

FIRST REGULAR SESSION

HOUSE BILL NO. 553

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES NANCE (Sponsor), WEBBER, FRANKLIN, ANDERS,
JONES (117), RICHARDSON, SCHNEIDER, MOLENDORP AND NOLTE (Co-sponsors).

1318L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 339, RSMo, by adding thereto twelve new sections relating to the Missouri home inspectors professional competency and financial responsibility act, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 339, RSMo, is amended by adding thereto twelve new sections, to
2 be known as sections 339.900, 339.903, 339.906, 339.909, 339.912, 339.915, 339.918, 339.921,
3 339.924, 339.927, 339.930, and 339.933, to read as follows:

339.900. 1. Sections 339.900 to 339.933 shall be known and may be cited as the
2 **"Missouri Home Inspectors Professional Competency and Financial Responsibility Act".**

3 **2. As used in sections 339.900 to 339.933, the following terms mean:**

4 **(1) "Applicant", any person who is applying for registration or renewal of**
5 **registration under sections 339.900 to 339.933;**

6 **(2) "Board", the Missouri home inspectors board;**

7 **(3) "Component", a part of a system;**

8 **(4) "Division", the division of professional registration within the department of**
9 **insurance, financial institutions and professional registration;**

10 **(5) "Home inspection":**

11 **(a) A noninvasive limited visual examination of a residential dwelling of not more**
12 **than four attached units, or any portion thereof, designed to identify material defects at the**
13 **time of the inspection of three or more of the following readily accessible systems and**
14 **components:**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- 15 **a. Heating systems;**
16 **b. Cooling systems;**
17 **c. Electrical systems;**
18 **d. Plumbing systems;**
19 **e. Structural components;**
20 **f. Foundations;**
21 **g. Roof coverings;**
22 **h. Exterior and interior components; and**
23 **i. Any other components and systems that are part of the residential dwelling and**
24 **included in the standards of practice followed by a home inspector;**
25 **(b) Home inspection includes any consultation regarding the property that is**
26 **represented to be a home inspection or that is described by any similar term;**
27 **(c) Home inspection does not include:**
28 **a. A compliance inspection for any code or governmental regulation;**
29 **b. An examination for the conditions and operation of kitchen-type appliances,**
30 **onsite water supplies or wells, private waste systems, the determination of the presence of**
31 **wood-destroying organisms or pests, or the presence of fungi, mold, bacteria, asbestos,**
32 **lead-based paint, gases or conditions of air quality; and**
33 **c. An examination and evaluation of only two or less of the components listed in**
34 **paragraph (a) of this subdivision;**
35 **(6) "Home inspection report", a written report on the results of a home inspection**
36 **which is issued for a home inspection. The report shall include the following:**
37 **(a) A clear identification and description of those systems, structures, or**
38 **components which were inspected;**
39 **(b) A clear identification and description of those systems, structures, or**
40 **components designated to be inspected under the standards of practice approved by the**
41 **board and which were not inspected, and the reason why they were not inspected;**
42 **(c) A clear identification and description of any material defects found to be in need**
43 **of repair, including any recommendations for further evaluation; and**
44 **(d) A completed preinspection agreement;**
45 **(7) "Home inspector", an individual who performs a home inspection as defined**
46 **in this section;**
47 **(8) "Material defect", any condition that significantly affects the value, habitability,**
48 **or safety of the dwelling. Style, cosmetic defects, or aesthetics shall not be considered in**
49 **determining whether a system, structure, or component is materially defective;**

50 (9) "Preinspection agreement", a written contract between a customer and a home
51 inspector to do a home inspection;

52 (10) "Preinspection notice", a document which shall be provided to a customer
53 prior to the start of the home inspection. The preinspection notice shall contain, at a
54 minimum, the following information:

55 (a) A clear description of the scope of the home inspection;

56 (b) A clear description of any limitations on the liability of the home inspector for
57 any errors and omissions which may arise during the home inspection; and

58 (c) An identification of the standards of practice approved by the board which the
59 home inspector will be following during the home inspection;

60 (11) "Readily accessible", available for visual inspection without requiring the
61 movement of personal property, dismantling, destructive measures, or any action in the
62 opinion of the inspector that would likely involve risk of injury to persons or property;

63 (12) "Residential building", a structure of one to four family dwelling units;

64 (13) "State-licensed inspector", an individual licensed by the board under sections
65 339.900 to 339.933;

66 (14) "System", a combination of interacting or interdependent components
67 assembled to carry out one or more functions.

