

DATED: FEBRUARY 19, 2024



ILLINOIS ASSOCIATION OF HOME INSPECTORS
WWW.IAHI.PRO

HOME INSPECTOR LICENSE ACT AND ADMINISTRATIVE RULE

Illinois Association of Home Inspectors

WWW.IAHI.PRO

Home Inspector License Act

225 ILCS 441 Act and 1410 Rules

ARTICLE 1. GENERAL PROVISIONS

Sec. 1-1. Short title. This Act may be cited as the Home Inspector License Act.

Sec. 1-5. Legislative intent. The intent of the General Assembly in enacting this Act is to evaluate the competency of persons, including any entity, engaged in the home inspection business and to regulate and license those persons engaged in this business for the protection of the public.

Sec. 1-10. Definitions. As used in this Act, unless the context otherwise requires:

"Address of record" means the designated street address, which may not be a post office box, recorded by the Department in the applicant's or licensee's application file or license file as maintained by the Department.

"Applicant" means a person who applies to the Department for a license under this Act.

"Client" means a person who engages or seeks to engage the services of a home inspector for an inspection assignment.

"Department" means the Department of Financial and Professional Regulation.

"Email address of record" means the designated email address recorded by the Department in the applicant's application file or the licensee's license file, as maintained by the Department.

"Home inspection" means the examination and evaluation of the exterior and interior components of residential real property, which includes the inspection of any 2 or more of the following components of residential real property in connection with or to facilitate the sale, lease, or other conveyance of, or the proposed sale, lease or other conveyance of, residential real property:

- (1) heating, ventilation, and air conditioning system;
- (2) plumbing system;
- (3) electrical system;
- (4) structural composition;
- (5) foundation;
- (6) roof;
- (7) masonry structure; or
- (8) any other residential real property component as established by rule.

"Home inspector" means a person or entity who, for another and for compensation either direct or indirect, performs home inspections.

"Home inspection report" or "inspection report" means a written evaluation prepared and issued by a home inspector upon completion of a home inspection, which meets the standards of practice as established by the Department.

"Inspection assignment" means an engagement for which a home inspector is employed or retained to conduct a home inspection and prepare a home inspection report.

"License" means the privilege conferred by the Department to a person who has fulfilled all requirements prerequisite to any type of licensure under this Act.

"Licensee" means a home inspector, home inspector entity, or home inspector education provider.

"Person" means individuals, entities, corporations, limited liability companies, registered limited liability partnerships, and partnerships, foreign or domestic, except that when the context otherwise requires, the term may refer to a single individual or other described entity.

"Residential real property" means real property that is used or intended to be used as a residence by one or more individuals.

"Secretary" means the Secretary of Financial and Professional Regulation or the Secretary's designee.

"Standards of practice" means recognized standards to be used in a home inspection, as determined by the Department and established by rule.

Sec. 1-12. Address of record; email address of record. All applicants and licensees shall:

1. provide a valid address and email address to the Department, which shall serve as the address of record and email address of record, respectively, at the time of application for licensure or renewal of a license; and
2. inform the Department of any change of address of record or email address of record within 14 days after such change through the Department's website or by contacting the Department.

ARTICLE 5. LICENSING PROVISIONS

Sec. 5-5. Necessity of license; use of title; exemptions.

- A. It is unlawful for any person, including any entity, to act or assume to act as a home inspector, to engage in the business of home inspection, to develop a home inspection report, to practice as a home inspector, or to advertise or hold oneself out to be a home inspector without a home inspector license issued under this Act. A person who violates this subsection is guilty of a Class A misdemeanor for the first offense and a Class 4 felony for the second and any subsequent offenses.
- B. It is unlawful for any person, other than a person who holds a valid home inspector license issued pursuant to this Act, to use the title "home inspector" or any other title, designation, or abbreviation likely to create the impression that the person is licensed as a home inspector pursuant to this Act. A person who violates this subsection is guilty of a Class A misdemeanor.
- C. The licensing requirements of this Article do not apply to:
 1. any person who is employed as a code enforcement official by the State of Illinois or any unit of local government, while acting within the scope of that government employment;

2. any person licensed in this State by any other law who is engaging in the profession or occupation for which the person is licensed; or
 3. any person engaged by the owner or lessor of residential real property for the purpose of preparing a bid or estimate as to the work necessary or the costs associated with performing home construction, home remodeling, or home repair work on the residential real property, provided such person does not advertise or hold oneself out as engaged in business as a home inspector.
- D. The licensing of home inspector entities required under this Act does not apply to an entity whose ownership structure is one licensed home inspector operating a sole proprietorship, a single member limited liability company, or a single shareholder corporation, and that home inspector is the only licensed home inspector performing inspections on the entity's behalf. The licensed home inspector who is the sole proprietor, sole shareholder, or single member of the company or entity shall comply with all other provisions of this Act.

Sec. 5-10. Application for home inspector license.

- A. Every natural person who desires to obtain a home inspector license shall:
1. apply to the Department in a manner prescribed by the Department and accompanied by the required fee; all applications shall contain the information that, in the judgment of the Department, enables the Department to pass on the qualifications of the applicant for a license to practice as a home inspector as set by rule;
 2. be at least 18 years of age;
 3. successfully complete a 4-year course of study in a high school or secondary school or an equivalent course of study approved by the state in which the school is located, or possess a high school equivalency certificate, which shall be verified under oath by the applicant;
 4. personally take and pass a written examination and a field examination authorized by the Department; and prior to taking the examination, provide evidence to the Department that the applicant has successfully completed the prerequisite classroom hours of instruction in home inspection, as established by rule.
- B. The Department shall not require applicants to report the following information and shall not consider the following criminal history records in connection with an application for licensure or registration:
1. juvenile adjudications of delinquent minors as defined in Section 5-105 of the Juvenile Court Act of 1987 subject to the restrictions set forth in Section 5-130 of that Act;
 2. law enforcement records, court records, and conviction records of an individual who was 17 years old at the time of the offense and before January 1, 2014, unless the nature of the offense required the individual to be tried as an adult;
 3. records of arrest not followed by a charge or conviction;
 4. records of arrest where the charges were dismissed unless related to the practice of the profession; however, applicants shall not be asked to report any arrests, and an arrest not followed by a conviction shall not be the basis of denial and may be used only to assess an applicant's rehabilitation;

5. convictions overturned by a higher court; or
 6. convictions or arrests that have been sealed or expunged.
- C. An applicant or licensee shall report to the Department, in a manner prescribed by the Department, upon application and within 30 days after the occurrence, if during the term of licensure, (i) any conviction of or plea of guilty or nolo contendere to forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or any similar offense or offenses or any conviction of a felony involving moral turpitude, (ii) the entry of an administrative sanction by a government agency in this State or any other jurisdiction that has as an essential element dishonesty or fraud or involves larceny, embezzlement, or obtaining money, property, or credit by false pretenses, or (iii) a crime that subjects the licensee to compliance with the requirements of the Sex Offender Registration Act.
- D. Applicants have 3 years after the date of the application to complete the application process. If the process has not been completed within 3 years, the application shall be denied, the fee forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.

Sec. 5-12. Application for home inspector license; entity.

Every entity that is not a natural person that desires to obtain a home inspector license shall apply to the Department in a manner prescribed by the Department and accompanied by the required fee.

Applicants have 3 years after the date of the application to complete the application process. If the process has not been completed within 3 years, the application shall be denied, the fee forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.

A corporation, limited liability company, partnership, or entity shall, as a condition of licensure, designate a managing licensed home inspector. The managing home inspector of any home inspector entity shall be responsible for the actions of all licensed and unlicensed employees, agents, and representatives of that home inspector entity while it is providing a home inspection or home inspection service. All other requirements for home inspector entities shall be established by rule.

Sec. 5-14. Social Security Number on license application.

In addition to any other information required to be contained in the application, every application for an original, renewal, reinstated, or restored license under this Act shall include the applicant's Social Security Number.

Sec. 5-16. Renewal of license.

- A. The expiration date and renewal period for a home inspector license issued under this Act shall be set by rule. Except as otherwise provided in subsections (b) and (c) of this Section, the holder of a license may renew the license within 90 days preceding the expiration date by:
 - 1. completing and submitting to the Department a renewal application in a manner prescribed by the Department;
 - 2. paying the required fees; and
 - 3. providing evidence of successful completion of the continuing education requirements through courses approved by the Department given by education providers licensed by the Department, as established by rule.
- B. A home inspector whose license under this Act has expired may renew the license for a period of 2 years following the expiration date by complying with the requirements of subparagraphs (1), (2), and (3) of subsection (a) of this Section and paying any late penalties established by rule.
- C. Notwithstanding subsection (b), a home inspector whose license under this Act has expired may renew the license without paying any lapsed renewal fees or late penalties if (i) the license expired while the home inspector was on active duty with the United States Armed Services, (ii) application for renewal is made within 2 years following the termination of the military service or related education, training, or employment, and (iii) the applicant furnishes to the Department an affidavit that the applicant was so engaged.
- D. The Department shall provide reasonable care and due diligence to ensure that each licensee under this Act is provided a renewal application at least 90 days prior to the expiration date, but it is the responsibility of each licensee to renew the license prior to its expiration date.

Sec. 5-17. Renewal of home inspector license; entity.

- A. The expiration date and renewal period for a home inspector license for an entity that is not a natural person shall be set by rule. The holder of a license may renew the license within 90 days preceding the expiration date by completing and submitting to the Department a renewal application in a manner prescribed by the Department and paying the required fees.
- B. An entity that is not a natural person whose license under this Act has expired may renew the license for a period of 2 years following the expiration date by complying with the requirements of subsection (a) of this Section and paying any late penalties established by rule.

Sec. 5-20. Endorsement. The Department may, in its discretion, license as a home inspector, by endorsement, on payment of the required fee, an applicant who is a home inspector licensed under the laws of another state or territory, if (i) the requirements for licensure in the state or territory in which the applicant was licensed were, at the date of licensure, substantially equivalent to the requirements in force in this State on that date or (ii) there were no requirements in force in this State on the date of licensure and the applicant possessed

individual qualifications on that date that are substantially similar to the requirements under this Act. The Department may adopt any rules necessary to implement this Section.

Applicants have 3 years after the date of application to complete the application process. If the process has not been completed within 3 years, the application shall be denied, the fee forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.

Sec. 5-25. Pre-license education requirements.

The prerequisite curriculum and classroom hours necessary for a person to be approved to sit for the examination for a home inspector shall be established by rule. Approved education, as prescribed by this Act and its associated administrative rules for licensure as a home inspector, shall be valid for 2 years after the date of satisfactory completion of the education.

Sec. 5-30. Continuing education renewal requirements.

The continuing education requirements for a person to renew a license as a home inspector shall be established by rule.

Sec. 5-45. Fees.

The Department shall establish rules for fees to be paid by applicants and licensees to cover the reasonable costs of the Department in administering and enforcing the provisions of this Act. The Department may also establish rules for general fees to cover the reasonable expenses of carrying out other functions and responsibilities under this Act.

Sec. 5-50. Insurance.

- A. All applicants for a home inspector license and all licensees shall maintain general liability insurance in an amount of not less than \$100,000.
- B. Failure of an applicant or a licensee to carry and maintain the insurance required by this Section, to timely submit proof of coverage upon the Department's request, or to timely report any claims made against such policies of insurance shall be grounds for the denial of an application to renew a license, or the suspension or revocation of the license.
- C. The policies of insurance submitted by an applicant for a new license or an applicant for renewal of a license must include the name of the applicant as it appears or will appear on the license.
- D. A home inspector shall maintain the insurance required by this Section for at least one year after the latest home inspection report the home inspector delivered.
- E. The Department may adopt rules to implement this Section.

ARTICLE 10. BUSINESS PRACTICE PROVISIONS

Sec. 10-5. Standards of practice. All persons licensed under this Act must comply with standards of professional home inspection adopted by the Department and established by rule.

