Minutes of the
North Carolina Home Inspector Licensure Board
January 11, 2013

The meeting of the North Carolina Home Inspector Licensure Board was preceded by a Public Hearing [Friday, January 11, 2013 at 9:00 a.m.] to consider proposed rule changes identified in the Office of Administrative Hearing NC Register dated December 17, 2012.

The following members of the North Carolina Home Inspector Licensure Board were present:

Marion Peeples   Talmadge Jones   Chris Noles   Joe Ramsey
Tony Jarrett      Waverly Sawyer  Fred Herndon

Department of Insurance staff members Director Mike Hejduk, Terri Tart, Jennifer Hollyfield and Phil Joyner were in attendance. Board Member Gerald Canipe was absent. Board Attorney Denise Stanford was in attendance.

Also in attendance were 6 visitors.

Agenda
Chairman Marion Peeples presided over the meeting. After welcoming all the visitors in attendance he then turned the meeting over to Vice-Chair Fred Herndon to remind all board members of the State Government Ethics Act provisions to avoid conflicts of interest, the appearance of conflicts of interest, and the potential for conflicts of interest. Mr. Herndon asked if there were any such conflicts, none were voiced. Mr. Herndon reminded members of the Board who are licensed home inspectors that they have the potential for a conflict of interest because they serve on the Board that licenses them.

Approval of October 12, 2012 Minutes
Joe Ramsey made a motion to approve the minutes. Fred Herndon seconded the motion and the motion passed without dissent.

Staff Reports-Director
Director Hejduk presented graphs showing the current and past fiscal year (FY) budget execution. Hejduk stated FY 2012-2013 expenditures are estimated to incur a deficit of $55,763 from projected revenues. Hejduk stated there need to be between 1150 to 1200 active home inspectors for the budget to break even. The Fund Balance is currently around $600,000.

Director Hejduk turned the staff report over to Terri Tart, License Administration. Tart reported that 11 applications were approved and a total of 24 took the December exam. There were a total of 15 that passed the exam and 9 that failed. The monthly report reflects there are 955 active home inspectors, 745 inactive and 1337 expired licensees. Tart stated an increase in active inspectors may result in 1000 active inspectors by the first of the next year.
Chairman Peeples turned the staff report over to Jennifer Hollyfield, Education Coordinator. Hollyfield stated that Bonnie Gregory scheduled a meet and greet session with 30 interested participants at the end of the month. Hollyfield stated there has been one 80 hour field training application submitted for approval by the Education Committee. Hollyfield stated that she and Hejduk have been working on creating a new exam.

Chairman Peeples turned it over to Phil Joyner, Investigator. Joyner reported there has been only 1 new complaint received since the last board meeting with several complaints in the process of being addressed by consent agreement.

Director Hejduk stated Board members were emailed login passwords to review documentation related to committee meeting agenda items. Making documents available as electronic files through the website is intended to avoid sending large attachments to emails and to improve security. Hejduk asked the Board to go online and sign in to make sure everything is working properly and report problems to staff.

The next scheduled board meeting is April 12th. Hejduk noted the Disciplinary Action overview and list was available online for review.

Public Comment
Eric Coates, President of the North Carolina Licensed Home Inspector Association (NCLHIA), reminded the Board of NCLHIA’s Annual Conference on February 22 and 23, 2013 that would be held at the Sheraton Four Seasons in Greensboro, North Carolina. Coates asked the Board members to mark this event on their calendars hoping some members would be able to attend the conference and participate in a question and answer period with the home inspectors. Chairman Peeples stated there would be arrangements made to be present for the conference.

