

**SECOND ENGROSSMENT  
with Senate Amendments**

Fifty-ninth  
Legislative Assembly  
of North Dakota

**REENGROSSED HOUSE BILL NO. 1507**

Introduced by

Representatives Sitte, Keiser, Martinson

Senator Kringstad

1 A BILL for an Act to create and enact a new chapter to title 43 of the North Dakota Century  
2 Code, relating to the registering of home inspectors; and to provide a penalty.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** A new chapter to title 43 of the North Dakota Century Code is created and  
5 enacted as follows:

6 **Definitions.** As used in this chapter, unless the context otherwise requires:

- 7 1. "Client" means a person that engages or seeks to engage the services of a home  
8 inspector for a home inspection.
- 9 2. "Home inspection" means the process by which a home inspector provides a  
10 nonintrusive, visual examination and written evaluation of the heating system,  
11 cooling system, plumbing system, electrical system, structural components,  
12 foundation, roof, masonry structure, and exterior and interior components of a  
13 residential building. The term does not include an examination of items that are  
14 concealed or not readily accessible or identification of concealed conditions or  
15 defects.
- 16 3. "Home inspector" means an individual registered under this chapter to conduct  
17 home inspections.
- 18 4. "Registrar" means the secretary of state.
- 19 5. "Residential building" means a structure consisting of not more than four family  
20 dwelling units.

21 **Home inspector registration required - Penalty.** The registrar shall issue and renew  
22 registrations to home inspectors pursuant to this chapter. An individual may not perform a  
23 home inspection for compensation unless registered under this chapter. An individual who  
24 violates this chapter is guilty of a class B misdemeanor.

1           **Registering of home inspectors.** An applicant for a registration as a home inspector  
2 shall file a written application in the form prescribed by the registrar. An applicant:

- 3           1. Must be at least eighteen years of age;
- 4           2. Shall submit proof of satisfactory completion of an examination on home inspection  
5           offered by the American society of home inspectors, the national association of  
6           home inspectors, the national association of certified home inspectors, the  
7           examination board of professional home inspectors, or the international code  
8           council;
- 9           3. Except for an applicant who certifies that the applicant will perform home  
10           inspections only for residential buildings located outside the corporate limits of any  
11           city or for residential buildings located within a city with a population under three  
12           thousand, shall submit proof of current errors and omissions insurance coverage in  
13           an amount of one hundred thousand dollars or more covering all home inspection  
14           activities; and
- 15           4. Shall pay a fee of one hundred dollars.

16           **Exceptions to registration requirements.** The registration requirements of this  
17 chapter do not apply to:

- 18           1. An individual employed as a code enforcement official by the state or a political  
19           subdivision when acting within the scope of that employment.
- 20           2. An individual licensed, certified, or registered under this title when acting within the  
21           scope of practice of that individual's profession or occupation.
- 22           3. An individual engaged as an insurance adjuster when acting within the scope of  
23           that engagement.

24           **Renewal of registration.** A registration issued under this chapter expires June thirtieth  
25 of each calendar year and may be renewed upon submission of a renewal fee of fifty dollars  
26 and provision of proof of continuous insurance coverage as required for registration. The  
27 application for renewal must be postmarked before July first of each year. The registrar shall  
28 cancel the registration of an individual who fails to file a timely application for the renewal of  
29 registration. The cancellation must be without notice or opportunity for hearing. An individual  
30 whose registration has been canceled and who desires to reregister must file an initial  
31 application, pay the initial application fee, and provide proof of current errors and omissions

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- 1 insurance as required for registration. An individual registered under this chapter may not
- 2 engage in any activity under this chapter after June thirtieth of any year unless that individual
- 3 has a valid registration.