The Department may consider nationally recognized standards and codes prior to adopting the rules for the standards of practice.

Sec. 10-10. Retention of records.

A person licensed under this Act shall retain the original or a true and exact copy of all written contracts that engage the licensee's services as a home inspector and all home inspection reports, including any supporting data used to develop the home inspection report, for a period of 5 years or 2 years after the final disposition of any judicial proceeding, which includes any appeal, in which testimony was given, whichever is longer.

ARTICLE 15. DISCIPLINARY PROVISIONS

Sec. 15-5. Unlicensed practice; civil penalty.

- A. Any person who practices, offers to practice, attempts to practice, or holds himself or herself out to practice home inspection or as a home inspector without being licensed under this Act shall, in addition to any other penalty provided by law, pay a civil penalty to the Department in an amount not to exceed \$25,000 for each violation of this Act as determined by the Department. The civil penalty shall be assessed by the Department after a hearing is held in accordance with the provisions of this Act.
- B. The Department has the authority and power to investigate any unlicensed activity.
- C. A civil penalty shall be paid within 60 days after the effective date of the order imposing the civil penalty. The Department may petition the circuit court for a judgment to enforce the collection of the penalty. Any civil penalties collected under this Act shall be made payable to the Department and deposited into the Home Inspector Administration Fund.

Sec. 15-10. Grounds for disciplinary action.

- A. The Department may refuse to issue or renew, or may revoke, suspend, place on probation, reprimand, or take other disciplinary or non-disciplinary action as the Department may deem appropriate, including imposing fines not to exceed \$25,000 for each violation, with regard to any license for any one or combination of the following:
 - 1. Fraud or misrepresentation in applying for, or procuring a license under this Act or in connection with applying for renewal of a license under this Act.
 - 2. Failing to meet the minimum qualifications for licensure as a home inspector established by this Act.
 - 3. Paying money, other than for the fees provided for by this Act, or anything of value to an employee of the Department to procure licensure under this Act.
 - 4. Conviction of, or plea of guilty or nolo contendere, or finding as enumerated in subsection (c) of Section 5-10, under the laws of any jurisdiction of the United States: (i) that is a felony, misdemeanor, or administrative sanction, or (ii) that is a crime that subjects the licensee to compliance with the requirements of the Sex Offender Registration Act.

5. Committing an act or omission involving dishonesty, fraud, or misrepresentation with the intent to substantially benefit the licensee or another person or with the intent to substantially injure another person.
6. Violating a provision or standard for the development or communication of home inspections as provided in Section 10-5 of this Act or as defined in the rules.
7. Failing or refusing to exercise reasonable diligence in the development, reporting, or communication of a home inspection report, as defined by this Act or the rules.
8. Violating a provision of this Act or the rules.
9. Having been disciplined by another state, the District of Columbia, a territory, a foreign nation, a governmental agency, or any other entity authorized to impose discipline if at least one of the grounds for that discipline is the same as or substantially equivalent to one of the grounds for which a licensee may be disciplined under this Act.
10. Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public.
11. Accepting an inspection assignment when the employment itself is contingent upon the home inspector reporting a predetermined analysis or opinion, or when the fee to be paid is contingent upon the analysis, opinion, or conclusion reached or upon the consequences resulting from the home inspection assignment.
12. Developing home inspection opinions or conclusions based on the race, color, religion, sex, national origin, ancestry, age, marital status, family status, physical or mental disability, military status, unfavorable discharge from military status, sexual orientation, order of protection status, or pregnancy, as defined under the Illinois Human Rights Act, of the prospective or present owners or occupants of the area or property under home inspection.
13. Being adjudicated liable in a civil proceeding on grounds of fraud, misrepresentation, or deceit. In a disciplinary proceeding based upon a finding of civil liability, the home inspector shall be afforded an opportunity to present mitigating and extenuating circumstances, but may not collaterally attack the civil adjudication.
14. Being adjudicated liable in a civil proceeding for violation of a State or federal fair housing law.
15. Engaging in misleading or untruthful advertising or using a trade name or insignia of membership in a home inspection organization of which the licensee is not a member.
16. Failing, within 30 days, to provide information in response to a written request made by the Department.
17. Failing to include within the home inspection report the home inspector's license number and the date of expiration of the license. The names of (i) all persons who conducted the home inspection; and (ii) all persons who prepared the subsequent written evaluation or any part thereof must be disclosed in the report. It is a violation of this Act for a home inspector to sign a home inspection report knowing that the names of all such persons have not been disclosed in the home inspection report.
18. Advising a client as to whether the client should or should not engage in a transaction regarding the residential real property that is the subject of the home inspection.
19. Performing a home inspection in a manner that damages or alters the residential real property that is the subject of the home inspection without the consent of the owner.

20. Performing a home inspection when the home inspector is providing or may also provide other services in connection with the residential real property or transaction, or has an interest in the residential real property, without providing prior written notice of the potential or actual conflict and obtaining the prior consent of the client as provided by rule.
21. Aiding or assisting another person in violating any provision of this Act or rules adopted under this Act.
22. Inability to practice with reasonable judgment, skill, or safety as a result of habitual or excessive use or addiction to alcohol, narcotics, stimulants, or any other chemical agent or drug.
23. A finding by the Department that the licensee, after having the license placed on probationary status, has violated the terms of probation.
24. Willfully making or filing false records or reports related to the practice of home inspection, including, but not limited to, false records filed with State agencies or departments.
25. Charging for professional services not rendered, including filing false statements for the collection of fees for which services are not rendered.
26. Practicing under a false or, except as provided by law, an assumed name.
27. Cheating on or attempting to subvert the licensing examination administered under this Act.
28. Engaging in any of the following prohibited fraudulent, false, deceptive, or misleading advertising practices:
 - (i) advertising as a home inspector or operating a home inspection business entity unless there is a duly licensed home inspector responsible for all inspection activities and all inspections;
 - (ii) advertising that contains a misrepresentation of facts or false statements regarding the licensee's professional achievements, degrees, training, skills, or qualifications in the home inspection profession or any other profession requiring licensure;
 - (iii) advertising that makes only a partial disclosure of relevant facts related to pricing or home inspection services; and
 - (iv) advertising that claims this State or any of its political subdivisions endorse the home inspection report or its contents.
29. Disclosing, except as otherwise required by law, inspection results or client information obtained without the client's written consent. A home inspector shall not deliver a home inspection report to any person other than the client of the home inspector without the client's written consent.
30. Providing fees, gifts, waivers of liability, or other forms of compensation or gratuities to persons licensed under any real estate professional licensing act in this State as consideration or inducement for the referral of business.
 - a. The Department may suspend, revoke, or refuse to issue or renew an education provider's license, may reprimand, place on probation, or otherwise discipline an education provider licensee, and may suspend or revoke the course approval of any course offered by an education provider, for any of the following:
 - (1) Procuring or attempting to procure licensure by knowingly making a false statement, submitting false information, making any form of fraud or

- misrepresentation, or refusing to provide complete information in response to a question in an application for licensure.
- (2) Failing to comply with the covenants certified to on the application for licensure as an education provider.
 - (3) Committing an act or omission involving dishonesty, fraud, or misrepresentation or allowing any such act or omission by any employee or contractor under the control of the education provider.
 - (4) Engaging in misleading or untruthful advertising.
 - (5) Failing to retain competent instructors in accordance with rules adopted under this Act.
 - (6) Failing to meet the topic or time requirements for course approval as the provider of a pre-license curriculum course or a continuing education course.
 - (7) Failing to administer an approved course using the course materials, syllabus, and examinations submitted as the basis of the course approval.
 - (8) Failing to provide an appropriate classroom environment for presentation of courses, with consideration for student comfort, acoustics, lighting, seating, workspace, and visual aid material.
 - (9) Failing to maintain student records in compliance with the rules adopted under this Act.
 - (10) Failing to provide a certificate, transcript, or other student record to the Department or to a student as may be required by rule.
 - (11) Failing to fully cooperate with a Department investigation by knowingly making a false statement, submitting false or misleading information, or refusing to provide complete information in response to written interrogatories or a written request for documentation within 30 days of the request.
- (c) (Blank).
- (d) The Department may refuse to issue or may suspend without hearing, as provided for in the Code of Civil Procedure, the license of any person who fails to file a tax return, to pay the tax, penalty, or interest shown in a filed tax return, or to pay any final assessment of tax, penalty, or interest, as required by any tax Act administered by the Illinois Department of Revenue, until such time as the requirements of the tax Act are satisfied in accordance with subsection (g) of Section 2105-15 of the Civil Administrative Code of Illinois.
- (e) (Blank).
- (f) In cases where the Department of Healthcare and Family Services has previously determined that a licensee or a potential licensee is more than 30 days delinquent in the payment of child support and has subsequently certified the delinquency to the Department, the Department may refuse to issue or renew or may revoke or suspend that person's license or may take other disciplinary action against that person based solely upon the certification of delinquency made by the Department of Healthcare and Family Services in accordance with item (5) of subsection (a) of Section 2105-15 of the Civil Administrative Code of Illinois.
- (g) The determination by a circuit court that a licensee is subject to involuntary admission or judicial admission, as provided in the Mental Health and Developmental Disabilities Code, operates as an automatic suspension. The

suspension will end only upon a finding by a court that the patient is no longer subject to involuntary admission or judicial admission and the issuance of a court order so finding and discharging the patient.

(h) Blank).

Sec. 15-10.1. Citations.

- (a) The Department may adopt rules to permit the issuance of citations to any licensee for failure to comply with the continuing education requirements set forth in this Act or as established by rule. The citation shall be issued to the licensee and shall contain the licensee's name, the licensee's address, the licensee's license number, the number of required hours of continuing education that have not been successfully completed by the licensee within the renewal period, and the penalty imposed, which shall not exceed \$2,000. The issuance of a citation shall not excuse the licensee from completing all continuing education required for that renewal period.
- (b) Service of a citation shall be made in person, electronically, or by mail to the licensee at the licensee's address of record or email address of record, and the citation must clearly state that if the cited licensee wishes to dispute the citation, the cited licensee may make a written request, within 30 days after the citation is served, for a hearing before the Department. If the cited licensee does not request a hearing within 30 days after the citation is served, then the citation shall become a final, non-disciplinary order, and any fine imposed is due and payable within 60 days after that final order. If the cited licensee requests a hearing within 30 days after the citation is served, the Department shall afford the cited licensee a hearing conducted in the same manner as a hearing provided for in this Act for any violation of this Act and shall determine whether the cited licensee committed the violation as charged and whether the fine as levied is warranted. If the violation is found, any fine shall constitute non-public discipline and be due and payable within 30 days after the order of the Secretary, which shall constitute a final order of the Department. No change in license status may be made by the Department until a final order of the Department has been issued.
- (c) Payment of a fine that has been assessed pursuant to this Section shall not constitute disciplinary action reportable on the Department's website or elsewhere unless a licensee has previously received 2 or more citations and been assessed 2 or more fines.
- (d) Nothing in this Section shall prohibit or limit the Department from taking further action pursuant to this Act and rules for additional, repeated, or continuing violations.

Sec. 15-15. Investigation; notice; hearing.

