronic air filters and solar heating systems;

ii. Combustion vent systems and chimneys, excluding interiors of flues or chimneys;

iii. Fuel storage tanks, excluding propane and underground storage tanks; and

iv. Visible and accessible portions of the heat exchanger, removing the flame roll-out shield if applicable; and

2. Describe:

i. Heating equipment and distribution type; and

ii. Energy sources.

(k) When inspecting the cooling system, a home inspector shall:

1. Inspect:

i. Central cooling system, excluding electronic air filters and excluding determination of cooling supply adequacy or distribution balance and without operating central cooling equipment when weather conditions or other circumstances may cause damage to the cooling equipment;

ii. Permanently installed hard-wired, through-wall individual cooling systems; and

iii. Energy sources; and

2. Describe:

i. Cooling equipment and distribution type; and

ii. Energy sources.

(l) When inspecting the interior of a residential building, a home inspector shall:

1. Inspect:

i. Walls, ceilings, and floors excluding paint, wall-paper and other finish treatments, carpeting and other non-permanent floor coverings;

ii. Steps, stairways, and railings;

iii. Installed kitchen wall cabinets to determine if secure;

iv. At least one interior passage door and operate one window per room excluding window treatments; and

v. Household appliances limited to:

(1) The kitchen range and oven to determine operation of burners or heating elements excluding microwave ovens and the operation of self-cleaning cycles and appliance timers and thermostats;

(2) Dishwasher to determine water supply and drainage; and

(3) Garbage disposer.

(m) When inspecting the insulation components and ventilation system of a residential building, the home inspector shall:

1. Inspect:

i. Insulation in unfinished spaces without disturbing insulation;

ii. Ventilation of attics and crawlspaces; and

iii. Mechanical ventilation systems; and

2. Describe:

i. Insulation in unfinished spaces adjacent to heated areas; and

ii. Evidence of inadequate attic and crawlspace ventilation.

(n) When inspecting fireplaces and solid fuel burning appliances, a home inspector shall:

1. Inspect:

i. Fireplaces and solid fuel burning appliances, without testing draft characteristics, excluding fire screens and doors, seals and gaskets, automatic fuel feed devices, mantles and non-structural fireplace surrounds, combustion make-up air devices, or gravity fed and fan assisted heat distribution systems; and

ii. Chimneys and combustion vents excluding interiors of flues and chimneys; and

2. Describe:

i. Type of fireplaces and/or solid fuel burning appliances;

ii. Energy source; and

iii. Visible evidence of draft characteristics.

Amended by R.2006 d.80, effective February 21, 2006.

See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Deleted "associate home inspector" throughout.

13:40-15.17 Mandatory tools and equipment

(a) All home inspectors shall, during the performance of a home inspection, be equipped with the following minimum tools and equipment:

1. A ladder, minimum 11 feet in length;

2. A flashlight, or another equivalent light source, with a minimum 15,000 candlepower illumination;

3. A flame inspection mirror;

4. An electrical outlet tester with Ground Fault Circuit Interrupter (GFCI) test ability;

5. Tools necessary to remove common fasteners on covers or panels which are required to be removed pursuant to this subchapter.

6. A measuring tape;

7. A probe;

8. Thermometers for testing air conditioning;

9. Binoculars with a magnification between 8X42 and 10X50;

10. A moisture meter;

11. Combustible gas leak detection equipment; and

12. A voltage detector.

(b) This section is not intended to establish an exclusive list of tools and equipment to be used during the performance of a home inspection. A home inspector may utilize any other tools or equipment which in the licensee's professional judgment believes is necessary to adequately perform a home inspection.

Amended by R.2006 d.80, effective February 21, 2006.

See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Deleted "associate home inspector" throughout.

13:40-15.18 Advertising; identification of licensee

(a) The following words and terms, when used in this section, shall have the following meanings, unless the context clearly indicates otherwise:

"Advertisement" or "advertising" means an attempt, either directly or indirectly, by publication, dissemination, solicitation, endorsement or circulation in print or electronic media to induce a person to enter into an agreement to accept home inspection services.

"Electronic media" includes, but is not limited to, radio, television, telephone, facsimile machine, computer, and the Internet.

