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April 5, 2022

Occupational Licensing Review Commission
Honorable Patrick Page Cortez
Honorable Clay Schexnayder

Via E-Mail: olrc@la.gov

Via E-Mail: apa.senatepresident@legis.la.gov

Via E-Mail: apa.housespeaker@legis.la.gov

Re: Louisiana State Board of Home Inspectors
Notice of Intent
Compliance with Promulgated Occupational Regulations
My File No.: 20-117

Dear Sir/Madam:

On behalf of the Louisiana State Board of Home Inspectors, I submit the attached Notice of Intent pursuant to La. R.S. 37:44 as the proposed rule changes are the least restrictive regulations necessary to protect consumers from present or potential harm that threatens public health, welfare or safety.

Let me know if you need anything further.

Sincerely,



ALBERT J. NICAUD

Board Attorney

Louisiana State Board of Home Inspectors

AJN/gk
Attachments

OFFICE OF THE STATE REGISTER INSERTION ORDER (eff.08/02)

Claiborne Building 1201 North Third Street Suite 3-220 Post Office Box 94095
Baton Rouge, LA 70804-9095 (225)342-5015 FAX (225)342-0284

(SUBMIT A SEPARATE INSERTION ORDER PER DOCUMENT)

☐ EMERGENCY RULE ☒ NOTICE OF INTENT ☐ RULE ☐ POTPOURRI

REFER TO INSTRUCTIONS ON REVERSE SIDE

This is your authority to publish in the (month) April, 20 22 *Louisiana Register* the document indicated above.

Board of Home Inspectors

Office/Board/Commission promulgating this document

Albert J. Nicaud Attorney

(name) (title)
Name and title of person whose signature will appear in the publication (at the end of the document)

Governor

Department under which office/board/commission is classified

Albert J. Nicaud 504-837-1304 504-833-2843

(name) (phone) (fax)
Name, phone number, and FAX number of person to contact regarding this document

anicaud@nslawla.com

E-mail address of contact person

General Rules; Standards of Practice

Short descriptive listing for this document to be used in the *Louisiana Register's* TABLE OF CONTENTS/INDEX

Important: If submitting both an Emergency Rule (ER) and a Notice of Intent (NOI) to be published this month, AND if the rule text in the ER is identical to the rule text in the NOI, check here: ☐

File name

Signature of Agency Head or Designee

Albert J. Nicaud, Attorney

Print Name and Title of Agency Head or Designee

CERTIFICATION OF AVAILABLE FUNDS

DOCUMENT # _____

ISIS AGENCY: I certify the availability of fiscal year _____ appropriated funds for the payment of the above referenced publication and authorize the processing of an Interagency Billing with the following coding on the 30th of the month of the publication. Attach supplemental sheet for additional lines of coding.

AGENCY ORGANIZATION # OBJECT SUB-OBJECT REPORTING CATEGORY

NON-ISIS AGENCY: I certify the availability of fiscal year 2018 appropriated funds for the payment of the above referenced publication and agree to place corresponding invoice in line for payment upon receipt.

Billing Address for Agencies:

Board of Home Inspectors

Agency Name

5211 Essen Lane

Street Address or Post Office Box

Baton Rouge LA 70809

City State Zip Code

Signature of Agency Head or Designee - Phone # 504-837-1304

Lines/Other Charges _____ Typesetting \$ _____ TOTAL \$ _____

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

Person

Preparing

Statement: Albert Nicaud

Dept.: Board of Home Inspectors

Phone: 504-837-1304

Office: Governor

Return

Address: 3000 18th Street

Rule

Title: General Rules: Standards of Practice

Metairie, LA 70002

Date Rule

Takes Effect: Upon promulgation

SUMMARY

(Use complete sentences)

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule changes will require the Louisiana State Board of Home Inspectors (LSBHI) to publish the proposed and final rules in the state register, resulting in attorney's fees of \$1,000 in FY 22. There will be no additional expenditures or cost savings for LSBHI or other state or local governmental units. The LSBHI is funded through license fees and report fees.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)


There will be no effect on revenue or collections of state or local governmental units as no increase in fees will result from the amendments.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

There will be no increase in costs as a result of the proposed administrative rules.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed administrative rules have no effect on competition and employment.



Signature of Agency Head or Designee

Legislative Fiscal Officer or Designee

Albert J. Nicaud Board Attorney
Typed Name & Title of Agency Head or Designee
4/5/2022

Date of Signature

Date of Signature

LFO 7/2007
**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The proposed changes to the education and training rules clarify the types of continuing education available to licensees and the number of hours awarded for each type towards their minimum requirements. The proposed changes to the rule and ethical rule regarding repairs to the home are being changed to make the rules consistent with current law. The proposed changes to the procedures for special investigative entities help clarify the role of the Special Investigative Entity and provide structure and consistency with investigations.