339.903. 1. There is hereby created within the division of professional registration
2 the "Missouri Home Inspectors Registration Board". The purpose of the board is to
3 administer and enforce the provisions of sections 339.900 to 339.933, promote consumer
4 protection, ensure professional competency, and ensure the presence of a viable home
5 inspection industry in this state.

6 2. The board shall consist of five members appointed by the governor with the
7 advice and consent of the senate as follows:

8 (1) Three members shall be home inspectors who have actively been engaged in the
9 practice of home inspections for a at least five years immediately preceding their
10 appointment and have completed at least one thousand fee-paid home inspections; and

11 (2) Two members shall be at-large members, neither of whom shall be a home
12 inspector.

13

14 Each member shall be a citizen of the United States, a resident of this state, and a
15 registered voter for a period of one year prior to the person's appointment.

16 3. The initial board members shall be appointed prior to October 1, 2011. The
17 board shall hold its initial meeting prior to January 1, 2012. The board shall elect from its
18 membership the following:

- 19 **(1) A chair who shall serve a term of three years;**
20 **(2) A vice chair who shall serve a term of three years; and**
21 **(3) A secretary who shall serve a term of two years.**

22

23 **The remaining members shall serve for a term of one year. After the initial appointments,**
24 **members shall serve the terms prescribed in subsection 4 of this section.**

25 **4. Board members shall serve three-year terms, with no board member serving**
26 **more than two consecutive terms of office. Upon expiration of the term of office of any**
27 **member, the governor shall appoint a successor meeting the qualifications under sections**
28 **339.900 to 339.933. Each board member shall serve until a successor is appointed and**
29 **qualified.**

30 **5. In the event of a vacancy in the membership of the board for any reason other**
31 **than expiration of a board member's term of office, the governor shall appoint a successor**
32 **meeting the qualifications of sections 339.900 to 339.933 to fill the unexpired term.**

33 **6. At the first board meeting each year, the board shall elect from its membership**
34 **the following officers: chair, vice chair, and secretary. The officers shall serve one-year**
35 **terms. A member may serve a maximum of two consecutive terms as an officer in each**
36 **respective position. Both the chair and vice chair shall be a registered home inspector.**
37 **The officers shall have the following duties:**

38 **(1) The chair shall preside over all meetings;**

39 **(2) The vice chair shall preside over meetings in the absence of the chair;**

40 **(3) The secretary shall be responsible for:**

41 **(a) Preparation, publication, and maintenance of the minutes of the board**
42 **meetings;**

43 **(b) Preparation of correspondence and conduct of administrative support as the**
44 **chair may direct or as may be prescribed in the rules of the board;**

45 **(c) Maintaining the records of the board.**

46 **7. Upon determining that adequate resources are available, the board may appoint**
47 **an executive secretary. The executive secretary shall receive an annual salary which shall**
48 **be fixed by the board and approved by the governor.**

49 **8. The board may employ such other employees as may be necessary and make such**
50 **other expenditures as are necessary to properly carry out the provisions of sections 339.900**
51 **to 339.939.**

52 **9. Each member of the board may be reimbursed for the member's actual and**
53 **necessary expenses incurred in the discharge of the member's official duties.**

54 **10. The board shall hold meetings in such places as it shall determine and at such**
55 **times as it may designate or on request of two or more of its members. A majority of the**
56 **members of the board shall constitute a quorum.**

