MINUTES OF THE BOARD MEETING Of LOUISIANA STATE BOARD OF HOME INSPECTORS

Friday, June 2, 2023 9:00 AM Office of the LSBHI 5211 Essen Lane Suite 9, Baton Rouge

Board Members in Attendance:

District 1 – William Paternoster District 2 – David Holt District 3 – Paul Brunet District 4 – Fredrick Williams District 5 – Mike Roberts District 6 – John McLaughlin At Large – Jean Picou Jr.

I

Those members being in attendance, Chairman Fred Williams called the meeting to order at 9:00 AM followed by the Pledge of Allegiance.

The Board reviewed the minutes from the previous Quarterly Board Meeting and a motion was made and seconded to approve the minutes as written.

Π

Chairman, Fred Williams provided a brief message to the public regarding the home inspection industry followed by recognition of the newest board members, and thanked both Gordon Atwell and Ashley van der Meulen for their time served on the board.

III

Reviewed background check for Mr. Eric Gai- Mr. Gai was present and provided testimony regarding his background. After much discussion and questions from the Board, a motion was made by Mr. Picou requesting that Mr. Gai come back before the Board once his parole is completed. In the meantime, he could begin the process for a home inspector's license. The motion was seconded by Mike Roberts. The motion passed by a unanimous vote.

IV

C-23-005 Murphy v. Cross LHI#10220-withdrawn by complainant prior to the board meeting.

V

The Board reviewed and approved the application for the following provider:

Marcus Dempsey-Continuing Education Provider (Paul Brunet motioned to approve, and William Paternoster seconded the motion. The motion carried with a 6-1(Mike Roberts-nay) vote.

VI

Fred Williams: CE provider observers- Agenda Item Tabled

VII

Mr. Jean Picou asked Legal Counsel as to what kind of protection do the "Report Reviewers" have from being included in a lawsuit on a report that he/she reviewed. Mr. Nicaud state, anyone can be sued by anyone at any time.

VIII

Mr. Jean Picou proposed a rule change (LAC46XL.121B) that would allow live streaming to count as "inperson" continuing education. A motion was made by Mr. Picou to accept the proposal, seconded by William Paternoster. After much discussion and debate, the motion passed by a 4-3 vote. (YAY-Picou, Paternoster, Roberts, Holt; NAY-Williams, Brunet, McLaughlin) This rule change will take effect at a much later date and the Board office will broadcast accordingly. Current rules apply until the change has been published. This rule change still limits online CE to 10 hours a year.

IX

Mr. Joe Cook presented 11 questions before the Board and Board Counsel (Mr. Albert Nicaud) <u>Questions</u>- see below

Х

Chief Operating Officer, Morgan Spinosa requested approval from the Board to research and/or get bids for online services. William Paternoster motioned to approve the request, it was seconded and the motion passed unanimously. This would allow all LHI's to complete renewals online as opposed to submitting paper copies.

XI

Attorney Albert Nicaud updated the Board on the proposed law change for the 2023 Legislative session and thanked Representative Polly Thomas for sponsoring the bills. For more detailed information see the link. HB 74

The meeting adjourned at 12:15 pm

Other attendees: Albert Nicaud, Board Attorney; Morgan Spinosa, COO; Barry Landry; Brad Aldridge, Eric Gai; Kevin Dinkel; Joe Cook Jr; Gordon Atwell; Carlton Jones; Scott Stathem; Haytham Hamed; Erik Burke; Spencer Maxcy; William Harris; Denis Boyle; Ashley van der Meulen; Dustin D'Avy; Jared Stevens

Minutes recorded by: C.O.O. Spinosa

1. The new rule change states that "...neither the home inspector nor any company or firm with which the home inspector is affiliated..." can work on reported home inspection report deficiencies for a period of one year. How are we going to define the word "affiliated"?

Affiliated- any company or firm with which the home inspector is an employee, owner, or independent contractor.

2. To provide some clarity on this issue, are "ride-along" CE hours (where the CE student accompanies a CE provider on a live inspection) approved, and does the board believe that we should set any parameters regarding this practice (i.e.: limits on the number of students on an inspection, requirements to broadcast the CE opportunity if 3 or more students trained, etc.)?

Yes. Trainers will be limited to training 2 CE students at a time during live inspections.

3. Propose that the board discuss the benefits of requiring students that are working on their home inspection license to report to the board when they register to take the NHIE and the results of such testing. This would enable the board to determine which pre-licensing schools are doing a good job of preparing their students for the test and their careers as an LHI. This data should be made available to prospective students on the LSBHI website.

Tabled. The board would revisit this in the future if it's offered as a motion.

4. §123.A. states that "Home Inspection reports shall not be resold for any reason." This language stands in contradiction to another (older) section of our rules (§501.5 of the Code of Ethics) which states that "The LHI shall not receive compensation from more than one party per inspection unless agreed to by the client(s)." Are there state laws currently in existence that address how contradictory laws/rules are to be enforced? Should the board work to get this contradiction corrected?

Albert Nicaud was of the opinion that the rules do not contradict.

5. Our rules currently contradict the state licensing law. Our SOP (§303.A.) defines "a written evaluation of two or more... systems of a residential building..." as a "Home Inspection Report" while the licensing law defines it as a "Home Inspection." Do we need to change our rules to comply with the current law?

Albert Nicaud stated that the law needs to be changed to match the SOP definition, as the definition as now stated was the clear intent of the law.

6. It's been often discussed that one of the limitations of our board is that it only meets four times a year, making it difficult to make progress on many of the items that we've been discussing (often

for many years). Can the board meet more often? Can it be done by phone conference? Can it be done using software like Zoom? If we can meet through digital means, would the board be allowed to vote on proposals in this manner, or can votes only be cast at in-person meetings?

Yes, the board may meet more often than 4 times a year. No, phone conferences for boards are not allowed in LA law. No, video conferences (like Zoom) are not allowed in LA law. (There was a temporary exception during COVID.)

- 7. As a follow-up to the last question, if votes can only be cast at in-person meetings, was the vote taken at the Zoom meeting held by the board last year to approve the rule change
- §123.A. ("Home Inspection reports shall not be resold for any reason") a valid vote?

Albert Nicaud stated that the meeting complied with state law.

8. The language of our COE implies that LHI disclose to their clients any interest in a business that may affect their client, such as owning a roofing company or working for a home repair contractor. Does Albert have any advice on the best way to do this?

Albert Nicaud stated that disclosure is not necessary.

9. Can new LHIs take the Report Writing Class for CE credit during their first two years of licensing, as they did not receive CE credit for the RW Class they took during their pre-licensing training?

Tabled.

10. An LHI can remove their legal responsibility to follow the LSBHI rules by disclaiming certain items in their signed contract (such as not having to inspect the HVAC system, if agreed to by the client.) Can this be applied to other parts of the rules, such as reselling an inspection report?

Albert Nicaud stated that this cannot be done.

11. In some parts of the state, it's common practice for the LHI to go over the results of an inspection with the seller and/or the seller's agent. Should the LHI have written authorization from their client prior to doing this, or will verbal authorization suffice?

Albert Nicaud stated that authorization should be obtained, and (personally) he would recommend doing so in writing.

The result of the inspection is NOT the LHI's intellectual property. (Intellectual property would be the LHI's software and contract)