The Department may investigate the actions of any applicant or licensee or of any person or persons rendering or offering to render home inspection services or any person holding or claiming to hold a license as a home inspector. The Department shall, before refusing to issue or renew a license or to discipline a licensee pursuant to Section 15-10, at least 30 days prior to the date set for the hearing, (i) notify the accused in writing, of the charges made and the time and place for the hearing on the charges, (ii) direct the licensee or applicant to file a written answer with the Department under oath within 20 days after the service of the notice, and (iii) inform the applicant or licensee that failure to file an answer will result in a default judgment being entered against the applicant or licensee. At the time and place fixed in the notice, the Department shall proceed to hear the charges and the parties of their counsel shall be accorded ample opportunity to present any pertinent statements, testimony, evidence, and arguments. The Department may continue the hearing from time to time. In case the person, after receiving the notice, fails to file an answer, the license, may, in the discretion of the Department, be revoked, suspended, placed on probationary status, or the Department may take whatever disciplinary actions considered proper, including limiting the scope, nature, or extent of the person's practice or the imposition of a fine, without a hearing, if the act or acts charged constitute sufficient grounds for that action under the Act. The notice may be served by personal delivery, by mail, or, at the discretion of the Department, by electronic means to the address of record or email address of record specified by the accused as last updated with the Department.

A copy of the hearing officer's report or any Order of Default, along with a copy of the original complaint giving rise to the action, shall be served upon the applicant, licensee, or unlicensed person by the Department to the applicant, licensee, or unlicensed individual in the manner provided in this Act for the service of a notice of hearing. Within 20 days after service, the applicant or licensee may present to the Department a motion in writing for a rehearing, which shall specify the particular grounds for rehearing. The Department may respond to the motion, or if a motion for rehearing is denied, then upon denial, the Secretary may enter an order in accordance with the recommendations of the hearing officer. If the applicant or licensee orders from the reporting service and pays for a transcript of the record within the time for filing a motion for rehearing, then the 20-day period during which a motion may be filed shall commence upon the delivery of the transcript to the applicant or licensee.

Sec. 15-20. Administrative Review Law; certification fees; Illinois Administrative Procedure Act.

- (a) All final administrative decisions of the Department under this Act are subject to judicial review pursuant to the provisions of the Administrative Review Law and the rules adopted pursuant thereto. The term "administrative decision" has the meaning ascribed to it in Section 3-101 of the Administrative Review Law.
- (b) The Department shall not be required to certify any record to the court or file any answer in court or otherwise appear in any court in a judicial review proceeding, unless and until the Department has received from the plaintiff payment of the costs of furnishing and certifying the record, which costs shall be determined by the Department. Exhibits shall be certified

without cost. Failure on the part of the plaintiff to file a receipt in court is grounds for dismissal of the action.

- (c) The Illinois Administrative Procedure Act is hereby expressly adopted and incorporated herein. In the event of a conflict between this Act and the Illinois Administrative Procedure Act, this Act shall control.
- (d) Proceedings for judicial review shall be commenced in the circuit court of the county in which the party applying for review resides, but if the party is not a resident of Illinois, the venue shall be in Sangamon County or Cook County.

Sec. 15-25. Temporary suspension.

The Secretary may temporarily suspend the license of a licensee without a hearing, while instituting a proceeding for a hearing as provided for in Section 15-15 of this Act, if the Secretary finds that the evidence indicates that the public interest, safety, or welfare imperatively requires emergency action. In the event that the Secretary temporarily suspends the license without a hearing, a hearing shall be held within 30 days after the suspension has occurred. The suspended licensee may seek a continuance of the hearing during which the suspension shall remain in effect. The proceeding shall be concluded without appreciable delay.

Sec. 15-30. Statute of limitations.

No action may be taken under this Act against a person licensed under this Act unless the action is commenced within 5 years after the occurrence of the alleged violation. A continuing violation is deemed to have occurred on the date when the circumstances last existed that gave rise to the alleged continuing violation.

Sec. 15-35. Signature of the Secretary.

An order of revocation or suspension or a certified copy of the order, bearing the seal of the Department and purporting to be signed by the Secretary, shall be prima facie proof that:

- (1) the signature is the genuine signature of the Secretary; and
- (2) the Secretary is duly appointed and qualified.

This proof may be rebutted.

Sec. 15-36. No private right of action.

Except as otherwise expressly provided for in this Act, nothing in this Act shall be construed to grant to any person a private right of action to enforce the provisions of this Act or the rules adopted under this Act.

Sec. 15-40. (Repealed).

Sec. 15-45. (Repealed).

Sec. 15-50. (Repealed).

Sec. 15-55. Returned checks and dishonored credit card charges; penalty fee; revocation.

A person who (1) delivers a check or other payment to the Department that is returned to the Department unpaid by the financial institution upon which it was drawn shall pay to the Department; or (2) presents a credit or debit card for payment that is invalid or expired or against which charges by the Department are declined or dishonored, in addition to the amount already owed, a penalty fee of \$50. The Department shall notify the person that the check or payment was returned or that the credit card charge was dishonored and that the person shall pay to the Department by certified check or money order the amount of the returned check plus a \$50 penalty fee within 30 calendar days after the date of the notification. If, after the expiration of 30 calendar days of the notification, the person has failed to remit the necessary funds and penalty, the Department shall automatically revoke the license or deny the application without hearing. If the returned check or other payment was for issuance of a license under this Act and that person practices as a home inspector, that person may be subject to discipline for unlicensed practice as provided in this Act. If, after revocation or denial, the person seeks a license, the applicant or licensee shall petition the Department for restoration or issuance of the license and may be subject to additional discipline or fines. The Secretary may waive the penalties or fines due under this Section in individual cases where the Secretary finds that the penalties or fines would be unreasonable or unnecessarily burdensome.

Sec. 15-60. Violations; injunction; cease and desist orders.

- (a) If any person violates a provision of this Act, the Secretary may, in the name of the People of the State of Illinois, through the Attorney General of the State of Illinois or the State's Attorney in the county in which the offense occurs, petition for an order enjoining the violation or for an order enforcing compliance with this Act. Upon the filing of a verified petition in court, the court may issue a temporary restraining order, without notice or bond, and may preliminarily and permanently enjoin the violation. If it is established that the person has violated or is violating the injunction, the court may punish the offender for contempt of court. Proceedings under this Section shall be in addition to, and not in lieu of, all other remedies and penalties provided by this Act.
- (b) If any person practices as a home inspector or holds oneself out as a home inspector without being licensed under the provisions of this Act, then the Secretary, any licensed home inspector, any interested party, or any person injured thereby may petition for relief as provided in subsection (a) of this Section or may apply to the circuit court of the county in which the violation or some part thereof occurred, or in which the person complained of resides or has a principal place of business, to prevent the violation. The court has jurisdiction to enforce obedience by injunction or by other process restricting the person complained of from further violation and may enjoin upon the person obedience.

- (c) Whoever knowingly practices or offers to practice home inspection in this State without a license for that purpose shall be guilty of a Class A misdemeanor for the first offense and shall be guilty of a Class 4 felony for the second and any subsequent offense.
- (d) Whenever, in the opinion of the Department, a person violates any provision of this Act, the Department may issue a rule to show cause why an order to cease and desist should not be entered against that person. The rule shall clearly set forth the grounds relied upon by the Department and shall provide a period of 7 days from the date of the rule to file an answer to the satisfaction of the Department. Failure to answer to the satisfaction of the Department shall cause an order to cease and desist to be issued.

Sec. 15-65. Restoration of license from discipline.

At any time after the successful completion of a term of indefinite probation, suspension, or revocation of a license, the Department may restore the license to the licensee, unless after an investigation and a hearing the Secretary determines that restoration is not in the public interest. No person or entity whose license, certificate, or authority has been revoked as authorized in this Act may apply for restoration of that license, certification, or authority until such time as provided for in the Civil Administrative Code of Illinois.

Sec. 15-70. Confidentiality.

All information collected by the Department in the course of an examination or investigation of a licensee or applicant, including, but not limited to, any complaint against a licensee filed with the Department and information collected to investigate any such complaint, shall be maintained for the confidential use of the Department and shall not be disclosed. The Department may not disclose the information to anyone other than law enforcement officials, other regulatory agencies that have an appropriate regulatory interest as determined by the Secretary, or to a party presenting a lawful subpoena to the Department. Information and documents disclosed to a federal, State, county, or local law enforcement agency shall not be disclosed by the agency for any purpose to any other agency or person. A formal complaint filed against a licensee by the Department or any order issued by the Department against a licensee or applicant shall be a public record, except as otherwise prohibited by law.

ARTICLE 20. EDUCATION PROVISIONS

Sec. 20-5. Education provider.

- (a) Only education providers licensed by the Department may provide the pre-license and continuing education courses required for licensure under this Act.
- (b) A person or entity seeking to be licensed as an education provider under this Act shall provide satisfactory evidence of the following:
 - (1) a sound financial base for establishing, promoting, and delivering the necessary courses;
 - (2) a sufficient number of qualified instructors;

- (3) adequate support personnel to assist with administrative matters and technical assistance;
- (4) a written policy dealing with procedures for management of grievances and fee refunds;
- (5) a qualified school administrator, who is responsible for the administration of the school, courses, and the actions of the instructors; and
- (6) any other requirements provided by rule.
- (c) All applicants for an education provider's license shall make initial application to the Department in a manner prescribed by the Department and pay the appropriate fee as provided by rule. In addition to any other information required to be contained in the application as prescribed by rule, every application for an original or renewed license shall include the applicant's tax identification number. The term, expiration date, and renewal of an education provider's license shall be established by rule.
- (d) An education provider shall provide each successful course participant with a certificate of completion signed by the school administrator. The format and content of the certificate shall be specified by rule.
- (e) All education providers shall provide to the Department a monthly roster of all successful course participants as provided by rule.

Sec. 20-10. Course approval.

- (a) Only courses that are approved by the Department and offered by licensed education providers shall be used to meet the requirements of this Act and rules.
- (b) An education provider licensed under this Act may submit courses to the Department for approval. The criteria, requirements, and fees for courses shall be established by rule.
- (c) For each course approved, the Department shall issue a certificate of course approval to the education provider. The term, expiration date, and renewal of a course approval shall be established by rule.

ARTICLE 25. ADMINISTRATIVE PROVISIONS

Sec. 25-5. Home Inspector Administration Fund; surcharge.

- (a) The Home Inspector Administration Fund is created as a special fund in the State Treasury. All fees, fines, and penalties received by the Department under this Act shall be deposited into the Home Inspector Administration Fund. All earnings attributable to investment of funds in the Home Inspector Administration Fund shall be credited to the Home Inspector Administration Fund. Subject to appropriation, the moneys in the Home Inspector Administration Fund shall be appropriated to the Department for the expenses incurred by the Department in the administration of this Act.
- (b) (Blank).
- (c) Moneys in the Home Inspection Administration Fund may be transferred to the Professions Indirect Cost Fund, as authorized under Section 2105-300 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois.

- (d) Upon the completion of any audit of the Department, as prescribed by the Illinois State Auditing Act, that includes an audit of the Home Inspector Administration Fund, the Department shall make the audit report open to inspection by any interested person.

Sec. 25-10. (Repealed).

Sec. 25-15. Liaison; duties.

The Secretary shall appoint an employee of the Department to:

- (1) (blank);
- (2) be the direct liaison between the Department, the profession, home inspectors, and related industry organizations and associations; and
- (3) prepare and circulate to licensees such educational and informational material as the Department deems necessary for providing guidance or assistance to licensees.

Sec. 25-17. Peer review advisors.

The Department may contract with licensees meeting qualifications established by the Department, on a full or part-time basis, to serve as peer review advisors for complaints and alleged violations of the Act. A peer review advisor is authorized to investigate and determine the facts of a complaint. The peer review advisor may, at the direction of the Department, revise the licensing examination, review the training and qualifications of applicants, and interview witnesses, the complainant and any licensees involved in the alleged matter.

Sec. 25-20. Powers and duties of the Department.

The Department shall exercise the powers and duties prescribed by the Civil Administrative Code of Illinois for the administration of licensing acts and shall exercise such other powers and duties as are prescribed by this Act for the administration of this Act.

Sec. 25-25. Rules.

The Department shall adopt rules to implement, interpret, or make specific the provisions and purposes of this Act.

Sec. 25-27. Subpoenas; depositions; oaths.