57 **11. Applications for original registration and renewal of registration shall be made**
58 **in writing or by electronic filing to the board on forms approved by the board and shall**
59 **be accompanied by the appropriate fees prescribed by the board.**

339.906. 1. The board shall have the following powers and duties and may adopt
2 **rules in accordance with the provisions of chapter 536 to:**

3 **(1) Administer and enforce the provisions of sections 339.900 to 339.933;**

4 **(2) Approve and adopt a standard of practice and a code of ethics;**

5 **(3) Register qualified applicants as home inspectors under sections 339.900 to**
6 **339.933;**

7 **(4) Make all necessary investigations into the qualifications of or allegations of**
8 **misconduct against an applicant and registrant. In connection with any investigation by**
9 **the board or its authorized agents or employees shall at all reasonable times have access**
10 **to and the right to examine and copy any document, report, record, or other physical**
11 **evidence of any registered home inspector being investigated or any document, report,**
12 **record, or other evidence maintained by and in the possession of any registered home**
13 **inspector;**

14 **(5) Require, at the discretion of the board, the attendance and testimony of any**
15 **registered home inspector or the production for examination or copying documents or any**
16 **other physical evidence if such evidence relates to qualifications for registration or**
17 **allegation of misconduct of an applicant or registrant;**

18 **(6) Approve examinations to determine the qualifications of applicants for**
19 **registration;**

20 **(7) Adopt all rules necessary to carry out the provisions of sections 339.900 to**
21 **339.933;**

22 **(8) Approve courses of instruction, educational providers, and providers of**
23 **continuing education and continuing education courses meeting standards for approval**
24 **established by rule of the board; and**

25 **(9) Contract with agencies or consultants as necessary to assist the board in**
26 **obtaining information about educational providers.**

27 **2. Any rule or portion of a rule, as that term is defined in section 536.010, that is**
28 **created under the authority delegated in sections 339.900 to 339.933 shall become effective**
29 **only if it complies with and is subject to all of the provisions of chapter 536 and, if**
30 **applicable, section 536.028. Sections 339.900 to 339.933 and chapter 536 are nonseverable**

31 and if any of the powers vested with the general assembly pursuant to chapter 536 to
32 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
33 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
34 after the effective date of sections 339.900 to 339.933 shall be invalid and void.

339.909. 1. Except as provided in subsections 2 and 3 of this section, the board may
2 deny, suspend, or revoke a registration, or may impose probationary conditions on a
3 registrant or applicant if the registrant or applicant has engaged in any of the following:

4 (1) Making a materially false or fraudulent statement in an application for
5 registration or renewal;

6 (2) Been convicted of or pled guilty or nolo contendere in a court of competent
7 jurisdiction to any misdemeanor involving dishonesty;

8 (3) Intentionally falsifying a home inspection report;

9 (4) Performing any of the following acts as part of the home inspection:

10 (a) Inspecting for a fee any property in which the home inspector has any personal
11 or financial interest unless the interest is disclosed in writing to the client before the home
12 inspection is performed and the client signs an acknowledgment of receipt of the
13 disclosure;

14 (b) Offering or delivering any commission, referral fee, or kickback for the referral
15 of any business to the home inspector; and

16 (c) Accepting an engagement to perform a home inspection or to prepare a home
17 inspection report in which the employment itself or the fee payable for the inspection is
18 contingent upon the conclusions in the home inspection report, preestablished or
19 prescribed findings or the closing of the underlying real estate transaction;

20 (5) Including as a term or condition in an agreement to conduct a home inspection
21 any provision that disclaims the liability of the registered home inspector for any errors
22 and omissions which may arise during a home inspection or to limit the amount of damage
23 for liability for any errors and omissions which may arise during a home inspection to less
24 than two thousand dollars in the aggregate for each home inspection;

25 (6) Failing to provide a client with a preinspection notice prior to the home
26 inspection;

