

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: N.C. Home Inspector Licensure Board

RULE CITATION: All Rules

DEADLINE FOR RECEIPT: Tuesday, March 19, 2024.

PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

In the History Note of each rule, please specify your effective date. Under the APA, the earliest possible date would be April 1, 2024, however, you may specify a later date if you so choose.

Throughout, whenever there is a list where the items taken together create a single sentence (such as in Rule .1103(b)(1)), the first word of each item should be lowercase.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman
Commission Counsel
Date submitted to agency: March 5, 2024

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: N.C. Home Inspector Licensure Board

RULE CITATION: 11 NCAC 08 .1101

DEADLINE FOR RECEIPT: Tuesday, March 19, 2024.

PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

In (2), line 12, consider revising to "...unique to arcing and de-energizing the circuit..."

In (5), line 21, delete the comma following "floor".

In (7), line 25, what is an "arrangement" between potable water and a source of contamination?

In (15), p.2, line 8, I believe you meant "nonpotable" instead of "nonportable".

In (16), line 10, consider revising to "...protection of people that de-energizes a circuit..."

In (17), line 12, add a comma following "eating".

In (22), line 20, what water? Does this refer to "on-site well water" similar to (23)?

*In (24), line 22, the systems should function as intended by whom? The manufacturer?
The owner?*

*In (34), p.3, line 13, what is "not associated" with the plumbing system? The water?
Can't a sump pump be used, for example, to catch and drain leaks from a hot water heater in someone's basement?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman
Commission Counsel

Date submitted to agency: March 5, 2024

1 11 NCAC 08 .1101 is amended with changes as published in 38:06 NCR 332-334 as follows:

2
3 **CHAPTER 08 - ENGINEERING AND BUILDING CODES DIVISION**

4
5 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

6
7 **11 NCAC 08 .1101 DEFINITIONS**

8 The following definitions apply to this Section:

- 9 (1) "Abnormal" means nontypical or unusual conditions that could cause damage to systems and
10 components of the home.
- 11 (2) "Arc-fault circuit interrupter" means a device intended to provide protection from the effects of arc
12 faults by recognizing characteristics unique to arcing and by functioning to de-energize the circuit
13 when an arc fault is detected.
- 14 ~~(2)~~(3) "Automatic safety controls" means devices designed and installed to protect systems and
15 components from excessively high or low pressures and temperatures, excessive electrical current,
16 loss of water, loss of ignition, fuel leaks, fire, freezing, or other unsafe conditions as stated in
17 manufacturer's instructions.
- 18 ~~(3)~~(4) "Central air conditioning" means a system that uses ducts to distribute cooled or dehumidified air to
19 more than one room or uses pipes to distribute chilled water to heat exchangers in more than one
20 room, and that is not plugged into an electrical convenience outlet.
- 21 ~~(4)~~ (5) "Component" means a readily accessible and visible aspect of a system, such as a floor, or wall, but
22 not individual pieces such as boards or nails where many similar pieces make up the component.
- 23 ~~(5)~~(6) "Cosmetic damage" means blemishes or defects that do not interfere with the functionality of the
24 component or system.
- 25 ~~(6)~~(7) "Cross connection" means any physical connection or arrangement between potable water and any
26 source of contamination.
- 27 ~~(7)~~(8) "Dangerous or adverse situations" means situations that pose a threat of injury to the inspector, or
28 those situations that require the use of special protective clothing or safety equipment.
- 29 ~~(8)~~(9) "Describe" means report in writing a system or component by its type, or other inspected
30 characteristics, to distinguish it from other systems or components used for the same purpose.
- 31 ~~(9)~~(10) "Dismantle" means to take apart or remove any component, device, or piece of equipment that is
32 bolted, screwed, or fastened by other means and that would not be disassembled by a homeowner
33 in the course of routine household maintenance.
- 34 ~~(10)~~(11) "Enter" means to go into an area to inspect all visible components.
- 35 ~~(11)~~(12) "Functional drainage" means a drain that empties at a rate equal to or greater than the supply water
36 flow to the fixture.