"Print media" means newspapers, magazines, periodicals, professional journals, telephone directories, circulars, handbills, fliers or other publications, the content of which is disseminated by means of the printed word.

(b) All radio and television advertising by a home inspector shall include the name and license number of the home inspector.

(c) All advertising by a home inspector, other than the advertising referred to in (b) above, shall include:

1. The name of the home inspector;
2. The words "Home Inspector License Number" or "Home Inspector Lic. #," followed by the license number of the home inspector; and
3. The business address of the home inspector, including the street name and number. Post office box numbers shall not be used as a form of business address.

(d) All advertising records shall be retained for a period of five years from the date of the advertisement.

(e) A home inspector whose name, business address, or license number appears or is mentioned in any advertisement shall be presumed to have caused, permitted or approved the advertising and shall be personally responsible for its content.

(f) All commercial vehicles used by a home inspector shall be marked on both sides with the following information:

1. The name of the home inspector in lettering at least one inch in height;
2. The words "Home Inspector License Number" or "Home Inspector Lic. #," followed by the license number of the home inspector in lettering at least one inch in height; and
3. The name of the owner or the lessee of the vehicle and the municipality from which the licensee practices or where the licensee has a principal office in lettering at least three inches in height.
 - i. Where available space for lettering is limited, either by design of the vehicle or by the presence of other legally specified identification markings, making strict compliance with (f)3 above impractical, the size of the lettering shall be as close to three inches high as is possible within the limited space, provided the information required is clearly visible and readily identifiable.

(g) All home inspectors who utilize a non-commercial vehicle during the performance of a home inspection shall display on the dashboard of the vehicle a placard issued by the Division which contains the name of the inspector, the inspector's license number and the name of the home inspection business.

(h) All business correspondence and stationery, such as letterhead, business cards, pre-inspection agreements, and home inspection reports, of a home inspector shall display:

1. The name of the home inspector;

2. The words "Home Inspector License Number" or "Home Inspector Lic. #," followed by the license number of the home inspector; and

3. The business address of the home inspector, including the street name and number, of the home inspector. Post office box numbers shall not be used as a form of business address.

Amended by R.2006 d.80, effective February 21, 2006.
See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).
Deleted "associate home inspector" throughout.

13:40-15.19 Prohibited practices

(a) It is a prohibited practice for a home inspector to do any of the following:

1. Perform or offer to perform, for an additional fee, any repairs to a structure on which the licensee or the licensee's company, has prepared a home inspection report;
2. Inspect for a fee any property in which the licensee, or the licensee's company, has any financial interest or any interest in the transfer of the property;
3. Offer or deliver any compensation, inducement, or reward to the owner of the inspected property, the broker, the agent or the client's representative, for the referral of any business to the licensee or the licensee's company;
4. Offer or deliver any compensation, inducement, or reward to the client, the broker, the agent or the client's representative or homeowner, on behalf of a person or business entity;
5. Accept an engagement to perform an inspection or prepare a home inspection report in which the employment itself or the fee payable for the inspection is contingent upon the conclusions of the report, preestablished findings, or the close of title;
6. Provide a copy of the home inspection report or disclose any information concerning the results of the inspection without the written approval of the client or the client's representative except when the home inspector discovers a health or safety condition that would not be readily detectable by the occupant or homeowner and which poses an imminent risk of injury;
7. Accept compensation, financial or otherwise, from more than one interested party for the same home inspection;
8. Accept or offer commissions or allowances, directly or indirectly, from other parties dealing with the client in connection with work for which the licensee is responsible;
9. Accept commissions from any other trade or profession for information concerning the condition of the property which is the subject of the home inspection;

10. Fail to promptly disclose to the client information about any business interest of the licensee which may affect the client in connection with the home inspection;

11. Allow an interest the licensee may have in any business to affect the quality of a home inspection;

12. Use a home inspection as a means to obtain work in another field which is not an additional inspection service as defined by N.J.A.C. 13:40-15.2;

13. Engage in the use of advertising which contains any statement, claim or format which is false, fraudulent, misleading or deceptive;

14. Engage in advertising which promotes a professional service which is beyond the licensee's ability or authority to perform;

15. Perform or represent that a licensee can perform a professional service which is beyond the licensee's ability or authority to perform;