27 (7) Failing to substantially follow the approved standards of practice and code of
28 ethics;

29 (8) Failing to respond as requested by the board to any summons for attendance
30 and testimony or to produce documents or any other physical evidence during an
31 investigation into the qualifications of or allegations of misconduct of an applicant or
32 registrant; and

33 **(9) Violating any provision of sections 339.900 to 339.933 or rules promulgated by**
34 **the board under sections 339.900 to 339.933.**

35 **2. (1) Except as provided in subdivision (2) of this subsection, the board shall**
36 **refuse to issue a registration to an applicant or registrant if the applicant or registrant has**
37 **entered a plea of guilty or nolo contendere to, or has been convicted of:**

38 **(a) a. Any offense that is comparable to any crime which would require the**
39 **applicant to register as provided in any Missouri offender registration act; or**

40 **b. Any federal, military, or other state conviction for an offense that is comparable**
41 **to any crime under the laws of this state which would require the applicant to register as**
42 **provided in any Missouri offender registration act; or**

43 **(b) a. Any felony other than a felony under paragraph (a) of this subdivision; or**

44 **b. Any federal, military, or other state conviction for an offense that is comparable**
45 **to any crime under the laws of this state other than a felony under paragraph (a) of this**
46 **subdivision.**

47 **(2) The board may grant an original registration under subsection 3 of this section**
48 **if the applicant's or registrant's application is received at least:**

49 **(a) Fifteen years after the date of the applicant's or registrant's discharge from**
50 **probationary supervision, completion on any nonincarceration sanction or suspension of**
51 **the imposition of the sentence resulting from any plea of guilty or nolo contendere to or**
52 **conviction of any offense specified in paragraph (a) of subdivision (1) of this subsection;**
53 **or**

54 **(b) Five years after the date of the applicant's discharge from probationary**
55 **supervision, completion of any nonincarceration sanction or suspension of the imposition**
56 **of sentence resulting from a plea of guilty or nolo contendere to or conviction of any offense**
57 **specified in paragraph (b) of subdivision (1) of this subsection, whichever is applicable.**

58 **3. (1) The board may renew or grant an original registration to an applicant or**
59 **registrant who has entered a plea of guilty or nolo contendere to, or has been convicted of**
60 **any misdemeanor or any crime listed in subdivision (1) of subsection 2 of this section if the**
61 **applicant or registrant presents to the board satisfactory proof that the applicant or**
62 **registrant now bears a good reputation for honesty, trustworthiness, integrity, and**
63 **competence to transact the business of registered home inspector in such a manner as to**
64 **safeguard the interest of the public. The burden of proof shall be on the applicant or**
65 **registrant to present such evidence to the board.**

66 **(2) In determining whether the applicant or registrant presently has a good**
67 **reputation as required in this subsection, the board shall consider the following additional**
68 **factors:**

- 69 (a) The extent and nature of the applicant's or registrant's past criminal activity;
70 (b) The age of the applicant or registrant at the time of the commission of the crime
71 or crimes;
72 (c) The amount of time elapsed since the applicant's or registrant's last criminal
73 activity;
74 (d) The conduct and work activity of the applicant or registrant prior to and
75 following the criminal activity;
76 (e) Evidence of the applicant's or registrant's rehabilitation or rehabilitative effort;
77 and
78 (f) All other evidence of the applicant's or registrant's present fitness for a
79 registration.

80 4. In addition to or in lieu of any other administrative, civil, or criminal remedy
81 provided by law, if the board determines after notice and an opportunity for a hearing in
82 accordance with chapter 536 that a registrant has violated any provision of sections
83 339.900 to 339.933 or any rule adopted hereunder, the board may impose on such
84 registrant a civil fine not to exceed five hundred dollars for each violation.

85 5. All proceedings under this section shall be conducted in accordance with chapter
86 536.