- 1 ~~(12)~~ (13) "Functional flow" means a usable flow at the highest fixture in a dwelling when another fixture is
2 operated simultaneously.
- 3 (14) "Gray water" means wastewater generated from household activities that do not involve human
4 waste, such as bathing, showering, handwashing, and laundry, which typically contains some
5 residues from soap, detergent, and dirt.
- 6 (15) "Gray water system" means a water reuse system contained within a single-family residence
7 or multiunit residential or commercial building that filters gray water or captured rainwater and
8 reuses it for nonportable purposes such as toilet flushing and irrigation.
- 9 (16) "Ground-fault circuit interrupter" means devices intended for the protection of [personnel] people
10 that functions to de-energize a circuit or portion thereof within an established period of time when
11 currents are out of balance.
- 12 ~~(13)~~(17) "Habitable space" means a space in a building for living, sleeping, eating or cooking. "Habitable
13 space" does not mean a bathroom, toilet room, closet, or any space used or designed for storage.
- 14 ~~(14)~~(18) "Harmful" means conditions that cause damage to systems and components of the home.
- 15 ~~(15)~~(19) "Inspect" means to make a visual examination.
- 16 ~~(16)~~ (20) "Installed" means attached or connected such that an item requires tools for removal.
- 17 ~~(17)~~(21) "Normal operating controls" means homeowner operated devices such as a thermostat, wall switch,
18 or safety switch.
- 19 ~~(18)~~(22) "On-site water supply quality" means water quality based on the bacterial, chemical, mineral, and
20 solids content of the water.
- 21 ~~(19)~~ (23) "On-site water supply quantity" means the rate of flow of on-site well water.
- 22 ~~(20)~~ (24) "Operate" means to cause systems or equipment to function as intended.
- 23 ~~(21)~~(25) "Readily accessible" means within reach, without the use of a ladder, not blocked by appliances,
24 and approachable or enterable for visual inspection without the risk of damage to any property or
25 alteration of the accessible space, equipment, or opening.
- 26 ~~(22)~~ (26) "Readily openable access panel" means a panel provided for homeowner inspection and
27 maintenance that has removable or operable fasteners or latch devices in order to be lifted off, swung
28 open, or otherwise removed by one person; and its edges and fasteners are not painted in place. This
29 definition is limited to those panels within reach standing on the floor or from a four-foot stepladder,
30 and that are not blocked by stored items, furniture, or building components.
- 31 ~~(23)~~(27) "Readily visible" means seen by using natural or artificial light without the use of equipment or tools
32 other than a flashlight.
- 33 ~~(24)~~(28) "Representative number" means, for multiple identical components such as windows and electrical
34 outlets, one such component per room; and, for multiple identical exterior components, one such
35 component on each side of the building.
- 36 ~~(25)~~ (29) "Roof drainage systems" means gutters, downspouts, leaders, splash blocks, and similar components
37 used to carry water off a roof and away from a building.

1 ~~(30)~~ "Sewage pump" means a device used at elevations where mechanical assistance is needed to move
2 effluent to a sewage system.

3 ~~(26)(31)~~ "Shut down" means a piece of equipment or a system that cannot be operated by the device or control
4 provided for homeowner operation. If its safety switch or circuit breaker is in the "off" position, or
5 its fuse is missing or blown, the inspector is not required to reestablish the circuit for the purpose of
6 operating the equipment or system.

7 ~~(27)~~ ~~(32)~~ "Solid fuel heating device" means any wood, coal, fossil, or other similar organic fuel burning
8 device, including fireplaces whether masonry or factory built, fireplace inserts and stoves, wood
9 stoves (room heaters), central furnaces, and combinations of these devices.

10 ~~(28)~~ ~~(33)~~ "Structural component" means a component that supports non-variable forces or weights (dead
11 loads) and variable forces or weights (live loads).