- B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attached a copy of the applicable regulation.

The action is not required by law, other than the revisions to sec. 309C(6) and 501B(7), which are required to make the rules compliant with LSA R.S. 37:1478.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session. (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

The proposed rule will not create any increase in the expenditure of funds.

- D. 2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

Not applicable.

(a) ____ Yes. If yes, attach documentation.

(b) ____ NO. If no, provide justification as to why this rule change should be published at this time.

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 17	FY 18	FY 19
Personal Services			
Operating Expenses			
Professional Services			
Other Charges			
Equipment			
Major Repairs & Constr.			
TOTAL	SEE BELOW	SEE BELOW	SEE BELOW
POSITIONS (#)			

1. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

Only the minimal cost of preparation and publication of this rule and notice of intent is anticipated.

2. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 17	FY 18	FY 19
State General Fund			
Agency Self-Generated			
Dedicated			
Federal Funds			
Other (Specify)			
TOTAL	SEE BELOW	SEE BELOW	SEE BELOW

3. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Yes.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

Not applicable.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

Not applicable.

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action? None.

REVENUE INCREASE/DECREASE	FY 17	FY 18	FY 19
State General Fund			
Agency Self-Generated			
Dedicated Funds*			
Federal Funds			
Local Funds			
TOTAL	0	0	0

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

**III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR
NONGOVERNMENTAL GROUPS**

A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

The proposed administrative rule will require pre-licensing education providers to prepare two new forms: an enrollment form for trainees and a completion form. Both forms shall be prepared by the board and made available on the board's website. Other than the completion of the two forms, there will be no costs or additional workload to personnel as a result of the proposed rule.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

None.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

The proposed administrative rules should have no effect on competition since the rules apply to all licensees and education providers CONSISTENTLY to all licensees and education providers.

NOTICE OF INTENT

Office of the Governor Board of Home Inspectors

General Rules; Standards of Practice
(LAC 46:XL.Chapters 1 and 3)

Notice is hereby given in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., and through the authority granted in R.S. 17:1475(4), that the Board of Home Inspectors proposes to amend and supplement its administrative rules. The proposed changes to Sec. 113 limits the validity of criminal background checks of applicants to one year from issuance. The proposed changes to Sec. 115 allow for the removal of certain client information from inspection reports submitted upon license renewal. The proposed changes to Sec. 121 allow pre-licensing education classes to count toward continuing education hours. They also provide qualifications for continuing education providers to teach certain classes, requirements to provide notice to the board of certain classes it intends to teach and sets a minimum number of in person hours they must offer each year to remain certified. The proposed changes to Sec. 123 provide requirements that certain client identifying information be included in inspection reports. The proposed changes to Sec. 139 set forth disciplinary action against education providers who violate the rules. The proposed changes to Sec. 305 further define the systems and components to be inspected or excluded from reports.

TITLE 46

PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part XL. Home Inspectors

Chapter 1. General Rules

§113. Qualifications for Licensure and Application

A. Applicants must have:

1.- 7.

8. applied to the Louisiana State Police for a criminal background check, pay all costs associated therewith and submit the results to the board. Background checks shall expire 365 days after the date of issuance.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1475-1477 and R.S. 37:1479.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Board of Home Inspectors, LR 26:2740 (December 2000), amended by the Office of the Governor, Board of Home Inspectors, LR 43:1910 (October 2017).

§115. Licensing Applications; Forms; Terms; Renewals; Inactive Status

A. ...

B. Upon renewal of a license, the licensee shall submit a copy of a completed inspection report form from the previous licensing period. ~~All Client information, including name, and address phone number, email and inspection fee amount, shall may~~ be deleted from the form. Reports must comply with §123 of this Chapter.

C. – E.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1475-1477 and R.S. 37:1479.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Board of Home Inspectors, LR 26:2740 (December 2000), amended by the Office of the Governor, Board of Home Inspectors, LR 30:1687 (August 2004), LR 36:2858 (December 2010), LR 37:2405 (August 2011), LR 41:919 (May 2015), LR 43:1910 (October 2017).

§121. Continuing Education; Instructors

A. ...

B. Continuing Education Courses

1. – 7.

8. The licensee may receive up to a maximum of 10 hours of continuing education credit per licensing period for any combination of the following types of classes as set forth in Paragraphs 5-8 of this Subsection:

a. – c.

d. courses designated for pre-licensing education as set forth in §119.C.1 of this Chapter.