339.912. 1. The board shall adopt rules fixing the amount of fees provided for in
2 sections 339.900 to 339.933, subject to the following:

- 3 (1) For an application for an original registration, the amount shall not exceed two
4 hundred dollars;
5 (2) For renewal of registration, the amount shall not exceed two hundred dollars;
6 (3) For an additional fee for a late renewal an amount not to exceed fifty dollars;
7 (4) For reinstatement of an expired or revoked registration an amount not to exceed
8 three hundred dollars;
9 (5) For a duplicate copy of a registration certificate an amount not to exceed
10 twenty-five dollars.

11

12 Other fees may be set in the amount determined by the board.

13 2. The board may charge a fee not to exceed five hundred dollars to review an
14 application packet submitted for approval by an education provider for preregistration
15 courses or a fee not to exceed fifty dollars to review an application packet for an education
16 provider for continuing education classes.

339.915. The attorney general shall provide legal services for the board and shall
2 represent the board in all actions and proceedings brought by or against the board. The

3 board may hire independent counsel when the board deems appropriate. All fees and
4 expenses of such independent counsel arising out of the performance of duties for the
5 board shall be paid out of the home inspectors registration fee fund.

339.918. 1. The secretary shall remit all moneys received by or for the board from
2 fees, charges, or penalties to the state treasurer. Upon receipt of each such remittance, the
3 state treasurer shall deposit the entire amount in the state treasury and to the credit of the
4 home inspectors registration fee fund established in subsection 2 of this section. All
5 expenditures from such fund shall be made by approval of the board or by a person or
6 persons designated by the board.

7 2. (1) There is hereby created in the state treasury the "Home Inspectors
8 Registration Fee Fund", which shall consist of moneys collected under sections 339.900 to
9 339.933. The fund shall be administered by the board, which shall collect and transfer the
10 fees authorized in sections 339.900 to 339.933 to the state treasurer for deposit in the fund.
11 Moneys in the fund shall be used solely for the purposes of the home inspectors board as
12 authorized in sections 339.900 to 339.933.

13 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys
14 remaining in the fund at the end of the biennium shall not revert to the credit of the
15 general revenue fund.

339.921. 1. On and after January 1, 2012, all individuals performing home
2 inspections shall be required to be registered by the board.

3 2. All registrants shall:

4 (1) Be at least eighteen years of age;

5 (2) Have successfully completed high school or its equivalent, unless such individual
6 is engaged in the practice of performing home inspections on the effective date of sections
7 339.900 to 339.933;

8 (3) Submit proof of current general liability insurance coverage in an amount of
9 one hundred thousand dollars or more;

10 (4) Submit proof of financial responsibility by one of the following:

11 (a) A policy of liability insurance coverage;

12 (b) A surety bond in an amount of not less than ten thousand dollars. Each
13 registered home inspector electing to provide the board a surety bond as a condition of
14 registration shall file with the board a surety bond in the amount of not less than ten
15 thousand dollars per year. Such bond shall be issued by a corporate surety authorized to
16 do business in this state. The surety bond shall state the effective date and the expiration
17 date. The registered home inspector shall be named as principal. The bond shall be to the
18 state of Missouri and shall be conditioned upon the registered home inspector faithfully

19 performing all contracts entered into and complying with all provisions of sections 339.900
20 to 339.933 and following all rules governing the profession. Regardless of the number of
21 claims made against the bond or the number of years the bond remains in force, the
22 aggregate liability of the surety shall in no event exceed the amount of the bond. The bond
23 may be terminated at any time by the surety upon sending thirty days' notice in writing to
24 the principal, the obligee, and the board;

25 (c) An irrevocable letter of credit not less than ten thousand dollars issued by a
26 bank which is insured by the Federal Deposit Insurance Corporation (FDIC) or its
27 successor if such letter of credit is initially issued for a term of at least one year and by its
28 terms is automatically renewed at each expiration date for at least an additional one-year
29 term unless at least thirty days' prior written notice of intention not to renew is provided
30 to the board; or