12 ~~(34)~~ "Sump pump" means a device used to remove clear water such as condensation or foundation
13 drainage not associated with the plumbing system.

14 ~~(29)~~ ~~(35)~~ "System" means a combination of interacting or interdependent components, assembled to carry out
15 one or more functions.

16 ~~(30)~~ ~~(36)~~ "Technically exhaustive" means an inspection involving the use of measurements, instruments,
17 testing, calculations, and other means to develop scientific or engineering findings, conclusions, and
18 recommendations.

19 ~~(31)~~ ~~(37)~~ "Under floor crawl space" means the area within the confines of the foundation and between the
20 ground and the underside of the lowest floor structural component.

21
22 *History Note: Authority G.S. 143-151.49;*
23 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
24 *1996;*
25 *Temporary Adoption Eff. October 24, 1996;*
26 *Eff. July 1, 1998;*
27 *Amended Eff. February 1, 2007; April 1, 2005; May 1, 2003;*
28 *Readopted Eff. October 1, 2018.*
29
30

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: N.C. Home Inspector Licensure Board

RULE CITATION: 11 NCAC 08 .1103

DEADLINE FOR RECEIPT: Tuesday, March 19, 2024.

PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*In (b)(1)(C), can an inspection be only for one system? G.S. 143-151.45 defines a home inspection as “a written evaluation . . . of **two or more** of the following components of a residential building...”*

In (b)(3)(C), lines 24 and 25, function as intended by whom?

Why is (c) necessary? It seems that these items are not prohibited by this or any other rule or statute, so why is it necessary to add permissive language here?

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman
Commission Counsel

Date submitted to agency: March 5, 2024

1 11 NCAC 08 .1103 is amended as published in 38:06 NCR 334 as follows:

2
3 **CHAPTER 08 - ENGINEERING AND BUILDING CODES DIVISION**

4
5 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

6
7 **11 NCAC 08 .1103 PURPOSE AND SCOPE**

8 (a) Home inspections performed according to this Section shall provide the client with an understanding of the
9 property conditions, as inspected at the time of the home inspection.

10 (b) Home inspectors shall:

11 (1) provide a written contract, signed by the client, before the home inspection is performed that shall:

12 (A) State that the home inspection is in accordance with the Standards of Practice of the North
13 Carolina Home Inspector Licensure Board as set forth in this Section;

14 (B) State what services shall be provided and the cost; and

15 (C) When an inspection is for only one or a limited number of systems or components, state
16 that the inspection is limited to only those systems or components;

17 (2) inspect readily visible and readily accessible installed systems and components described in Rules
18 .1106 through .1115 of this Section;

19 (3) submit a written report pursuant to G.S. 143-151.58(a), to the client that shall:

20 (A) Describe those systems and components required to be described in Rules .1106 through
21 .1115 of this Section;

22 (B) State which systems and components present at the home and designated for inspection in
23 this Section were not inspected, and the reason for not inspecting;

24 (C) State any systems or components inspected that do not function as intended, allowing for
25 normal wear and tear, or appear not to function as intended, based upon documented
26 tangible evidence;

27 (D) Describe each system or component, pursuant to Part (b)(3)(C) of this Rule; state how the
28 condition is defective; explain the implications of defective conditions reported; and direct
29 the client to a course of action for repair, monitoring, or further investigation by a specialist;

30 (E) On the first or second page clearly State-state the name, license number, and signature of
31 the person conducting the inspection.

32 (4) submit a summary page(s) pursuant to G.S. 143-151.58(a1).

33 (c) Home inspectors may:

34 (1) report observations and conditions, including safety or habitability concerns, or render opinions of
35 items in addition to those required in Paragraph (b) of this Rule; or

36 (2) exclude systems and components from the inspection if requested by the client, and so stated in the
37 written contract.

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History Note: Authority G.S. 143-151.49; 143-151.58;
Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,
1996;
Temporary Adoption Eff. October 24, 1996;
Eff. July 1, 1998;
Amended Eff. October 1, 2014; October 1, 2011; March 1, 2010; February 1, 2009; February 1,
2007; April 1, 2005; May 1, 2003; July 1, 2000;
Readopted Eff. October 1, 2018.