~~9. Continuing education credit cannot be received by attending classes designated for pre-license education instruction as set forth in §119.C.1.~~

~~10. 9.~~ Continuing education courses must be taught by continuing education providers who meet the criteria set forth in §121.F.1. Qualified guest lecturers may teach courses on behalf of continuing education provider instructors. The continuing education provider shall be responsible for confirming the qualifications of the guest lecturer.

~~11. 10.~~ Any remaining balance of continuing education hours must be obtained by participation in live presentation CE classes taught by a board-certified education provider.

~~12. 11.~~ All licensees must attend a board-approved report writing and standards of practice seminar at least once every three years.

C. – E.

F.1. - 3.

4. a. A certified continuing education provider shall be authorized to offer any continuing education courses that teach items specifically covered within the standards of practice, without applying for prior

approval of the chief operating officer and/or board. The continuing education provider shall be responsible for verifying that the course work falls within the scope of the standards of practice or building construction field.

b. a certified continuing education provider wishing to offer the Report Writing Seminar must be approved by the board prior. The provider must notify the board of their intent and provide the board with an outline of their classroom presentation. The presentation must cover all the items included in the board-approved Report Writing Seminar outline.

c. all certified continuing education providers approved by the board to offer the Report Writing Seminar must attend a board-approved Report Writing Instructor Train the Trainer seminar at least once every three years.

5. – 6.

7. The names and contact information for all approved continuing education providers will be posted on the board's official website. ~~At the request of a provider, the board will also post announcements of continuing education classes on its website upon written notice by the provider 30 days prior to the class.~~

8. All continuing education classes to be attended by three or more students must be reported to the LSBHI at least ten days prior to the date the class will be held.

9. All certified continuing education providers shall offer a minimum of eight in-person hours of home inspection industry offerings each year in order to retain board approval to provide continuing education.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1477 and R.S. 37:1479-1480.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Board of Home Inspectors, LR 26:2742 (December 2000), amended by the Office of the Governor, Board of Home Inspectors, LR 36:2860 (December 2010), LR 37:2405 (August 2011), LR 38:2531 (October 2012), LR 40:1003 (May 2014), LR 43:314 (February 2017), LR 43:1911 (October 2017).

§123. Home Inspection Reports; Consumer Protection

A. All home inspection reports shall comply with all requirements as set forth in the standards of practice, these rules and the home inspector licensing law. Home inspection reports shall specify the municipal address of the home inspected, the client(s) for whom the home was inspected and the date of the inspection. Home inspection reports shall not be resold for any reason.

B. – D.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1475-1477 and R.S. 37:1479-1480.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Board of Home Inspectors, LR 26:2742 (December 2000), amended by the Office of the Governor, Board of Home Inspectors, LR 41:920 (May 2015).

§139. Prohibited Acts: Penalties and Costs

A. – F.

G. The board may suspend or revoke any certification or license, or censure, fine, or impose probationary or other restrictions on any education provider who violates any provisions of these rules or the Home Inspector Licensing law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1475 and R.S. 37:1486-1487.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Board of Home Inspectors, LR 26:2744 (December 2000), amended by the Office of the Governor, Board of Home Inspectors, LR 30:1688 (August 2004), LR 41:921 (May 2015), LR 43:314 (February 2017), LR 43:1912 (October 2017).

Chapter 3

Standards of Practice

§305. Purpose and Scope

A. ...

B. Home inspectors shall:

1. provide the client with a written pre-inspection contract, whenever possible, which shall:

a. – b.

c. state that the inspection is limited to only those systems or components, as set forth in these Standards of Practice, as agreed upon by the client and the inspector or expressly excluded in writing; and

d. contain copies of the Standards of Practice and Code of Ethics; and

e. ...

2. – 3.

C. 1-4.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1475.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Board of Home Inspectors, LR 26:2746 (December 2000), amended by the Office of the Governor, Board of Home Inspectors, LR 30:1690 (August 2004), LR 38:2532 (October 2012), LR 43:1912 (October 2017).

Fiscal and Economic Impact Statement for Administrative Rules

Rule Title: General Rules; Standards of Practice

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The proposed rule changes will require the Louisiana State Board of Home Inspectors (LSBHI) to publish the proposed and final rules in the state register, resulting in attorney's fees of \$1,000 in FY 22. There will be no additional expenditures or cost savings for LSBHI or other state or local governmental units. The LSBHI is funded through license fees and report fees.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change will not affect revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The proposed rule changes will require continuing education providers to offer at least 8 in classroom hours per year of continuing education. The amount of such increase in economic benefit and cost will vary by provider and is indeterminable.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule changes will have no effect on competition and employment.

Family Impact Statement

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, a Family Impact Statement is hereby submitted on the Rule proposed for adoption, repeal, or amendment. The following statements will be published in the *Louisiana Register* with the proposed agency Rule.