- (a) The Department may subpoena and bring before it any person to take oral or written testimony or compel the production of any books, papers, records, or any other documents the Secretary or the Secretary's designee deems relevant or material to any investigation or hearing conducted by the Department with the same fees and in the same manner as prescribed in civil cases in the courts of this State.
- (b) Any circuit court, upon the application of the licensee or the Department, may order the attendance and testimony of witnesses and the production of relevant documents, files, records, books, and papers in connection with any hearing or investigation. The circuit court may compel obedience to its order by proceedings for contempt.
- (c) The Secretary, the hearing officer, any member of the Board, or a certified shorthand court reporter may administer oaths at any hearing the Department conducts. Notwithstanding any other statute or Department rule to the contrary, all requests for testimony, production of documents, or records shall be in accordance with this Act.

Sec. 25-30. Exclusive State powers and functions; municipal powers.

It is declared to be the public policy of this State, pursuant to paragraph (h) of Section 6 of Article VII of the Illinois Constitution of 1970, that any power or function set forth in this Act to be exercised by the State is an exclusive State power or function. Such power and function shall not be exercised concurrently, either directly or indirectly, by any unit of local government, including home rule units.

ARTICLE 950. AMENDATORY PROVISIONS

Sec. 950-5. (Amendatory provisions; text omitted).

Sec. 950-10. (Amendatory provisions; text omitted).

ARTICLE 999. EFFECTIVE DATE

Sec. 999-99. Effective date. This Act takes effect upon becoming law.

Administrative Rules

SUBPART A: DEFINITIONS AND APPLICABILITY OF THIS PART

Section 1410.10 Definitions

Unless otherwise clarified by this Part, definitions set forth in the Act also apply for the purposes of this Part.

"**Act**" means the Home Inspector License Act [225 ILCS 441].

"**Address of record**" means the designated street address, which may not be a post office box, recorded by the Department in the applicant's or licensee's application file or license file maintained by the Department. [225 ILCS 441/1-10].

"**CE**" is an abbreviation for continuing education.

"**Compensation**" means the valuable consideration or the intention or expectation of receiving valuable consideration given by one person or entity to another person or entity in exchange for the performance of some activity or service. Compensation shall not include a franchise fee paid by a licensee to a franchisor pursuant to the terms of a franchise agreement provided the franchisor does not engage in "home inspection" activity as described in Section 1-10 of the Act. Compensation shall otherwise include the transfer of valuable consideration, including without limitation the following:

Commissions;	discounts;
referral fees;	rebates;
bonuses;	a chance to win a raffle, drawing,
prizes;	lottery, or similar game of chance not
merchandise;	prohibited by any other law or statute;
finder fees;	retainer fee; or
performance of services;	salary
coupons or gift certificates;	

"**Department**" means the Department of Financial and Professional Regulation.

"**Director**" means the Director of the Division of Real Estate, with the authority delegated by the Secretary.

"**Division**" means the Department of Financial and Professional Regulation Division of Real Estate.

"**Education Provider**" means an entity or person licensed by the Department offering courses in pre-license or continuing education.

"**Email address of record**" means the designated email address recorded by the Department in the applicant's application file or the licensee's license file, as maintained by the Department. [225 ILCS 441/1-10].

"**Field Inspection Event**" means a pre-license course that is an inspection and evaluation of the exterior and interior components of an actual residential real property conducted by a

candidate for a home inspection license under the direct supervision of an Illinois licensed home inspector with at least 5 years' experience, conducted on-site and in person. A licensed home inspector can supervise a maximum of 5 licensure candidates in each Field Inspection Event.

"Home inspector" means a person or entity who, for another and for compensation either direct or indirect, performs home inspections. [225 ILCS 182 441/1-10].

"Home inspection report" or **"inspection report"** means a written evaluation prepared and issued by a home inspector upon completion of a home inspection, which meets the standards of practice as established by the Department. [225 187 ILCS 441/1-10].

"Home Study" or **"Correspondence Course"** means an education course that is administered independently by the student in a self-study format, outside of a classroom, physical, or virtual meeting space, and is not required to include communication with an instructor. There is no requirement for the ongoing verification of the student's participation and comprehension, except for the administration of the proctored final examination required in connection with a non-interactive course. Home study or correspondence courses may include, but are not limited to, courses comprising print or non-interactive media.

"Interactive Delivery Method" means delivery of a course approved by the Division through a medium allowing for virtual or in person interaction with student.

"Interactive Webinar" means delivery of a course by an instructor through a virtual or online medium allowing for live 2-way communication between the instructor and student in which either can initiate or respond to questions, including live instruction and real-time discussion via satellite, video or webcam that allows for student participation and comprehension.

"Learning Management System" means a software application used for the administration, documentation, tracking, reporting, and delivery of educational courses or training programs.

"Managing Home Inspector" means a designated managing home inspector, licensed by the Department, for a home inspector entity and who is responsible for the actions of all licensed and unlicensed employees, agents, and representatives of that home inspector entity while it is providing a home inspection or home inspection service. [225 ILCS 441/5-12].

"Online Distance Education" means education courses that are interactive, but not in real time, in which students independently learn and review material online, and, for verification of the student's participation and comprehension, interact with an instructor or Learning Management System.

"Person" means individuals, entities, corporations, limited liability companies, registered limited liability partnerships, and partnerships, foreign or domestic, except that when the context otherwise requires, the term may refer to a single individual or other described entity. [225 ILCS 441/1-10].

"Proctor" means any person, including an instructor, who has a written agreement with a licensed education provider to administer, in person or electronically, examinations fairly and impartially with a licensed education provider.

"Residential real property" means real property that is used or intended to be used as a residence by one or more individuals. [225 ILCS 441/1-10].

"Secretary" means the Secretary of the Department of Financial and Professional Regulation or the Secretary's designee.

"Standards of Practice" means *recognized standards to be used in a home inspection, as determined by the Department, and established by rule.* [225 ILCS 441/1-10]. Standards of practice are the guidelines for the appropriate conduct of home inspections described in Subpart C.

SUBPART B: LICENSING AND EDUCATION REQUIREMENTS

Section 1410.100 Application for a Home Inspector License

An applicant for a home inspector license shall submit in a manner prescribed by the Division, the following:

- a) An application that is signed and fully completed by the applicant.
- b) Verification that the applicant is at least 18 years of age.
- c) Successful completion of high school or education equivalency required under 225 ILCS 441/5-10(a)(3)
- d) Proof of successful completion of the pre-license education requirements, as provided by the Act and this Part;
- e) Proof of successful completion of an examination for licensure authorized by the Department pursuant to 225 ILCS 441/5-10(a)(4);
- f) The required fee set forth in Section 1410.400;
- g) Proof of general liability insurance coverage as required by 225 ILCS 300 441/5-50 and Section 1410.235; and
- h) If applicable, any disclosures required under 225 ILCS 441/5-10(c).
- i) Applicants have 3 years from the date of application to complete the application process. If the process has not been completed within 3 years, the application shall be denied and the fee forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.
- j) Upon receipt of the required documents and review of the application, the Division shall issue a license authorizing practice as a home inspector or shall notify the applicant of any deficiency.
- k) An applicant shall have one year from the date of receipt of a passing licensure examination score to submit an application to the Division and to meet the requirements for licensure.

Section 1410.110 Application for a Home Inspector Entity License

An entity seeking to practice as a home inspector or provide home inspections in the State of Illinois in the form of a corporation, limited liability company or legally formed partnership shall submit to the Division:

- l) An application, in a manner provided by the Division, that is signed and fully completed by the applicant;
- m) If an assumed name is to be used, a certified copy of the assumed name certificate, pursuant to the Assumed Business Name Act [805 ILCS 405];

- n) A Federal Employer Identification Number (FEIN);
- o) The required fee set forth in Section 1410.400, payable to the Department;
- p) The names of all owners, partners, officers, members, managers, or directors of the entity, and their home inspector license numbers where applicable;
- q) Evidence that the home inspector entity has a designated managing home inspector licensed by the Department;
- r) Articles of Incorporation, Articles of Organization or other evidence of legal formation or authority, and proof of good standing with the Illinois Secretary of State. If a foreign entity, a copy of the certificate of authority to transact business in Illinois; and
- s) Proof of general liability insurance coverage as required by 225 ILCS 441/5-50 and Section 1410.235.
- t) This Section does not apply to an entity solely owned by one licensed home inspector operating a sole proprietorship, a single member limited liability company, or a single shareholder corporation, and if that home inspector is the only licensed home inspector performing inspections on the entity's behalf.
- u) Applicants have 3 years from the date of application to complete the application process. If the process has not been completed within 3 years, the application shall be denied and the fee forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.
- v) Upon receipt of the required documents and review of the application, the Department shall issue a license authorizing the entity to practice or shall notify the applicant of the reason for any deficiency.
- w) Licensees engaging in licensed activities in the form of a corporation, limited liability company, or legally formed partnership must:
 - x) Remain in active status and in good standing in accordance with the requirements of the jurisdiction where it is registered and must be authorized to conduct or transact business;
 - y) Notify the Division, in a format provided by the Division, within 48 hours of any change to its status/registration resulting in the inability to conduct or transact business in the jurisdiction in which it was authorized to conduct or transact business; and
 - z) The license of any business entity that is not in good standing with the Illinois Secretary of State, or is not authorized to conduct business in Illinois, shall immediately become inactive, and that entity shall be prohibited from engaging in any licensed activities.

Section 1410.120 Application for a Home Inspector License by Endorsement

- a) An applicant who is licensed under the laws of another state or territory of the United States and who wishes to be licensed in Illinois as a home inspector shall submit to the Division, in a manner prescribed by the Division:
- b) A signed and completed application;
- c) The fee required by Section 1410.400
- d) A certification of good standing from the State(s) or jurisdiction(s) where the applicant is licensed stating or including:
 - e) The time during which the applicant has been licensed;
 - f) Whether the file of the applicant contains any record of disciplinary action;

- g) Examinations taken and passed;
- h) Any pre-license education requirements; and
- i) Any other supporting documentation required by this Part and submitted within 3 years after the date of the application. If the process has not been completed within 3 years, the application shall be denied, the fee forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.
- j) The Division shall examine each endorsement application to determine whether:
- k) the requirements and examination in the state or jurisdiction at the date of licensure were substantially equivalent to the requirements and examination required by the Act and this Part; or
- l) the applicant possessed individual qualifications at the time that are substantially similar to the requirements under this Act and Part.
- m) Upon receipt of the required documents and review of the application, the Department shall issue a license authorizing practice as a home inspector or shall notify the applicant of the reason for any deficiency.

Section 1410.140 Expiration and Renewal of Home Inspector Licenses

- a) Every home inspector license or home inspector entity license issued under the Act shall expire November 30 of even-numbered years.
- b) Each applicant for renewal of a home inspector license issued pursuant to Sections 1410.100 and 1410.120 of this Part shall submit to the Division:
 - 1) A renewal application, provided by the Division, that is signed and fully completed by the applicant;
 - 2) The required fee set forth in Section 1410.400, payable to the Department; and
 - 3) Proof of successful completion of the continuing education requirements of Section 1410.160.
- c) Each applicant for renewal of a home inspector entity license issued pursuant to Section 1410.110 shall submit to the Division:
 - 1) A renewal application, in a manner provided by the Division, that is signed and fully completed by the applicant; and
 - 2) The fee as provided by this Part, payable to the Department; and
 - 3) Proof that the licensee is in good standing and complies with all requirements of the Secretary of State of Illinois to transact business.
- d) Any licensee who fails to renew by the expiration date of the license may renew the license for a period of 2 years following the expiration date of the license by submitting to the Division:
 - 1) A renewal application, in a manner provided by the Division, that is signed and fully completed by the applicant;
 - 2) The required renewal fee and late fee set forth in Section 1410.400; and
 - 3) Proof of successful completion of the continuing education requirements of Section 1410.160.
- e) Any person who fails to submit a renewal application within 2 years after the expiration date shall not be eligible to renew and must meet the requirements as a new applicant.