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: N.C. Home Inspector Licensure Board

RULE CITATION: 11 NCAC 08 .1107

DEADLINE FOR RECEIPT: Tuesday, March 19, 2024.

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The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

In (a)(3), line 11, add a comma following "operators".

In (b)(3), line 19, delete the "and" at the end of the line.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman
Commission Counsel
Date submitted to agency: March 5, 2024

1 11 NCAC 08 .1107 is amended with changes as published in 38:06 NCR 335 as follows:

2
3 **CHAPTER 08 - ENGINEERING AND BUILDING CODES DIVISION**

4
5 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

6
7 **11 NCAC 08 .1107 EXTERIOR**

8 (a) The home inspector shall inspect:

- 9 (1) Wall cladding, flashings, and trim;
- 10 (2) Entryway doors and a representative number of windows;
- 11 (3) ~~Garage door operators;~~ operators including automatic safety controls;
- 12 (4) Decks, balconies, stoops, steps, areaways, porches, and appurtenant railings;
- 13 (5) Eaves, soffits, and fascias;
- 14 (6) Driveways, patios, walkways, and retaining walls; and
- 15 (7) Vegetation, grading, and drainage with respect only to their effect on the condition of the building.

16 (b) The home inspector shall:

- 17 (1) Describe wall cladding materials;
- 18 (2) Operate all entryway doors;
- 19 (3) Operate garage doors manually or by using installed controls for any garage door operator; and
- 20 (4) Report ~~whether or not~~ any garage door operator that will not automatically reverse or stop when
- 21 meeting reasonable resistance during closing; ~~and~~
- 22 ~~(5) Report when any garage door that will not automatically reverse when photoelectric safety devices~~
- 23 ~~are actuated;~~
- 24 ~~(6) Report any garage door operator that does not utilize a photoelectric safety device; and~~
- 25 ~~(5)(7) Probe exterior wood components where deterioration is suspected.~~

26 (c) The home inspector is not required to inspect:

- 27 (1) Storm windows, storm doors, screening, shutters, and awnings;
- 28 (2) Fences;
- 29 (3) For the presence of safety glazing in doors and windows;
- 30 (4) Garage door operator remote control transmitters;
- 31 (5) Geological conditions;
- 32 (6) Soil conditions;
- 33 (7) Recreational facilities (including spas, saunas, steam baths, swimming pools, tennis courts,
- 34 playground equipment, and other exercise, entertainment, or athletic facilities), except as otherwise
- 35 required in 11 NCAC 08 .1109(d)(5)(F);
- 36 (8) Detached buildings or structures; or
- 37 (9) For the presence or condition of buried fuel storage tanks.

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History Note: Authority G.S. 143-151.49;
Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,
1996;
Temporary Adoption Eff. October 24, 1996;
Eff. July 1, 1998;
Amended Eff. February 1, 2007; April 1, 2005; July 1, 2000;
Readopted Eff. October 1, 2018.

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: N.C. Home Inspector Licensure Board

RULE CITATION: 11 NCAC 08 .1109

DEADLINE FOR RECEIPT: Tuesday, March 19, 2024.

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In reviewing this Rule, the staff recommends the following changes be made:

In (d)(2), lines 28-29, why are there two separate concepts combined into one item? Consider breaking out everything after “or” into a new item.