1. The Effect on the Stability of the Family. The proposed rule changes will have no effect on the stability of the family.
2. The Effect on the Authority and Rights of Parents Regarding the Education and Supervision of their Children. The proposed rule changes will have no effect on the authority and rights of parents regarding the education and supervision of their children.
3. The Effect on the Functioning of the Family. The proposed rule changes will have no effect on the functioning of the family.
4. The Effect on Family Earnings and Family Budget. The proposed rule changes will have no effect on family earnings or family budget.
5. The Effect on the Behavior and Personal Responsibility of Children. The proposed rule changes will have no effect on the behavior and personal responsibility of children.
6. The Ability of the Family or a Local Government to Perform the Function as Contained in the Proposed Rule. The proposed rule changes will have no effect on the ability of the family or a local government to perform the activity as contained in the proposed rule changes.

Small Business Analysis

In accordance with Section 965 of Title 49 of the Louisiana Revised Statutes, a regulatory flexibility analysis is hereby submitted on the Rule proposed for adoption, repeal, or amendment. This will certify the agency has considered, without limitation, each of the following methods of reducing the impact of the proposed Rule on small businesses:

1. The Establishment of Less Stringent Compliance or Reporting Requirements for Small Businesses. The

proposed rule changes will have no effect on compliance or reporting requirements for small businesses.

2. The Establishment of Less Stringent Schedules or Deadlines for Compliance or Reporting Requirements for Small Businesses. The proposed rule changes will have no effect on schedules or deadlines for compliance or reporting requirements for small businesses.

3. The Consolidation or Simplification of Compliance or Reporting Requirements for Small Businesses. The proposed rule changes will have no effect on compliance or reporting requirements for small businesses.

4. The Establishment of Performance Standards for Small Businesses to Replace Design or Operational Standards Required in the Proposed Rule. The proposed rule changes do not impact design or operational standards

5. The Exemption of Small Businesses from All or Any Part of the Requirements Contained in the Proposed Rule. There are no exemptions for small businesses in the proposed rule changes.

Poverty Impact Statement

IN accordance with Section 973 of Title 49 of the Louisiana Revised Statutes, a Poverty Impact Statement is hereby submitted on the Rule proposed for adoption, repeal or amendment. The following statements will be published in the Louisiana Register with the proposed agency Rule.

1. The effect on household income, assets, and financial security. The proposed rule change will have no effect on household income, assets, and financial security
2. The effect on early childhood development and preschool through postsecondary education development. The proposed rule change will have no effect on effect on early childhood development and preschool through postsecondary education development.
3. The effect on employment and workforce development. The proposed rule change will have no effect on employment and workforce development.
4. The effect on taxes and tax credits. The proposed rule change will have no effect on taxes and tax credits.
5. The effect on child and dependent care, housing, health care, nutrition, transportation, and utilities assistance. The proposed rule change will have no effect on child and dependent care, housing, health care, nutrition, transportation, and utilities assistance.

Provider Impact Statement

In accordance with House Concurrent Resolution No. 170 of the Regular Session of the 2014 Legislature, a Provider Impact Statement is hereby submitted on the Rule proposed for adoption, repeal, or amendment.

This will certify the agency has considered, without limitation, the following effects on the providers of services to individuals with developmental disabilities:

1. The effect on the staffing level requirements or qualifications required to provide the same level of service. The proposed rule changes will have no effect on the staffing level requirements or the qualifications for that staff to provide the same level of service.
2. The Total Direct and Indirect Effect on the Cost to the Provider to Provide the Same Level of Service. The proposed rule changes will have no effect on the cost to the provider to provide the same level of service.
3. The Overall Effect on the Ability of the Provider to Provide the Same Level of service. The proposed rule changes will have no effect on the ability of the provider to provide the same level of service.

Public Comments

Interested persons may submit written comments, via United States Postal Service or other mail carrier, or in the alternative by personal delivery to Morgan Spinosa, Chief Operating Officer, at the office of the Louisiana State Board of Home Inspectors, 5211 Essen Lane, Suite 9, Baton Rouge, LA 70809. She is responsible for responding to inquiries regarding the proposed Rule amendment. 504-248-1334.

Public Hearing

A public hearing to solicit comments and testimony on the proposed rule changes is scheduled for (June 3, 2022 at 9:00am, at the office of the Louisiana State Board of Home Inspectors, 5211 Essen Lane, Suite 9, Baton Rouge, LA 70809). During the hearing, all interested persons will be afforded an opportunity to submit data, views, or arguments, either orally or in writing. The deadline for the receipt of all comments is 12 p.m. noon that same day. To request reasonable accommodations for persons with disabilities, please call the board office at 225.925.6496.

Morgan Spinosa
Chief Operating Officer