- f) If the current term of the home inspector license ends within 90 days after the initial license is issued, the licensee is not required to complete CE for that license term, but shall complete all CE requirements before the next home inspector license renewal deadline.
- g) Failure to receive a renewal form or notification of renewal from the Division shall not constitute an excuse for failure to pay the renewal fee or to renew the license. Practice on a non-renewed license shall be considered unlicensed practice and shall be subject to the disciplinary provisions of the Act.
- h) A home inspector whose license under the Act has expired is eligible to renew without paying any lapsed renewal fees provided that the license expired while the licensee was:
 - 1) On active duty with the United States Armed Forces, such as the United States Army, United States Navy, United States Marine Corps, United States Air Force, United States Coast Guard, or State Militia called into the service or training for the United States; or
 - 2) Engaged in training, education, or employment under the supervision of the United States prior to induction into military service; or
 - 3) An employee of the Department; A licensee renewing in accordance with this subsection (h) may renew the license within a period of 2 years after honorable termination of the service, education, training, or employment and is not required to take any CE or examination to renew. The applicant shall furnish to the Division an affidavit or other supporting documentation demonstrating the service.

Section 1410.150 Pre-License Education Requirements

Any person who makes an application for a home inspector license shall be required, as a pre-requisite to the written, licensure examination, to have successfully completed 60 credit hours of pre-license instruction, 5 field inspection events, and a final field examination in courses of study pursuant to Subpart F.-

- a) Pre-license education must include 1) a 60-hour pre-license course and 2) a pre-license field course that includes 5 field inspection events and a final field examination. Both courses shall be approved by the Division and only accepted from licensed education providers.
- b) Pre-license education shall only be valid for 2 years following satisfactory completion of all of the pre-license education in order to sit for the written examination authorized by the Department.
- c) No applicant shall be allowed to take the written examination unless the applicant provides satisfactory evidence of completion of all the pre-license education requirements.

Section 1410.160 Continuing Education Requirements

- a) A licensed home inspector who applies for renewal of their home inspector license shall successfully complete a total of 12 hours of approved continuing education during each 2

year renewal cycle. Continuing education must consist of a minimum of 8 hours of mandatory courses, as defined by Subpart F.

- b) Continuing Education credit is earned for verified attendance and completion of a course approved by the Division. All continuing education courses shall be a minimum of 1 credit hour.
- c) If the licensee submits an application for renewal and fails to submit satisfactory evidence of compliance with the CE requirements of this Part by the renewal deadline, the Division shall refuse to renew the license. The Division shall conduct audits of its records to verify compliance with this Section.
- d) If licensees have earned CE credit in another state or jurisdiction for which they will be claiming credit toward full compliance in Illinois, each applicant shall submit an application, along with a \$50 processing fee per course, after completion of the CE course and prior to expiration of the license. The Division may review and recommend approval or disapproval of the CE course provided the course is substantially equivalent to those approved in Illinois.

SUBPART C: STANDARDS OF PRACTICE AND LICENSEE REQUIREMENTS

Section 1410.200 Standards of Practice

This Subpart defines the practice of home inspection in the State of Illinois by:

Defining certain terms relating to home inspections; and

Providing home inspection and home inspection report guidelines and requirements.

- a) The following are terms commonly used in the writing of home inspection reports.
 - 1) Alarm Systems: Warning devices, installed or free-standing, including but not limited to: carbon monoxide detectors, flue gas and other spillage detectors, security equipment, ejector pumps and smoke alarms.
 - 2) Automatic Safety Controls: Devices designed and installed to protect systems and components from unsafe conditions.
 - 3) Client: A person or entity who engages or seeks to engage the services of a home inspector for an inspection assignment or home inspection report of a residential real property.
 - 4) Component: A part of a system.
 - 5) Decorative: Ornamental; not required for the operation of the essential systems and components of a home.
 - 6) Describe: To report a system or component by its type or other observed, significant characteristics to distinguish it from other systems or components.
 - 7) Dismantle: To take apart or remove any component, device or piece of equipment that would not be taken apart or removed by a homeowner in the course of normal and routine homeowner maintenance. Further Evaluation: Examination and analysis by a qualified professional, tradesperson or service technician beyond that provided by the home inspection.
 - 8) Home Inspection: As defined in Section 1-10 of the Act.

- 9) Household Appliances: May include, but are not limited to, range, stove, oven, refrigerator, window air conditioner, washer, dryer, trash compactor and garbage disposal, and other appliances that may be part of a real estate transaction, whether installed or free standing.
- 10) Inspect: To visually examine readily accessible systems and components of a building in accordance with this Subpart, using normal operating controls and opening readily accessible panels.
- 11) Installed: Attached in such a manner that removal requires tools.
- 12) Normal Operating Controls: Devices such as, but not limited to, thermostats, switches or faucets intended to be operated by the homeowner.
- 13) Readily Accessible: Available for visual inspection without requiring moving of personal property, dismantling, destructive measures, or any action that will likely involve risk to persons or property.
- 14) Readily Operable Access Panel: A panel provided for homeowner inspection and maintenance that is within normal reach, can be removed by one person, and is not sealed in place.
- 15) Recreational Facilities: Spas, saunas, steam baths, swimming pools, and exercise, entertainment, athletic, playground, or other similar equipment and associated accessories.
- 16) Report: To communicate in writing in a home inspection report as defined by the Act and this Part.
- 17) Representative Number: One component per room for multiple similar interior components, such as windows, doors, and electric outlets, and one component on each side of the building for multiple similar exterior.
- 18) Roof Drainage Systems: Components used to carry water off a roof and away from a building.
- 19) Significantly Deficient: Unsafe or not functioning.
- 20) Shut Down: A state in which a system or component cannot be operated by normal controls.
- 21) Solid Fuel Burning Appliances: A hearth and fire chamber or similar place in which a fire may be built, and that is built in conjunction with a chimney; or a listed assembly of a fire chamber, its chimney, and related factory-made parts designed for unit assembly without requiring field construction.
- 22) Structural Component: A component that supports non-variable forces or weights (dead loads), and variable forces or weights (live loads).
- 23) System: A combination of interacting or interdependent components, assembled to carry out one or more functions.
- 24) Technically Exhaustive Inspection: An investigation that involves dismantling or the extensive use of advanced techniques, measurements, instruments, testing, calculations, or other means.
- 25) Under-floor Crawl Space: The area within the confines of the foundation, and between the ground and the underside of the floor.
- 26) Unsafe: A condition in a system or component that poses a significant risk of personal injury or property damage during normal, day-to-day use. The risk may be

due to damage, deterioration, improper installation, or a change in accepted residential construction standards.

27) Wiring Methods: Includes identification of electrical conductors or wires such as, but not limited to, non-metallic sheathed cable (Romex), armored cable (BX), or knob and tube.

- b) The purpose of this Subpart is to establish a minimum and uniform standard for licensed home inspectors to provide the client with information regarding the condition of the systems and components of the home as inspected at the time of the home inspection. The home inspectors shall observe readily visible and accessible installed systems and components listed as part of a home inspection, unless the system or component is limited and/or excluded under the executed written contract (i.e., pre-inspection agreement) with the client.
- c) Home inspectors or home inspector entities shall enter into an executed written contract with the client or duly authorized representative prior to the home inspection that includes at a minimum:
 - 1) The purpose of the inspection;
 - 2) The date of the inspection;
 - 3) The name, address, and license numbers of the home inspectors and home inspector entity;
 - 4) The fee for services to be performed;
 - 5) A statement that the inspection will be performed, at a minimum, in accordance with the Standards of Practice in this Part;
 - 6) A list of the systems and components to be inspected;
 - 7) The signature of the client or the client's duly authorized representative, and the signature of the home inspector, or the duly authorized representative of a home inspector entity; and
 - 8) Limitations or exclusions of the home inspection services, and the systems or components being inspected. These may include, but are not limited to, the following:
 - 9) That the home inspector is not required to determine the condition of any component or system that is not readily accessible, the service life expectancy of any component or system, or the cause for the need of replacement of any system or component.
 - 10) That the home inspector is not required to operate any system that is shut down or that does not turn on with the use of normal operating controls.
 - 11) That the home inspector is not required to enter or access any area that may be unsafe or not readily accessible, perform any engineering or environmental services, report on future conditions, or offer warranties, guarantees, or insurance policies of any kind for the property being inspected.
- d) Home inspectors or home inspector entities shall submit a written home inspection report to the client or duly authorized representative within 2 business days that satisfies, at a minimum, the following requirements
 - 1) The home inspection report may be in electronic format and shall include a written or electronic signature of the home inspector or the duly authorized representative of a home inspector entity who conducted the home inspection;

- 2) The home inspection report shall include the names and license numbers of all home inspectors who participated in the home inspection;
 - 3) The on-site inspection beginning time and the weather conditions at the time of the inspection;
 - 4) A description of the condition of the systems and components that were inspected, which may include photos of the systems and components; and
 - 5) Description of those systems and components inspected that, in the opinion of the inspector, are significantly deficient including:
 - 6) A reason why the system or component is significantly deficient;
 - 7) Whether the reported deficiency should be corrected or monitored;
 - 8) Disclosure of any systems or components designated for inspection that were present at the time of the home inspection but were not inspected, and a reason as to why they were not inspected, such as any obstructions or conditions that prevented the inspection.
 - 9) The written home inspection report does not have to include the names of anyone performing ministerial duties related to the home inspection that does not alter the content of the report.
- e) These Standards of Practice are not intended to limit home inspectors from:
- 1) Including other inspection services, systems, or components in addition to those defined in these Standards of Practice;
 - 2) Specifying repairs that the licensed home inspector is qualified and willing to perform; and
 - 3) Excluding systems and components from the inspection if the exclusion is specified in the executed written contract with the client.
- f) When, pursuant to the executed written contract with a client, the structural system and/ foundation is inspected, the home inspector shall:
- 1) Inspect the structural components, including the foundation and framing;
 - 2) Describe the foundation and its construction type, as well as report the methods used to inspect the under-floor crawl space or basement area, attic, floor, wall, ceiling, framing, and roof.
 - 3) Report visible signs of water and moisture penetration into the building or signs of condensation on building components; and
 - 4) Report any infestation that significantly impacts the structure or integrity of the home.
- g) When, pursuant to the executed written contract with a client, the exterior is inspected, the home inspector shall:
- 1) Inspect the exterior wall covering; exposed foundation; flashing and trim; all exterior doors and windows; siding; attached decks, balconies, stoops, steps, porches; landings, and their associated railings; the eaves, soffits, and fascia or other exposed trim if readily accessible from the ground level; the vegetation, grading, surface drainage, and retaining walls on the property; and if any of these are likely to adversely affect the building, walkways, patios, and driveways leading to dwelling entrances; and
 - 2) Describe the exterior wall covering.

