## STATE OF CONNECTICUT

### HOME INSPECTION LICENSING BOARD TEL. NO. (860) 713-6135

#### -MINUTES-

#### SEPTEMBER 30, 2015

The Connecticut Home Inspection Licensing Board held a meeting on Wednesday, September 30, 2015 which was called to order at 9:50 A.M. in Room 117 of the State Office Building, 165 Capitol Avenue, Hartford, CT 06106.

<u>Board Members Present</u>: Richard J. Kobylenski (*Home Inspector*)

James J. O'Neill (*Public Member*)
Bruce D. Schaefer (*Home Inspector*)
William Stanley, Jr. (*Home Inspector*)
Lawrence R. Willette (*Home Inspector*)

Board Members Not Present: None

<u>Board Member Vacancies</u>: One (*Home Inspector*)

Two (Public Members)

Board Counsel: Not present, as requested.

<u>DCP Staff Present</u>: Robert M. Kuzmich

Richard M Hurlburt

Others Present: None.

Note: The administrative functions of the Boards, Commissions, and Councils are carried out by the Department of Consumer Protection, Occupational and Professional Licensing Division. For information, contact Richard M. Hurlburt, Director, at (860) 713-6135 or Fax (860)-706-1255.

Agency Website: <u>www.ct.gov/dcp</u>

Division E-Mail: <a href="mailto:dcp.occupationalprofessional@ct.gov">dcp.occupationalprofessional@ct.gov</a>

### 1. Call to order: by Chairman.

Mr. Stanley called the meeting to order at 9:50 AM.

### 2. Review of minutes of the May 27, 2015 meeting the Board.

The Board voted to accept the minutes as submitted. (Kobylenski/O'Neill) The minutes will be posted to the Department's website.

### 3. Comments or Concerns of any Person Present Today.

There were no comments or concerns noted from anyone present at this meeting.

## 4. Review of Final Decisions and Orders:

None before the Board today.

### 5. Applications for review:

None before the Board today.

#### 6. Applicants appearing before the Board:

None before the Board today.

#### 7. Formal Hearings to be held:

None before the Board today.

## 8. Old Business

A. Continuation of discussion concerning proposed changes to the Regulation for Home Inspection; for discussion by the Board. Mr. Stanley noted that the review of these proposed changes is still ongoing by the Connecticut Association of Home Inspectors. He will keep the Board updated as to their progress.

#### 9. New Business

A. E-Mail from David Sherwood dated September 16, 2015 concerning certain requirements of the new FHA Handbook 4000.1 which takes effect September 14, 2015; for discussion by the Board.

Mr. Stanley summarized this e-mail noting that it concerns the FHA and having their appraisers doing inspections specifically for their internal purposes to access the valuation of the property. The FHA does make it clear that this inspection is not in substitution for the home inspection. The Board compared the activities of the FHA appraisers to the definition of home inspections as defined in Connecticut Statutes.

After extensive discussion, the Board voted, unanimously, to table this matter pending further review by them and the Department of Consumer Protection's Legal Department. (Schaefer/Kobylenski).

<u>B. DCP Trade Practices Division Complaint Status Report</u>; review of complaint report submitted by the DCP Trade Practices Division including open, closed, and dismissed cases. Mr. Kuzmich noted that he has not received a report from the Trade Practices Division.

#### **10. Other Business**

A. Any correspondence and/or business received in the interim.

- 1. Mr. Stanley noted that he received notice from another home inspector of a preferred vendor list from a real estate company in Fairfield County. Home Inspectors pay money to this company to be on this referral list. It was noted that this activity came before the Board in the past and was determined to be illegal. Mr. Hurlburt suggested that Mr. Stanley bring this matter to the attention of Mr. Richard Maloney, Director of the Trade Practices Division for investigation and ask that he be kept updated on the same. Should this matter come before the Board in the future, Mr. Stanley can abstain from any discussion and voting.
- 2. Mr. Kobylenski addressed the Board concerning a matter involving Home Inspector Interns who have had their permits for long periods of time. Mr. Kobylenski noted that he is aware of a situation of a Home Inspector Intern whose father is a licensed Home Inspector residing in another State. This Intern is suspected of performing inspections on his own and not having his reports reviewed and signed by a licensed Home Inspector supervisor. Mr. Kobylenski believes that this situation may be more widespread than just this matter under discussion today.

After extensive discussion by the Board and Mr. Hurlburt, it was decided to address the larger issue of unsupervised inspections by issuing a letter to all licensed Home Inspectors.

The letter will be drafted by Mr. Hurlburt and request the name of their business and the Permit Numbers of all Home Inspector Interns being supervised by them over a specified period of time to be determined. In addition, the letter will also ask the name of each employee, sub-contractor, or partner in their company that currently holds a Home Inspector license issued by the Department also over a specified period of time to be determined.

The Board voted, unanimously, to have the Department issue this letter upon their review and comment of the draft. (Schaefer/Willette)

3. The Board addressed an e-mail from Ms. M. Denise Stanford, Assistant Attorney General, from the North Carolina Department of Justice received September 22, 2015. She represents the North Carolina Home Inspector Licensure Board. Their Board's Standard of Practice Committee is studying the issue of whether allowing a customer to defer payment of a home inspection until the closing on the home is an ethical practice. The Committee has asked her to check with other States to find out whether home inspectors licensed in those States are prohibited from engaging in this practice. She also asks if Connecticut prohibits licensed home inspectors from deferring payment for a home inspection until the closing on the home.

After extensive discussion, the Board thanked Ms. Stanford for her your email. They noted that there is no such prohibition in the Connecticut Home Inspection Licensing law or regulations. They also asked where there might be an ethical concern unless the arrangement was that payment was contingent on the property closing. The Board asked that Mr. Kuzmich ask her for more information about where the potential ethical concern might be.

4. Mr. Schaefer addressed the Board regarding a matter he is discussing with the Department. He received a request from the Department Investigator for a copy of the document he gives to the consumer along with a copy of the regulations. He was then notified by the Department that he was not in compliance with Statute Section 20-492(a).

Mr. Hurlburt is involved in this matter and further clarified to the Board that the graphics of form used by Mr. Schaefer use the State Seal and some additional enhanced graphics. The matter is essentially a dead issue in Mr. Hurlburt's opinion. The issue also involved the wording of his disclosure statement which is exactly the form posted on the State's website.

5. It was noted that Mr. David Sherwood and Mr. Daniel Scott have resigned from the Home Inspection Board as of the Board's May 27, 2015 Meeting.

# 11. Comments or Concerns of any Person Present Today.

There were no comments or concerns noted from anyone present at this meeting.

The meeting adjourned at 10:40 AM. (Schaefer/O'Neill)

<u>Note</u>: the next regular meeting of the Board is scheduled for <u>Wednesday</u>, <u>November 18, 2015</u> beginning at 9:30 AM in Room No. 117 of the State Office Building, 165 Capitol Avenue, Hartford, Connecticut.

Respectfully submitted,

Robert M. Kuzmich, R.A. License and Applications Specialist