31 (d) The maintenance of a minimum balance of ten thousand dollars in an escrow
32 account in a Missouri financial institution, provided that the escrow account shall maintain
33 the minimum balance through the term of the registrant's registration as a home inspector.
34 The board shall be notified in writing by the financial institution within ten days if the
35 amount in the escrow account falls below the ten thousand dollar minimum balance. Upon
36 notification, the board shall suspend such registrant's registration as a home inspector
37 until the escrow account minimum balance is restored to greater than or equal to ten
38 thousand dollars;

39 (5) Have successfully completed and passed a proctored written or electronic exam
40 as approved by the board unless the applicant has been actively engaged as a home
41 inspector and met the requirements of paragraph (b) of subdivision (8) of subsection 2 of
42 this section;

43 (6) Annually obtained a minimum of sixteen hours of continuing education
44 approved by the board;

45 (7) Retain a copy of each of the following documents pertaining to each home
46 inspection performed by, or at the direction of, the home inspector for a period of twenty-
47 four consecutive calendar months commencing on the first day of the month in which such
48 document is issued or in which the expiration date of any written agreement for such home
49 inspection occurs, whichever is later:

50 (a) The preinspection notice;

51 (b) The home inspection agreement;

52 (c) The home inspection report; and

53 (d) Any other information prescribed by the board by rule; and

54 (8) Have satisfied one of the following requirements:

55 (a) Have successfully completed and passed a course of study containing at least
56 eighty hours of classroom and field training offered by an educational provider approved
57 by the board; or

58 (b) If the individual has been actively engaged in the practice of conducting home
59 inspections for not less than two years prior to the effective date of sections 339.900 to
60 339.933 and have completed not less than fifty fee-paid home inspections.

61 3. The board, by rule, shall establish the date for renewal of a registration which
62 may be on an annual or biennial basis. A registration that is not renewed in a timely
63 manner shall be deemed expired and may be renewed within thirty days following the
64 expiration date upon completion of a renewal form and payment of a late fee established
65 by the board.

66 4. The board may grant inactive status to a registrant who meets all the
67 requirements for renewal except for completion of continuing education upon written
68 request of the registrant and payment of the inactive status fee which shall not exceed fifty
69 dollars. The registration shall become active upon approval of the board following
70 completion of all continuing education requirements and payment of the renewal fee. A
71 registrant whose registration is inactive shall not conduct home inspections during the time
72 the registration is in inactive status.

73 5. The board may reinstate a registration that has been expired or revoked for
74 more than thirty days but less than ninety days upon application on a form provided by
75 the board and payment of a reinstatement fee established by the board. The board may
76 establish standards for reinstatement, including a requirement that an applicant whose
77 registration was revoked or that has been expired for more than one year successfully
78 complete an approved examination.

339.924. Sections 339.900 to 339.933 shall apply to all individuals who conduct
2 home inspections for compensation, but shall not apply to the following individuals who
3 are specifically exempted from registration under sections 339.900 to 339.933:

4 (1) A tradesman or contractor performing a single component or system evaluation
5 or a combination of any two systems or components listed in paragraphs (a) to (i) of
6 subdivision (1) of subsection 2 of section 339.900 while acting within the scope of such
7 occupation;

8 (2) An individual employed by the state or a political subdivision of the state who,
9 within the scope of such employment and in the discharge of such public duties, inspects
10 property or buildings for compliance with requirements safeguarding life, health, or
11 property;

12 **(3) Any of the following individuals licensed by the state while acting within the**
13 **scope of such individual's license:**

14 **(a) An architect;**

15 **(b) A professional engineer;**

16 **(c) A real estate appraiser;**

17 **(d) A real estate broker or salesperson;**

18 **(e) A manufactured home manufacturer;**

19 **(f) A manufactured home dealer; or**

20 **(g) An insurance agent;**

21 **(4) An individual employed as an insurance adjuster while acting within the scope**
22 **of such occupation;**