In (d)(5)(H) and (I), p.2, lines 5 and 6, keep the “or” where it originally was.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman
Commission Counsel

Date submitted to agency: March 5, 2024

1 11 NCAC 08 .1109 is amended as published in 38:06 NCR 335-336 as follows:

2
3 **CHAPTER 08 - ENGINEERING AND BUILDING CODES DIVISION**

4
5 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

6
7 **11 NCAC 08 .1109 PLUMBING**

8 (a) The home inspector shall inspect:

- 9 (1) Interior water supply and distribution system, including: piping materials, supports, and insulation;
10 fixtures and faucets; functional flow; leaks; and cross connections;
- 11 (2) Interior drain, waste, and vent system, including: traps; drain, waste, and vent piping; piping
12 supports and pipe insulation; leaks; and functional drainage;
- 13 (3) Hot water systems including: water heating equipment; normal operating controls; automatic safety
14 controls; and chimneys, flues, and vents;
- 15 (4) Fuel storage and distribution systems including: interior fuel storage equipment, supply piping,
16 venting, and supports; leaks; and
- 17 (5) Sump pumps.

18 (b) The home inspector shall describe:

- 19 (1) Water supply and distribution piping materials;
- 20 (2) Drain, waste, and vent piping materials;
- 21 (3) Water heating equipment, including fuel or power source, storage capacity or tankless point of use
22 demand systems, and location; and
- 23 (4) The location of any main water supply shutoff device.

24 (c) The home inspector shall operate all plumbing fixtures, including their faucets and all exterior faucets attached to
25 the house, except where the flow end of the faucet is connected to an appliance.

26 (d) The home inspector is not required to:

- 27 (1) State the requirement for or effectiveness of anti-siphon devices;
- 28 (2) Determine whether water supply and waste disposal systems are public or private or the presence or
29 absence of backflow devices;
- 30 (3) Operate automatic safety controls;
- 31 (4) Operate any valve except water closet flush valves, fixture faucets, and hose faucets;
- 32 (5) Inspect:
- 33 (A) Water conditioning systems;
- 34 (B) Fire and lawn sprinkler systems;
- 35 (C) On-site water supply quantity and quality;
- 36 (D) On-site waste disposal ~~systems;~~ systems including electrical controls, alarms, sewage
37 pumps, and gray water systems;

- 1 (E) Foundation irrigation systems;
2 (F) Bathroom spas, whirlpools, or air jet tubs except as to functional flow and functional
3 drainage;
4 (G) Swimming pools;
5 (H) Solar water heating equipment; ~~or~~
6 (I) Fixture overflow devices or shower pan liners; or
7 (6) Inspect the system for proper sizing, design, or use of approved materials;
8 (7) Report on the absence or presence of thermal expansion tanks; ~~or~~
9 (8) Report on the adequacy of the reported water heater ~~capacity.~~ capacity; or
10 (9) Operate sewage pumps.

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*History Note: Authority G.S. 143-151.49;
Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,
1996;
Temporary Adoption Eff. October 24, 1996;
Eff. July 1, 1998;
Amended Eff. February 1, 2007; April 1, 2005;
Readopted Eff. October 1, 2018.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: N.C. Home Inspector Licensure Board

RULE CITATION: 11 NCAC 08 .1110

DEADLINE FOR RECEIPT: Tuesday, March 19, 2024.

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In reviewing this Rule, the staff recommends the following changes be made:

In (d)(1), line 34, is a “central system” different than a “central alarm system” as used in (d)(2)?

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman
Commission Counsel
Date submitted to agency: March 5, 2024

1 11 NCAC 08 .1110 is amended as published in 38:06 336 as follows:

2
3 **CHAPTER 08 - ENGINEERING AND BUILDING CODES DIVISION**

4
5 **SECTION .110 – N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

6
7 **11 NCAC 08 .1110 ELECTRICAL**

8 (a) The home inspector shall inspect:

- 9 (1) Electrical service entrance conductors;
- 10 (2) Electrical service equipment, grounding equipment, main overcurrent device, and interiors of
11 panelboard enclosures unless unsafe conditions are reported;
- 12 (3) Amperage and voltage ratings of the electrical service;
- 13 (4) Branch circuit conductors, their overcurrent devices, and the compatibility of their ampacities at the
14 interiors of panelboard enclosures unless unsafe conditions are reported;
- 15 (5) The operation of a representative number of installed ceiling fans, lighting fixtures, switches, and
16 receptacles located inside the house, garage, and on the dwelling's exterior walls;
- 17 (6) ~~The polarity and grounding of all~~ All readily accessible 120V receptacles within six feet of interior
18 plumbing fixtures, not separated from a fixture by an operable door, and all receptacles in the garage
19 or carport, and on the exterior of inspected ~~structures;~~ structures; and
- 20 (7) The operation of ground fault circuit ~~interrupters;~~ interrupters within six feet of the floor/ground.
- 21 (8) ~~Smoke detectors and installed carbon monoxide alarms.~~