- h) When, pursuant to the executed written contract with a client, the roof system is inspected, the home inspector shall:
 - 1) Inspect the roof covering, roof drainage systems, flashings, skylights, chimneys and roof penetrations; and
 - 2) Describe the roof covering and report the methods used to inspect the roof.
- i) When, pursuant to the executed written contract with a client, the plumbing system is observed, the home inspector shall:
 - 1) Inspect and describe in detail the interior water supply and distribution systems, including fixtures, faucets, piping, drains, waste, and vent systems; water heating equipment; fuel storage and distribution systems; drainage sumps, sump pump and related piping; and
 - 2) Report the location of main water and main shut-off valves, the water service entry, water distribution piping materials, the type of water heating equipment, the capacity of that equipment, and leaks.
- j) When, pursuant to the executed written contract with a client, the electrical system is inspected, the home inspector shall:
 - 1) Inspect the service drop; service entrance conductors, cables, and raceways; service equipment and main disconnects; service grounding; interior components of service panels and subpanels; conductors; overcurrent protection devices; a representative number of installed lighting fixtures, switches, and receptacles; and ground fault circuit interrupters;
 - 2) Describe the amperage and voltage rating of the service, the location of main disconnects and subpanels and the wiring methods;
 - 3) Report on the presence of solid conductor aluminum branch circuit wiring; and
 - 4) Report on any non-compliance with the Carbon Monoxide Alarm Detector Act [430 ILCS 135] and the Smoke Detector Act [425 ILCS 60].
- k) When, pursuant to the executed written contract with a client, the heating system is inspected, the home inspector shall:
 - 1) Inspect the permanently installed heating equipment, including fans, pumps, ducts, and piping; their operating controls, supports, registers, radiators, and
 - 2) Describe the energy source, the heating equipment, and the heating method by their distinguishing characteristics.
- l) When, pursuant to the executed written contract with a client, the cooling system is inspected, the home inspector shall:
 - 1) Inspect the permanently installed central and through-wall cooling equipment, and their operating controls; and
 - 2) Describe the energy source and the cooling method by their distinguishing characteristics.
- m) When, pursuant to the executed written contract with a client, the interior is inspected, the home inspector shall:
 - 1) Inspect the walls, ceilings, and floors; steps, stairways, balconies and their railings; countertops, installed cabinets, household appliances included with the property, doors, and windows; garage doors, and garage door operators; and
 - 2) Report visible signs of water and moisture penetration into the building or signs of condensation on building components.

- n) When, pursuant to the executed written contract with a client, the insulation and ventilation are inspected, the home inspector shall:
 - 1) Inspect the insulation and vapor retarders in unfinished spaces, the ventilation of attics and foundation areas, and the mechanical ventilation systems in attics, kitchens, bathrooms, and laundry; and
 - 2) Describe the insulation and vapor retarders in unfinished spaces and the absence of insulation in unfinished spaces at conditioned surfaces.
- o) When, pursuant to the executed written contract with a client, the fireplaces and solid fuel burning appliances are inspected, the home inspector shall:
 - 1) Inspect the system components, vent systems, flues, and chimneys; and
 - 2) Describe the fireplaces, solid fuel burning appliances, and chimneys, and report any significant damage or deterioration that is visible.

Section 1410.230 Required Information of Applicant or Licensee

Address of Record and Email Address of Record

Pursuant to Section 2105-7 of the Civil Administrative Code of Illinois [20 ILCS 2105], all applicants and licensees shall provide to the Division a valid address, which shall not be a post office box, and a valid email address which shall serve as the address of record and email address of record, respectively, at the time of application for licensure or renewal of a license; and

- a) Inform the Division, in a format and manner prescribed by the Division within 14 days, after any change in the address of record or email address of record.-
- b) The use by the Division of the email address provided by the applicant or licensee shall be considered valid service or notice to the applicant or licensee regardless of whether the service or notice goes to the applicant's or licensee's spam or junk email folder.
- c) Other names used by the licensee.
- d) Within 14 days after a name change, a licensee shall notify the Division, in a format and manner prescribed by the Division, of any name change.
- e) The licensee shall notify the Division if the licensee regularly practices under an alias, diminutive, or nickname of the licensee's name.
- f) If an assumed name is to be used, a certified copy of the assumed name certificate, pursuant to the Assumed Business Name Act [805 ILCS 405] shall be provided.
- g) If an individual licensee's name is changed as a result of a court order or change in marital status, the licensee shall:
 - h) Notify the Division of the name change;
 - i) Provide the Division with a copy of the court order or certificate relating to the name change; and
 - j) Indicate the name to be used for licensure.
- k) The licensee shall ensure that all CE certificates are issued under the name used for licensure.

Section 1410.235 Insurance Requirements

- a) A licensed home inspector, licensed home inspector entity, or applicant shall maintain general liability insurance in the amount of at least \$100,000 to cover any losses or claims against a home inspector, the managing home inspector, or the home inspector entity.
- b) The general liability insurance, if applicable, must at all times cover:
 - c) the managing home inspector;
 - d) the home inspector entity;
 - e) all licensed home inspectors; and
 - f) all owners, partners, members, managers, officers, directors, and employees of the home inspector entity.
- g) The home inspector or home inspector entity shall maintain a current certificate of general liability insurance coverage that includes the name of the applicant or licensee as it appears or will appear on their license, and the dates of coverage.
- h) All licensees shall maintain general liability insurance for at least one year after the latest home inspection report or supplemental report the home inspector delivered.
- i) The licensee shall maintain all records of general liability insurance coverage in electronic or physical format and make such records available at the Department's request.
- j) Failure of an applicant or licensee to carry and maintain this insurance required by the Act and this Part, to timely submit proof of coverage upon the Department's request, or to timely report to the Department any claims made against the policy of insurance may be grounds for refusal to issue or renew a license, or the suspension or revocation of a license.

Section 1410.240 Retention of Records

- a) A person or entity licensed under the Act shall be required to maintain a record of home inspections conducted , including the original or true and exact copy of the executed written contract that engaged the licensee's services, the home inspection report, any supplemental reports, as well as any supporting data or documentation used to develop the home inspection report
- b) These records shall be kept for a period of 5 years after each home inspection is performed or 2 years after the final disposition of any judicial proceeding related to the home inspector's services, which includes any appeal, whichever is longer.
- c) The record of home inspections shall be kept in a sequential format and shall include the date of the home inspection, the date of the final home inspection report and any supplemental reports, the name of the client and/or their authorized representative, and the address of the home inspected.
- d) These records shall be kept in a physical or electronic format and shall be produced within 30 days after a request by the Department.

Section 1410.250 General Home Inspection Requirements

- a) A home inspector entity licensed pursuant to the Act and this Part shall only utilize licensed home inspectors to conduct home inspections and to sign home inspection reports.
- b) The licensed home inspector who signs a home inspection report on behalf of themselves or a home inspector entity shall include: their name, license number, expiration date of their license, written or electronic signature, and the names and license numbers of all the home inspectors that contributed to the home inspection report or to any supplemental or subsequent written evaluation of that report.
- c) The licensed home inspector who signs a home inspection report on behalf of a home inspector entity shall either be the managing home inspector or the entity or the entity's licensed designee.
- d) The home inspector entity and the managing home inspector are responsible for the actions of all their licensed and unlicensed employees, agents, independent contractors, and representatives while providing home inspections or home inspection services.
- e) Each managing home inspector shall inform the Division, in a manner prescribed by the Division, the name and license number of all home inspectors employed by or associated with the home inspector entity. Each managing home inspector shall, within 14 days, notify the Division of the name and license number of a licensed home inspector whose employment or association with the entity has terminated.
- f) A home inspector entity shall report to the Division, in a manner prescribed by the Division, any changes to the designated managing home inspector for that entity.
- g) Except as otherwise required by law, client information or inspection results shall not be sent to a third party, such as an attorney or other party associated with a real estate transaction, unless there is written consent from the client, and any such written consent shall be kept as part of the home inspector's records.
- h) If the licensee intends to use any identifying client information or home inspection results as part of its advertising or for any other commercial purpose, the licensee must obtain written consent and approval from the client prior to its use.

SUBPART D: ENFORCEMENT PROVISIONS

Section 1410.300 Unprofessional Conduct

A rebuttable presumption of dishonest, unethical or unprofessional conduct shall arise whenever a home inspector commits one or more of the following acts or omissions, but is not limited to

- a) Conducting services or providing professional opinions not based on licensee's own competency, experience, or requisite skill
- b) Gross misrepresentation of reported conditions or significance of reported conditions.
- c) The licensee discloses any information concerning the results of a home inspection without the approval of the client, except when conditions that threaten health, safety or welfare exist that require emergency action. If any of these conditions exist, the home

inspector is required to report those findings to the homeowner or a duly authorized agent of the owner.

- d) The licensee accepts compensation from another party to the real estate transaction, other than the client, for the same service without the written consent of all parties to the transaction.
- e) The licensee offers or accepts compensation, directly or indirectly, from other parties dealing with a client while providing a home inspection as consideration or inducement for the referral of business.
- f) The licensee performs additional services but fails to provide written notice of the services and/or to secure written consent by the client of a potential or existing conflict that may exist with the home inspection.
- g) The licensee fails to promptly disclose in writing to a client any direct or indirect interest in the subject property and fails to secure written consent 1183 of the client.
- h) The licensee allows an interest in any business to affect the quality of the results of a home inspection.
- i) The licensee fails to disclose in writing to the client prior to the home inspection any limitations or exclusions of systems or components being inspected.
- j) The licensee aids or assists another in the violation of the Act or this Part.
- k) The licensee violates the term of an order issued by the Department.
- l) The licensee aids, assists, or facilitates another to use or appropriate credentials or a license for the purpose of preparing a home inspection report knowing that person to be unlicensed.
- m) The licensee advises a client as to whether the client should or should not engage in a real estate transaction or provides an opinion of value regarding the residential real property that is the subject of the home inspection.

Section 1410.320 Cooperation Required with the Division

- a) Pursuant to Section 15-10(a)(16) of the Act, all licensees are required to fully cooperate with any audit, investigation, interrogatory, examination, or request for information regarding any aspect of the licensee's home inspection practice or application for licensure. Full cooperation includes, but is not necessarily limited to:
- b) Providing to the Division a complete copy of a signed home inspection report as it was transmitted to the client, including the executed written contract, any supplemental reports, supporting data, file memoranda, work files, and supporting and/or verification documentation required to be maintained by the Act;
- c) Providing to the Division continuing education certificates, records of home inspections, or records of insurance coverage as required to be maintained by the Act or this Part; or
- d) Providing to the Division a complete response to any written request interrogatory, or request for clarification submitted to a licensee or applicant.
- e) Pursuant to an agreement, order, disciplinary or non-disciplinary action, the Department may require an applicant or licensee to complete remedial education, additional continuing education, or pre-license education coursework, to provide any reports, records, or other documents pertaining to home inspection practice that the Department

may deem necessary to maintain the Standards of Practice, the competency of a licensee, or for the protection of the public.

- f) The Department in its discretion may issue an administrative warning letter that is not considered discipline.

Section 1410.330 Administrative Warning Letter (Repealed)

Section 1410.340 Additional Education; Reporting Requirements (Repealed)

Section 1410.350 Suspension or Denial for Failure to Pay Taxes, Child Support or any Illinois-Guaranteed Student Loan (Repealed)

Section 1410.375 Citations for Non-Compliance With Continuing Education

Requirements

The Division shall conduct audits to verify compliance with the CE requirements of the Act and this Part. If, during an audit or compliance review, the Division determines that a licensee may be deficient in complying with CE requirements, the Division may issue a citation to the licensee, with a copy to the managing home inspector, if any, of the deficiency. Service of the citation shall be made in person, electronically, or by mail to the licensee at the licensee's address or email address of record. The licensee shall have 60 days after the date of service of the citation to submit evidence of compliance with CE requirements to the Division and to pay the fine imposed.

- a) The citation shall inform the licensee that the licensee may provide the Division with proof that the licensee has completed the required CE prior to the renewal deadline or deadlines associated with the audit. If satisfactory proof is provided within 60 days after the citation is served, the citation shall become null and void.
- b) The citation shall set forth the fine imposed and inform the licensee that the licensee may request a hearing contesting the deficiency within 30 days after the citation is served.
- c) The citation shall become a final non-disciplinary order if the cited licensee does not request a hearing within 30 days after the citation is served or if the cited licensee does not provide the Division with proof of completing the required CE, prior to the renewal deadline or deadlines associated with the audit. The fine shall be payable within 30 days after the date of the final order.
- d) A non-disciplinary fine in the amount of \$500 shall be assessed for a first citation for noncompliance with CE requirements. A non-disciplinary fine in the amount of \$1,000 shall be assessed for a second citation for noncompliance with CE requirements. Pursuant to Section 15-10 of the Act, a third and each subsequent citation for noncompliance with CE requirements shall result in publicly disclosed discipline and a fine in an amount not to exceed \$2,000.
- e) Payment of the non-disciplinary fine does not absolve the person from the responsibility to complete the CE requirements and correct the violation. Failure to satisfy the CE

requirement or failure to pay the non-disciplinary fine may result in disciplinary action for the violations set forth in the citation.