23 **(5) An individual employed by a manufactured home manufacturer while acting**
24 **within the scope of such occupation;**

25 **(6) A modular home manufacturer or modular home manufacturer's representative**
26 **reviewing a residential dwelling built by the manufacturer for the purpose of evaluating**
27 **the residential dwelling;**

28 **(7) An individual employed as a manufactured home installer while acting within**
29 **the scope of such occupation;**

30 **(8) A homebuilder or homebuilder's representative reviewing a residential dwelling**
31 **unit built by the homebuilder for the purposes of evaluating the residential dwelling;**

32 **(9) An individual providing services as a pest exterminator or chemical applicator**
33 **while acting within the scope of such occupation and not providing services which would**
34 **constitute a home inspection under sections 339.900 to 339.933; and**

35 **(10) A person who is not registered as a home inspector may assist a registered**
36 **home inspector in the performance of an inspection provided that such person is**
37 **supervised at the inspection site by a registered home inspector and any home inspection**
38 **report rendered in connection with the home inspection is reviewed and signed by the**
39 **registered home inspector.**

339.927. 1. No person shall perform a home inspection without being registered
2 **under sections 339.900 to 339.933.**

3 **2. Any person who violates this section is guilty of a class A misdemeanor.**

339.930. 1. It is the duty of all home inspectors registered under sections 339.900
2 **to 339.933 to conduct home inspections with the degree of care that a reasonably prudent**
3 **home inspector would exercise under the circumstances.**

4 **2. All home inspections shall be conducted according to a standard of practice and**
5 **a code of ethics approved by the board.**

6 **3. No registered home inspector may include, as a term or condition in an**
7 **agreement to conduct a home inspection, any provision that disclaims the liability for any**
8 **errors and omissions which may arise during a home inspection, or limit the amount of**
9 **damages for liability for any errors and omissions which may arise during a home**
10 **inspection to less than ten thousand dollars in the aggregate for each home inspection and**
11 **such term or condition or limitation setting the liability at an amount greater than ten**
12 **thousand dollars shall be provided to the customer in writing to be in effect.**

13 **4. An action to recover damages for any act or omission of a registered home**
14 **inspector relating to a home inspection or home inspection report shall be brought not**
15 **more than twelve months from the date the home inspection was performed and may be**
16 **initiated only by a party to the real estate transaction, the client for which the home**
17 **inspection was conducted.**

18 **5. In any action to recover damages for any error or omission of a registered home**
19 **inspector relating to a home inspection or home inspection report, a registered home**
20 **inspector is liable for any errors and omissions which may arise during a home inspection**
21 **in an amount not to exceed ten thousand dollars in the aggregate for each home inspection,**
22 **or to the amount in the preinspection agreement to conduct a home inspection, if greater**
23 **than ten thousand dollars in the aggregate for each home inspection, provided that a**
24 **registered home inspector provides the customer with a clear written description in the**
25 **preinspection agreement of any greater limitations on the liability of the registered home**
26 **inspector for any errors and omissions which may arise during the home inspection.**

27 **6. All home inspectors registered under sections 339.900 to 339.933 shall provide**
28 **clients with a written preinspection notice prior to the home inspection.**

339.933. 1. No individual shall advertise himself or herself as a home inspector
2 **unless such individual has complied with the provisions of sections 339.900 to 339.933.**
3 **Individuals who are exempt from registration under sections 339.900 to 339.933 or whose**
4 **actions are considered to be a home inspection under sections 339.900 to 339.933 shall not**
5 **hold themselves out to be home inspectors or use words or titles that may reasonably be**
6 **confused with the title as "home inspector" or "house inspector" unless they are registered**
7 **as a home inspector under sections 339.900 to 339.933.**

8 **2. All advertisements, contracts, correspondence, and other documents prepared**
9 **by an individual performing home inspections under sections 339.900 to 339.933 shall**
10 **indicate the home inspector's registration number, name, and address as registered with**
11 **the board.**