22 (b) The home inspector shall describe:

- 23 (1) Electrical service amperage and voltage;
- 24 (2) Electrical service entry conductor ~~materials;~~ materials at the readily openable access panels at the
25 main;
- 26 (3) The electrical service type as being overhead or underground; and
- 27 (4) The location of main and distribution panels.

28 (c) The home inspector shall report in writing the presence of any readily accessible single strand aluminum branch
29 circuit wiring.

30 (d) The home inspector shall report in writing ~~on~~ the presence or absence of readily accessible: smoke detectors, and
31 installed carbon monoxide alarms in any homes with fireplaces, fuel fired appliances or attached garages, and operate
32 their test function, if readily accessible, except when detectors are part of a central alarm system.

33 (1) Installed smoke alarms, and operate their test function, except when smoke alarms are part of a
34 central system;

35 (2) Installed carbon monoxide alarms in any homes with fireplaces, fuel fired appliances, or attached
36 garages, and operate their test function, except when carbon monoxide alarms are part of a central alarm system; and

1 (3) Ground fault protection of receptacles within six feet of interior plumbing fixtures not separated
2 from a fixture by an operable door, and all receptacles in the garage or carport, on the exterior of inspected structures.

3 (e) The home inspector is not required to:

- 4 (1) Insert any tool, probe, or testing device inside the panels;
- 5 (2) Test or operate any arc-fault circuit interrupters or other overcurrent device. devices; except ground
6 fault circuit interrupters;
- 7 (3) Dismantle any electrical device or control other than to remove the covers of panelboard enclosures;
8 or
- 9 (4) Inspect:
- 10 (A) Low voltage systems;
- 11 (B) Security systems and heat detectors;
- 12 (C) Telephone, security, cable TV, intercoms, or other ancillary wiring that is not a part of the
13 primary electrical distribution system;
- 14 (D) Built-in vacuum equipment;
- 15 (E) Back up electrical generating equipment;
- 16 (F) Other alternative electrical generating or renewable energy systems such as solar, wind, or
17 hydro power;
- 18 (G) Battery or electrical automotive charging systems; ~~or~~
- 19 (H) Electrical systems to swimming pools or spas, including bonding and ~~grounding.~~
20 grounding; or
- 21 (I) Elevators or related equipment used for the purpose of transporting occupants or materials
22 between elevations.

23

24 *History Note: Authority G.S. 143-151.49; 143-151.58;*
25 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
26 *1996;*
27 *Temporary Adoption Eff. October 24, 1996;*
28 *Eff. July 1, 1998;*
29 *Amended Eff. September 1, 2013; February 1, 2007; April 1, 2005;*
30 *Readopted Eff. October 1, 2018.*
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REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: N.C. Home Inspector Licensure Board

RULE CITATION: 11 NCAC 08 .1116

DEADLINE FOR RECEIPT: Tuesday, March 19, 2024.

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In reviewing this Rule, the staff recommends the following changes be made:

In (a), line 8, what does it mean to discharge duties with “fidelity” and “fairness”? Please define these terms.

In (c), line 12, add a comma following “representative”.

In (e), line 24, what is a “customary marketing activity”?

In (e), line 24, what is the cutoff for “low” monetary value?

In (e), line 25, define “nominal”.

In (g), line 34, delete the parentheses and incorporate the parenthetical material into the body of the Rule.

In (l), p.2, line 6, who is the “appropriate” party?

In (l), line 6, add a comma following “share”.