16. Perform, or offer to perform engineering or architectural services unless appropriately qualified pursuant to N.J.S.A. 45:3-1 et seq., N.J.S.A. 45:8-27 et seq., and other applicable laws and rules;

17. Fail to inspect the systems and components required by the standards of practice as set forth in N.J.A.C. 13:40-15.16 without the written consent of the client;

18. Employ any person as a home inspector who is not licensed as a home inspector;

19. Practice as a home inspector without a license, with a suspended license or during inactive status;

20. Perform any act or omission involving dishonesty, fraud, or misrepresentation with the intent to benefit a licensee or other person or with the intent to substantially injure another person;

21. Perform any act or omission involving dishonesty, fraud, or misrepresentation in the performance of a home inspection or preparation of a home inspection report;

22. Pay a finder's fee or referral fee to any person in connection with a home inspection; or

23. Fail or refuse, without good cause, to exercise diligence in preparing a home inspection report, delivering a report to the client, or responding to an inquiry from the client.

(b) Engaging in any of the prohibited practices delineated in (a) above shall be considered professional or occupational misconduct within the meaning of N.J.S.A. 45:1-21(e) and may subject the licensee to the disciplinary provisions of N.J.A.C. 13:40-15.20.

Amended by R.2006 d.80, effective February 21, 2006.

See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Deleted "associate home inspector" throughout; deleted former (a)19; recodified (a)20-24 as (a)19-23.

13:40-15.20 Suspension, revocation or refusal to renew license

(a) The Committee may, pursuant to N.J.S.A. 45:1-21 and this subchapter, deny, refuse to renew, or temporarily suspend or revoke a license, or issue a civil penalty, upon proof that an applicant or licensee:

1. Has obtained a license or license renewal through fraud, deception, or misrepresentation;

2. Has engaged in dishonesty, fraud, deception, misrepresentation, false promise, or false pretense;

3. Has engaged in gross negligence, gross malpractice or gross incompetence which damaged or endangered the life, health, welfare, safety or property of any person;

4. Has engaged in repeated acts of negligence, malpractice or incompetence;

5. Has engaged in professional or occupational misconduct as outlined in N.J.A.C. 13:40-15.18 and 15.19;

6. Has been convicted of, or engaged in acts constituting, any crime or offense involving moral turpitude or relating adversely to the activity regulated by the home inspection Committee. For the purpose of this subsection a judgment of conviction or a plea of guilty, non vult, nolo contendere or any other such disposition of alleged criminal activity shall be deemed a conviction;

7. Has had the authority to engage in home inspections revoked or suspended by any other state, agency or authority for reasons consistent with this section;

8. Has violated or failed to comply with the provisions of any law or regulation administered by the Committee;

9. Has permitted an unlicensed person or entity to perform an act for which a license or certificate of registration or certification is required by the board, or aided and abetted an unlicensed person or entity in performing such an act;

10. Has failed to report any violations of the Act and this subchapter by other licensees to the Committee;

11. Is incapable, for medical or other good cause, of discharging the functions of a licensee in a manner consistent with the public's health, safety and welfare;

12. Has violated any insurance fraud prevention law or act of another jurisdiction or has been adjudicated, in civil or administrative proceedings, of a violation of the law as set forth in this section, or has been subject to a final order, entered in civil or administrative proceedings, that imposed civil penalties under that act against the applicant or holder;

13. Is presently engaged in drug or alcohol use that is likely to impair the ability to practice the profession or occupation with reasonable skill and safety. For purposes

of this subsection, the term "presently" means at this time or any time within the previous 365 days; or

14. Advertised fraudulently in any manner.

(b) In addition to the actions listed in (a) above, the Committee may impose additional or alternative penalties pursuant to N.J.S.A. 45:1-22 and 25 for violations of any provision of this subchapter.

(c) The Committee may order a licensed home inspector to complete continuing education units as all or part of the civil penalty imposed for disciplinary measures.

(d) The denial, refusal to renew, or temporary suspension or revocation of a license, and/or the issuance of a civil penalty under this section, may be ordered by a decision of a majority of the Committee after an opportunity to be heard.