- f) If the licensee fails to submit, within the 60-day period after the citation is served, satisfactory evidence of compliance with CE requirements and/or to pay the fine imposed, the licensee shall not engage in activities for which a license is required under the Act until all required CE has been completed and/or payment is made for the fine imposed by the citation and for any fees required to reinstate or restore the license.

Section 1410.380 Hearings

All Department administrative hearings shall be conducted in accordance with the Rules of Practice in Administrative Hearings as provided for in 68 Illinois Administrative Code 1110.

SUBPART E: ADMINISTRATIVE PROVISIONS

Section 1410.400 Fees

- a) Initial application fee for a home inspector license pursuant to the Act and this Part.
- b) The application fee for an initial license as a home inspector shall be \$250.
- c) The application fee for an initial license as a home inspector entity shall be \$250.
- d) Renewal application fee for a home inspector license pursuant to the Act and this Part.
- e) The application fee to renew a license as a home inspector shall be \$400 per renewal.
- f) The application to renew a home inspector entity license shall be \$400 per renewal.
- g) The application fee to renew a home inspector or home inspector entity license that has expired shall be the sum of all lapsed renewal fees, plus a \$50 late fee.
- h) Initial application fee for a license as an education provider, a pre-license course, and a continuing education course.
- i) The application fee for a license as an education provider shall be \$1,000, plus course application fees.
- j) The application fee for a 60-hour pre-license course shall be \$150.
- k) The application fee for a pre-license field course shall be \$150.
- l) The application fee for a continuing education course shall be \$100.
- m) Application fee to renew a license as an education provider, a pre-license course, or a continuing education course.
- n) The application fee to renew a license as an education provider shall be \$1,000 per renewal.
- o) The application fee to renew an education provider license that has expired shall be the sum of all lapsed renewal fees, plus a \$50 late fee.
- p) The application fee to renew a 60-hour pre license course shall be \$125 per renewal.
- q) The application fee to renew an expired 60-hour pre-license course shall be the sum of all lapsed renewal fees, plus a \$50 late fee.
- r) The application fee to renew a pre-license field course shall be \$125 per renewal.
- s) The application fee to renew an expired pre-license field course shall be the sum of all lapsed renewal fees, plus a \$50 late fee.

- t) The application fee to renew a continuing education course shall be \$75 per renewal.
- u) The application fee to renew an expired continuing education course shall be the sum of all lapsed renewal fees, plus a \$50 late fee.
- v) For the purposes of determining if a license has expired, the Division shall consider the license expired if the renewal application is received by the Division on a date later than the expiration date.
- w) General
- x) All fees paid pursuant to the Act and this Part are non-refundable.
- y) The fee for a certification of a licensee's record for any purpose is \$25.
- z) The fee for an applicant to take the written examination for a home inspector license shall be the cost of determining an applicant's eligibility and providing the examination. The fee shall be paid directly to the designated testing service. Failure to appear for the examination on the scheduled date, at the time and place specified, after the applicant's application for examination has been received and acknowledged, may result in the forfeiture of the examination fee.
- aa) The fee for an application for continuing education credit from another jurisdiction, or other than as a student in home inspection educational processes and programs shall be \$50.
- bb) The fee for a copy of the transcript of any proceeding under the Act shall be the cost to produce the copy of the transcript.
- cc) The fee for certifying any record, for example, a copy of a disciplinary order or application, shall be \$1 per page.
- dd) The Department may charge an administrative fee as part of an agreement or order pursuant to Section 15-10 of the Act. 1499

Section 1410.420 Granting of Variances

The Director may grant variances from this Part in cases in which the Director finds that:

- a) The provisions from which the variance is granted is not statutorily mandated;
- b) The granting of the variance would not be contrary to the public welfare; and
- c) Application of the rule from which the variance is granted would, in the particular case, be unreasonable or unnecessarily burdensome.

SUBPART F: EDUCATION PROVIDERS AND COURSE APPROVAL

Section 1410.500 Education Provider Application; Requirements

- a) In accordance with Section 20-5 of the Act, any person or entity seeking approval to provide pre-license and/or continuing education courses shall submit:
- b) An application, in a manner provided by the Division, that is signed by the applicant and fully completed, along with the applicant's tax identification number and any other supporting documentation;
- c) The fee required by Section 1410.400; and

- d) If applicable, a copy of the Articles of Incorporation, certificate of authority to transact business in Illinois, or other evidence of legal formation or authority filed with the Secretary of State to operate in Illinois.
- e) Upon receipt of the required documents and review of the application, the Division shall issue a license authorizing practice as an education provider or shall notify the applicant of any deficiency.
- f) The Department may discipline an education provider and may suspend or revoke the course approval of any course offered by an education provider for failure to comply with the requirements of the Act or rules.
- g) The program of pre-license and/or continuing education delivered by a licensed education provider shall:
 - h) Be approved by the provider's governing and/or supervising body;
 - i) Utilize sufficient, qualified, and competent instructors, as determined by the Division, that are licensed home inspectors, or licensed or certified in other professional areas related to home inspection and required by the Standards of Practice;
 - j) All instructors, including field event supervisors, who are licensed home inspectors in Illinois, shall hold active licenses or licenses in inactive status for no more than 2 years.
 - k) Offer courses that are approved by the Division and conform to the Standards of Practice established in this Subpart; and
 - l) Have a designated qualified administrator, who is responsible for the administration of the school, courses, and actions of the instructors.
- m) Facilities
 - n) An education provider must provide adequate personnel for the maintenance of all records, office equipment, and provide office space if necessary for customer service.
 - o) The premises, equipment, and facilities of the education provider, if offered for in-person courses or public access, shall comply with applicable community, state or federal fire codes, building codes, and health and safety standards.
 - p) The education provider is subject to inspection prior to approval or at any time thereafter by authorized representatives of the Division. Inspections shall be conducted during regular business hours, with at least 24 hours advance notice, to ensure proper methods of instruction are being used and to confirm the content of approved courses being taught.
 - q) No education provider shall maintain an office or conduct in person education courses in a private residence, except that field inspection events or the final field examination may be conducted in a private residence or similar residential structure with direct supervision by the instructor.
 - r) An education provider shall only conduct in person courses in locations that are conducive to learning, and a separate and distinct space solely occupied by the education provider.
- s) Administration
 - t) No licensed education provider shall advertise that it is endorsed, recommended, or accredited by the Division. The education provider may indicate that it is licensed by and the course of study has been approved by the Division.
 - u) Each education provider shall provide a prospective student, prior to enrollment, with information that specifies the course of study to be offered, the delivery method, the

tuition, the provider's policy regarding refunds, any additional fees, supplies, materials or books provided, procedures for management of grievances for students and faculty, and other matters that are material to the relationship between the provider and the student.

- v) Each education provider shall maintain for each student a record that includes the course of study undertaken, dates of attendance, and a transcript of courses. All records and any other documentation related to shall be maintained by the education provider for 5 years and shall be made available to the student or to the Division, upon request, during regular business hours. An education provider may charge a student the cost of reproducing copies of a transcript.
- w) Each education provider shall, upon request by the Division, provide evidence of sufficient financial resources available to equip and maintain its program or school.
- x) Each education provider shall notify the Division of all proposed changes in its ownership at least 30 days prior to the change in ownership.
- y) Each education provider shall issue a transcript or certificate of completion, in a format provided by the Division, upon 10 days after a student's successful completion of any course. Each transcript or certificate of completion shall be authenticated and capable of being verified by the education provider. The transcript or certificate of completion shall include, but not be limited to, the following information: the student's name, license number (if applicable), the name and license number of the education provider, the name and license number of the course, the date and method of delivery, and the approved credit hours completed.

Section 1410.510 Pre-License Education Course Requirements of Education Providers

- a) For the purposes of this Section, the pre-license education shall be defined as a program of instruction that meets the curriculum requirements of this Part.
- b) Each course shall conform to the applicable course curriculum prescribed by Section 1410.520.
- c) The Division shall only grant approval for two types of courses that are part of an overall pre-license education program for a home inspector license. An education provider may provide a 60-hour pre-license course of instruction and/or a pre-license field course which includes 5 field inspection events and a final field examination
- d) Each education provider who seeks approval of a course shall submit:
- e) An application, in a manner provided by the Division, that is signed and fully completed by the applicant;
- f) The appropriate fee required by Section 1410.400;
- g) A course description, including the textbooks and material references, learning objectives, a comprehensive timed outline, and if applicable, the final examination, answer key for the examination, and final exam proctor policy;
- h) The method of delivery for the courses, such as in-person or classroom, interactive webinar, online distance education, or home study/correspondence learning; and
- i) The name, license number, and expiration date of the education provider's license.
- j) For field inspection events, the name and license number of the home inspector supervising; and

- k) For the final field examination, the requirements as outlined in Section 1410.520.
- l) A licensed education provider shall verify student attendance for all courses presented in a classroom, by interactive webinar, or by online distance education.
- m) Education providers are not required to, but may offer a final examination for the 60-hour pre-license course that is presented in a live classroom, as an interactive webinar, or in an online distance education format.
- n) If in-person, live or interactive webinar 60-hour pre-license course is not offered with a final examination, an education provider shall verify student participation by answering or responding to questions initiated by the instructor at least once per credit hour of instruction.
- o) If an online distance education 60-hour pre-license course is not offered with a final examination, an education provider shall demonstrate proficiency with the subject matter of the course through verifiable responses to questions included in the course content initiated at least once per credit hour of instruction.
- p) If a final examination is offered for the 60-hour pre-license course, no student shall be deemed to have successfully completed the course unless the student has scored a minimum of 70% on the final examination.
- q)
- g) Each 60-hour pre-license course offered as a home study or correspondence course shall include a proctored final examination.
- h) The proctored final examination shall include a minimum of 2 questions for each credit hour, for example, a 60-hour course would require a 120-question examination. No student shall be deemed to have successfully completed the course unless the student has scored a minimum of 70% on the final examination.
- i) For the final examination, the proctor shall authenticate the identity of the student taking the examination; monitor the student and the examination taking process to ensure that the examination is completed without the aid of additional persons or resources, unless approved by the Division; and protect the confidentiality of test materials and any personal information of the students.
- j) Proctors must be impartial third parties and may not be an applicant's or licensee's relative. Proctors must also abide by all state and federal regulation as it relates to privacy when proctoring exams and processing student information.
- k) Courses may also be offered as a hybrid of two different delivery methods upon approval by the Division. Home study or correspondence courses will not be considered as part of a hybrid delivery method.