In (l), line 7, delete the parentheses and incorporate the parenthetical material into the body of the Rule.

In (l), line 8, what does it mean to “opt out”? Does this mean the licensee should not use the program? Or does it mean that the licensee should decline, when asked, for permission to share data and personal information? What if the software does not give the licensee the opportunity to “opt out”?

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman
Commission Counsel

Date submitted to agency: March 5, 2024

1 11 NCAC 08 .1116 is amended as published in 38:06 337-338 as follows:

2
3 **CHAPTER 08 - ENGINEERING AND BUILDING CODES DIVISION**

4
5 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

6
7 **11 NCAC 08 .1116 CODE OF ETHICS**

8 (a) Licensees shall discharge their duties with fidelity to the public and to their clients, with fairness and impartiality
9 to all.

10 (b) Opinions expressed by licensees shall be based only on their education, experience, and honest convictions.

11 (c) A licensee shall not disclose any information about the results of an inspection without the approval of the client
12 for whom the inspection was performed, or the client's ~~representative~~. representative unless the licensee finds that
13 public health, safety, or welfare imperatively requires immediate or emergency action.

14 (d) No licensee shall accept compensation or any other consideration from more than one interested party for the
15 same service without the written consent of all interested parties.

16 (e) No licensee or licensee's company shall compensate, either financially or through other services or benefits, realty
17 agents or other parties with a financial interest in closing or settlement of real estate transactions for the following:

18 (1) Referral of inspections; or

19 (2) Inclusion on a list of recommended inspectors or preferred providers.

20 This Rule also prohibits co-marketing or sharing of expenses between the licensee or licensee's company and realty
21 agents or other parties with a financial interest in closing or settlement of real estate transactions that obligates the
22 realty agents or other parties with a financial interest in closing or settlement of real estate transactions to include the
23 licensee or the licensee's company on preferred lists of providers. However, nothing set forth in this Rule shall
24 prohibit a licensee or licensee's company from engaging in customary marketing activities of low monetary value,
25 such as providing food or beverages or other items, where the costs for such marketing activities are nominal, so
26 long as the marketing activities are not intended to be a form of compensation in exchange for recommendations for
27 referrals or placement on preferred lists of providers.

28 (f) No licensee shall express, within the context of an inspection, an appraisal or opinion of the market value of the
29 inspected property.

30 (g) Before the execution of a contract to perform a home inspection, a licensee shall disclose to the client any interest
31 he or she has in a business that may create a conflict of interest for the home inspector or the client. No licensee shall
32 allow his or her interest in any business to affect the quality or results of the inspection work that the licensee may be
33 called upon to perform. The client must approve in writing the licensee's dissemination of personal information
34 (including names, addresses, email addresses or phone numbers) unrelated to the results of the home inspection to any
35 third parties, other than the Board.

36 (h) A licensee shall not solicit for repairs of systems or components found defective in the course of a home inspection
37 performed by the licensee or that licensee's company.

- 1 (i) Licensees shall not engage in false or misleading advertising or otherwise misrepresent any matters to the public.
2 (j) Licensees shall not inspect properties under contingent arrangements whereby any compensation or future referrals
3 are dependent on reported findings or on the sale of a property.
4 (k) A licensee shall not impugn the professional reputation or practice of another home inspector, nor criticize another
5 inspector's reports.
6 (l) Unless written permission is obtained from the appropriate party or parties, the licensee shall not sell, share or
7 provide data or personal information (such as names, addresses, email addresses, telephone numbers) about the home
8 inspection or the client to third parties, other than the Board, and shall “opt out” of software programs that seek
9 permission from the licensee to use such data or personal information obtained from home inspection.

10

11 *History Note: Authority G.S. 143-151.49;*
12 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
13 *1996;*
14 *Temporary Adoption Eff. October 24, 1996;*
15 *Eff. July 1, 1998;*
16 *Amended Eff. May 1, 2013; October 1, 2010; July 1, 2000;*
17 *Readopted Eff. October 1, 2018.*

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