Committee Reports

a) Application Evaluation Committee
   Waverly Sawyer stated the committee met and reviewed 2 applications. The committee approved 1 application and requested more detailed information for the other application. Sawyer made a motion to the Board to accept the consent agreement signed by Jason Hardesty (associate home inspector) regarding his application for license as a home inspector, previously approved by the committee. Tony Jarrett seconded the motion. The motion passed.

b) Examination Committee
   Chris Noles stated the committee did not meet but plans to prior to the next board meeting.

c) Finance Committee
   Tony Jarrett stated the committee did not meet, but noted Director Hejduk presented the finance report earlier. Jarrett turned it over to Chairman Peeples regarding an idea to increase the number of active home inspectors. Chairman Peeples stated an idea he would like to turn over to the Standards and Rules Committee is to review the rules that pertain to the reinstatement of licensees on inactive status and to determine if there are any incentives the Board could grant to the inactive licensee’s creating an interest to get
back to active status. Peeples stated this is a recommendation to the committee to discuss.

d) Legislative Committee
Tony Jarrett stated that the committee did not meet, but would turn it over to Chris Noles with an update from the legislature. Chris Noles stated the legislature has met and is considering several changes in legislation. Noles stated some of the Bills that passed through the long Session of the Legislature suggest the Legislature will be very deliberate in what Bills go forward and how many Bills may be put forward. The Long Session sets the tone for the next two years. Noles stated a Bill has to be passed by the Senate and House by May 16th to proceed. Noles stated the committee has to put forward Resolution Bills by March 13th, Public Bills by March 28th and Finance Bills by May 8th.

e) Continuing Education Committee
Talmadge Jones stated the committee has met twice since the last Board meeting. The committee is dealing with a copyright claim and sections .1300 to .1350. The committee is working toward making a recommendation to the Board at the next meeting for a new Board-developed update course for this year’s CE. The course title could possibly be named “Reporting Defects as Code Violations.”

f) Standards/Rules and Interpretations Committee
Fred Herndon stated the committee met and discussed some new proposed rules and changes.

- Herndon made a motion to accept an amendment to 11 NCAC 08 .1008 Applications for Licenses by adding the following as written.

  (b) No license application shall be considered while the applicant is serving a sentence for conviction of, a guilty plea to, or a plea of nolo contendere to any misdemeanor involving moral turpitude or any felony. Serving a sentence includes incarceration, probation (supervised or unsupervised), parole, or a suspended sentence.

  Talmadge Jones seconded the motion. The motion was approved.

- Herndon made a motion to accept the following changes to rule 11 NCAC .1110 Electrical
  
  (a) (8) Smoke and permanently installed carbon monoxide alarms.
  
  (d) The home inspector shall report on the presence or absence of smoke alarms, and permanently installed carbon monoxide alarms in any home with fuel fired appliances or attached garages, and operate their test function, if accessible, except when detectors are part of a central system.
  
  (e)(4)(B) Security system devices or heat detectors, or carbon monoxide detectors;
  
  (e)(4)(E) Back up electrical generating equipment;
  
  (e)(4)(F) Other alternative electrical generating or renewable energy systems such as solar, wind or hydro power.

  Joe Ramsey seconded the motion. The motion passed.
Fred Herndon stated the committee is looking at Rule.1309 and working on making some changes to the Mold and Mildew Reporting Interpretation.

Chairman Peeples recessed the Board meeting to convene an item of New Business - the Casiglia Hearing – that had a published start time of 10:00 AM. Following the Casiglia Hearing, Chairman Peeples reconvened the Board meeting.

g) Investigation Review Committee
Chairman Peeples turned the report over to Talmadge Jones in the absence of Committee Chairman, Gerald Canipe. Jones stated the committee has met twice since the last board meeting and given staff direction on some issues. The committee at this time has no consent agreements to bring before the Board today. Jones asked the Board to take a look behind Tab R where our new attorney Denise Stanford has created a “Top Ten Tip List for Avoiding Complaints with your Licensing Board.” Jones stated this information will be put on the Board website and Director Hejduk will be sending out a mass email with this information attached as well as in the Board Newsletter.

h) Personnel Committee
Chairman Marion Peeples stated no report.

i) Advisory Committee – New Licensee Report Reviews
Fred Herndon stated the committee has no report at this time.

Unfinished Business
None

New Business

Adjournment
Chairman Peeples asked for a motion to adjourn. Fred Herndon made a motion to adjourn. Tony Jarrett seconded the motion. The motion passed.

Respectfully submitted,

Christian Noles, P.E.
Secretary

Note: This meeting has been recorded on CD. Anyone desiring copies should contact the NC Department of Insurance, Engineering Division, Home Inspection Section for reproduction costs.