Section 1410.520 Pre-License Education and Curriculum

- a) To sit for the home inspector written examination, an individual must complete the pre-license education of 60 credit hours of instruction, 5 field inspection events, and a final field examination.
- b) The content for pre-license education shall represent a progression of instruction and must include the following topics at a minimum:

- c) Exteriors: Exterior study must include, at a minimum, the methods and techniques for identifying, describing, and inspecting the following:
- d) Exposed foundations.
- e) Siding, exterior doors and windows, exterior wall covering material, flashing and trim, eaves, soffits, and fascia, including: aluminum, brick, vinyl, steel asphalt, hardboard, stucco, wood, and exterior insulation finish system.
- f) Gutter and drainage control systems.
- g) Porches, attached decks, balconies, stoops, steps, landings, and railings, including the structural composition.
- h) Vegetation, grading, and surface drainage, including retaining walls, walkways, driveways, and patios leading to a dwelling entrance.
- i) Interiors: Interior study must include, at a minimum, the methods and techniques for identifying, describing, and inspecting the following:
- j) Wall, ceiling, and floor defects.
- k) Step, stair, balconies, and railing defects.
- l) Countertop, cabinet, and island defects, as they pertain to a kitchen or other type room.
- m) Interior and exterior door defects.
- n) Window defects and operation.
- o) Garage door defects, garage door opener defects, and garage structure defects, including fire safety and habitability.
- p) Water related or seepage related sources.
- q) Roofing: Roofing study must include, at a minimum, the methods and techniques for identifying, describing, and inspecting the following:
- r) Types and styles of roofs.
- s) Roofing materials used, including: asphalt, cedar shake, cedar shingle, tar, residential rolled roofing, clay or concrete tiles, slate, metal and asbestos.
- t) Skylights, flashings, roof coverings, and roof drainage systems.
- u) Chimneys and other penetrations, including proper height and composition.
- v) Plumbing: Plumbing study must include, at a minimum, the methods and techniques for identifying, describing, and inspecting the following:
- w) The interior water supply and main distribution system, including all fixtures, faucets, valves, and materials.
- x) All piping, drain, waste, and vent systems, including all fixtures and materials.
- y) Water heating systems and their capacity.
- z) Fuel storage and distribution systems and materials.
- aa) All drainage control devices, including sump pumps, ejector pumps, or other related piping.
- bb) Water source, water service entry, and sewer distribution.
- cc) Electrical: Electrical study must include, at a minimum, the methods and techniques for identifying, describing, and inspecting the following:
- dd) Main service equipment, main disconnects, including the size, location, amperage, voltage, overcurrent protection such as a breaker or a fuse, service drop, service entrance conductors, cables, and raceways.
- ee) The branch distribution, including fuse boxes, breaker boxes, service panels, and subpanels.

- ff) All overcurrent protection devices and wire type identification.
- gg) Installed lighting fixtures, switches, and receptacles.
- hh) Safety controls or devices, including ground fault circuit interrupters.
- ii) Carbon monoxide alarms and smoke detectors in compliance with State law.
- jj) Heating, ventilation and air conditioning (HVAC) study must include, at a minimum, the methods and techniques for identifying, describing, and inspecting the following:
- kk) Installed heating and cooling equipment, operating controls, and ventilation including fans, ducts, radiators, gas forced air, fuel oil forced air, heat pumps, electric forced air, and hydronic heating equipment, as well as the distribution related to the various types.
- ll) Energy sources and distribution systems.
- mm) Flue pipes, chimneys, and spent gas removal systems.
- nn) All related safety controls or devices.
- oo) Installed cooling systems, including central and window mounted systems.
- pp) Insulation and vapor retarders in unfinished spaces, the ventilation of attics and foundation areas, and mechanical ventilation systems.
- qq) Structural: Structural study must include, at a minimum, the methods and techniques for identifying, describing, and inspecting the following:
- rr) All structural components and their construction type, including the foundation, floor, wall, ceiling, under floor crawl space, basement, attic, and wall framing.
- ss) All foundation support systems, including poured concrete, concrete block, brick, stone and wood, and all related perimeter footing systems.
- tt) Water related or seepage related sources.
- uu) Flood control devices.
- vv) Roof structure and systems related to composition.
- ww) Under-roof and under-floor ventilation.
- xx) Insulation and vapor protection systems.
- yy) Infestation that significantly impacts the structure or integrity of the home.
- zz) Appliances and fireplaces: Appliance and fireplace study must include, at a minimum, the methods and techniques for identifying, describing, and inspecting the following:
- aaa) All fireplaces, solid fuel burning appliances, chimneys, and vents.
- bbb) All major household appliances included with the property, including but not limited to range, stove, oven, refrigerator, window air conditioner, washer, dryer, trash compactor and garbage disposal, and other appliances that may be part of a real estate transaction.
- ccc) Applicable Laws: Illinois specific law study must include, at a minimum:
- ddd) Specific knowledge and understanding of the Illinois Home Inspector License Act and this Part.
- eee) General knowledge and understanding of the Illinois Human Rights Act [775 ILCS 5].
- fff) General knowledge and understanding of contract law.
- ggg) Standards of Practice: Standards of Practice study must include, at a minimum:
- hhh) Required disclosures to a client;
- iii) Required report content;
- jjj) Competent report writing; and
- kkk) Specific knowledge of business practices and Standards of Practice.
- III) 5 Field inspection events in residential real property.

- mmm) Field inspection events must be conducted under the direct supervision of an Illinois licensed home inspector with at least 5 years' experience, on-site and in person. A licensed home inspector can supervise a maximum of 5 licensure candidates in each field inspection event.
- nnn) Field inspection events are conducted for the purpose of learning inspection methodology, techniques, communication, and observation skills, and describing observed conditions.
- ooo) The student may accompany the home inspector on a home inspection that may qualify as a field inspection event, but shall not perform or participate in any home inspection that is paid for by a client of the supervising home inspector, instructor, or of any home inspector.
- ppp) The required 5 field inspection events shall not all be the same type of residential real property, if feasible, but offer a variety of homes to inspect.
- qqq) A final field examination to be performed by the students after all 5 field inspection events are completed. The content, logistics, and administration of the examination will be developed and determined by the education provider. At a minimum, the examination shall include the following specifications:
- rrr) A draft or mock written home inspection report to be completed by the students;
- sss) The report based on either one of the 5 field inspection event properties, or an additional property that is of a similar residential type to a field inspection event previously performed;
- ttt) The report shall include a description and inspection performed of each system identified in Sections 1410.200 and 1410.520.
- uuu) The report shall cover the identification of components and potential defects of each system.
- vvv) No student shall be deemed to have passed the final field examination unless the student has scored a minimum of 70% on the examination.

Section 1410.540 Continuing Education Course Requirements of Education Providers

- a) A continuing education course shall be at least 1 hour in length and shall meet the course curriculum prescribed in Section 1410.550.
- b) Each education provider who seeks approval of a continuing education course shall submit:
- c) An application, in a manner provided by the Division, that is signed and fully completed by the applicant;
- d) The appropriate fee required by Section 1410.400;
- e) A course description, including the textbooks and material references, learning objectives, a comprehensive timed outline, the final examination, answer key for the examination, and if applicable, the final exam proctor policy;
- f) The method of delivery for the courses, such as in-person or classroom, interactive webinar, online distance education, or home study/correspondence learning;
- g) The name, license number, and expiration date of the education provider's license; and

- h) An examination with answer key that includes a minimum of 8 questions per one credit hour of course instruction.
- i) Education providers are required to provide a final examination for all continuing education courses. A licensed education provider shall verify student attendance for all courses presented in a classroom, by interactive webinar, or by online distance education.
- j) Each continuing education course offered as a home study or correspondence course shall include a proctored final examination.
- k) The proctored final examination shall include a minimum of 8 questions for each credit hour, for example a 2-hour course would require a 16-question examination.
- l) For the final examination, the proctor shall authenticate the identity of the student taking the examination; monitor the student and the examination taking process to ensure that the examination is completed without the aid of additional persons or resources, unless approved by the Division; and protect the confidentiality of test materials and any personal information of the students.
- m) Proctors must be impartial third parties and may not be an applicant's or licensee's relative. Proctors must also abide by all state and federal regulation as it relates to privacy when proctoring exams and processing student information.
- n) No student shall be deemed to have successfully completed the course unless the student has scored a minimum of 70% on the course examination.
- o) Courses may be offered as a hybrid of two different delivery methods upon approval by the Division. Home study or correspondence courses will not be considered as part of a hybrid delivery method.

Section 1410.550 Curriculum and Credit for Continuing Education

- a) A licensed home inspector who applies for renewal of their home inspector license shall successfully complete a total of 12 hours of approved continuing education during each 2-year renewal cycle. Continuing education must consist of a minimum of 8 hours of mandatory courses.
- b) Continuing education courses for a home inspector shall include course work designed to increase the home inspector's skill, knowledge, and competency in home inspections and shall cover topics such as the following:
- c) Mandatory courses include but are not limited to:
- d) Identifying and inspecting the following components and systems:
 - 1) Exteriors;
 - 2) Interiors;
 - 3) Roofing;
 - 4) Plumbing;
 - 5) Electrical;
 - 6) HVAC;
 - 7) Structural;
 - 8) Fireplaces, solid fuel burning appliances, and household appliances;
 - 9) Applicable laws and Standards of Practice; and

- 10) Sexual Harassment Prevention Training which can be counted toward the continuing education hours for each renewal period pursuant to the Civil Administrative Code of Illinois [20 ILCS 2105].
- e) Elective courses include, but are not limited to:
 - 1) Business concepts and marketing techniques;
 - 2) Report writing/customer relations overview;
 - 3) Radon assessment/overview;
 - 4) Commercial inspection procedures;
 - 5) Mold assessment/overview;
 - 6) Asbestos assessment/overview;
 - 7) Smart homes
 - 8) Building codes;
 - 9) Home Inspector ethics;
 - 10) Safety and maintenance;
 - 11) New construction;
 - 12) Climate/Environmental Issues;
 - 13) Efficiency inspections.
- f) Any continuing education course that offers certification in a subject matter that is outside the Department's regulatory authority shall include a disclaimer advising students that the content is not included in the Standards of Practice and the certification is not endorsed by the Department.
- g) Continuing education credit may also be granted by the Division for participation, other than as a student, in home inspection educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, or authorship of textbooks. A home inspector who wishes to obtain continuing education credit for these activities shall submit to the Division:
 - 1) An application, in a manner provided by the Division, that is 2212 signed and fully completed by the applicant; and
 - 2) The fee required by Section 1410.400.

Section 1410.570 Expiration and Renewal for Education Providers and Pre--License and Continuing Education Courses

- a) All education provider licenses, pre-license and continuing education courses 2241 shall expire on December 31 of odd-numbered years.
- b) Education providers who seek to renew their license, and pre-license and continuing education courses shall submit to the Division:
 - 3) An application, on forms and in a manner prescribed by the Division, that is signed and fully completed;
 - 4) Any course materials requested by the Division during the renewal application process; and
 - 5) The fees required by Section 1410.400.

Section 1410.580 Continuing Education Reporting

- a) Each licensed education provider, pursuant to Section 20-5 of the Act, licensed to offer approved continuing education courses shall submit to the Division, in a manner prescribed by the Division, on or before the 15th of each month, a report of those licensees successfully completing the continuing education courses offered by the education provider during the preceding calendar month.
- b) The monthly reports shall include, but not be limited to, the following information for each home inspection licensee:
 - 1) The licensed home inspector's name, address, and license number;
 - 2) The education provider's name and license number; and
 - 3) The continuing education course name and license number.
 - 4) An administrative late fee of \$50 may be imposed on an education provider that fails to submit its monthly report on or before the 15th of the month.
 - 5) If an education provider fails to file monthly reports when required or fails to pay the required fees, the education provider may be subject to discipline pursuant to the procedures set forth in the Act and this Part until all delinquent reports, processing fees, and administrative fees have been received by the Division.

**Need to have
Dev team
help us
create this
monthly
report**

Section 1410.610 Pre-License Education Transitional Provisions

- a) As of the effective date of these Rules, the Division will begin accepting applications for pre-license and continuing education courses that comply with the new requirements and curriculum established in this Part.
- b) Effective January 1, 2025, all pre-license and continuing education courses offered and made available to the public must conform to the new requirements and curriculum established in this Part. A pre-license or continuing education course that does not comply with the new requirements and curriculum will not be accepted or is ineligible for renewal.
- c) Effective January 1, 2025, students seeking licensure or licensees seeking renewal under this Act shall only be enrolled in pre-license or continuing education that is in compliance with the new requirements and curriculum of this Part.