(e) The licensee may apply to the Committee for reinstatement of a revoked license after the revocation has been in effect for at least one year. The reinstatement shall be granted upon an affirmative vote by a majority of the Committee.

Amended by R.2006 d.80, effective February 21, 2006. See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a). In (c), deleted "associate home inspector."

13:40-15.21 Requirements for licensure as a home inspector by comity

(a) Any person with a valid registration, certification, or license issued by another state or possession of the United States or the District of Columbia may, upon the submission of an application provided by the Committee and payment of the fee in N.J.A.C. 13:40-15.23, be issued a license as a home inspector, provided that:

- 1. The education, training, and examination requirements in such other jurisdiction are substantially equivalent to those required by the Committee at the time of application;
- 2. The prior State licenses relied upon must be current, active, and in good standing; and
- 3. The person secures and maintains an errors and omissions insurance policy, in the minimum amount of \$500,000 per occurrence.

Amended by R.2006 d.80, effective February 21, 2006. See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a). Deleted "or associate home inspector" from section heading; in introductory paragraph (a), deleted "or associate home inspector whichever applies to the applicant's experience at the time of application."

13:40-15.22 Inspection services requiring additional experience, education, training, or license or certification

(a) A licensed home inspector may perform the following additional inspection services if the licensee has the experience, education, training, license or certification indicated:

- 1. Wells, well pumps, well water sampling or water storage related equipment: experience, education, training;
- 2. Private waste disposal systems including on-site individual waste disposal systems septic systems and/or cesspools: license from Board of Professional Engineers or registered as an environmental health specialist;
- 3. Installed or free-standing warning devices including, carbon monoxide detectors, flue gas and other spillage detectors: experience, education, training;
- 4. Fire alarm systems, smoke detection systems, burglar alarm and security equipment: license from the Fire Alarm, Burglar Alarm and Locksmith Committee;
- 5. Presence of rodents, pests and/or insects of any kind: experience, education, training;
- 6. Presence of asbestos: license from Environmental Protection Agency;
- 7. Presence of lead paint: license from the Department of Health and Senior Services;
- 8. Presence of radon: license from the Department of Environmental Protection;
- 9. Presence of hazardous waste: experience, education, training; or
- 10. Inspections requiring specialized training or certification by a board, committee, commission or other agency of the State.

Amended by R.2006 d.80, effective February 21, 2006. See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a). In introductory paragraph (a), deleted "or licensed associate home inspector."

13:40-15.23 Fee schedule

(a) The Committee shall charge the following fees:

- 1. Application fee:
 - i. Home inspector \$125.00
- 2. Initial license fee:
 - i. Home inspector 500.00
 - ii. Issued during the second year of a biennial renewal period..... 250.00
- 3. Renewal license fee
 - i. Home inspector 500.00
 - ii. Inactive status..... (to be established by rule by the Director)
- 4. Late renewal fee 50.00
- 5. Reinstatement fee 125.00

- 6. Continuing education program sponsor review fee..... 100.00

Amended by R.2006 d.80, effective February 21, 2006.
 See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).

Deleted all fees pertaining to Associate home inspector; recodified former (a)3iii as (a)3ii.

13:40-15.24 Issuance of home inspector license based on associate home inspector license or experience

(a) By April 26, 2006, persons holding an associate home inspector's license before April 26, 2006, may apply for licensure as a home inspector by completing and submitting to the Committee an application showing that the associate home inspector:

- 1. Had been engaged in the practice of home inspections for compensation for at least three years prior to December 30, 2005 and had performed at least 300

home inspections for compensation prior to December 30, 2005; or

- 2. Had performed at least 400 home inspections for compensation prior to December 30, 2005.

(b) Upon application submitted by April 26, 2006, the Committee shall issue a home inspector license to any person who:

- 1. Has submitted an application for an associate home inspector license that has been approved by the Committee before December 30, 2005; or

- 2. Has satisfied the requirements of N.J.S.A. 45:8-69 and N.J.A.C. 13:40-15.5 and has completed not less than 40 hours of unpaid field-based inspections in the presence of and under the direct supervision of a licensed home inspector before December 30, 2005.

New Rule, by R.2006 d.80, effective February 21, 2006.
 See: 37 N.J.R. 3253(a), 38 N.J.R. 1202(a).