

Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0595.02 Jennifer Berman x3286

HOUSE BILL 14-1272

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HOUSE SPONSORSHIP

Labuda, Singer

SENATE SPONSORSHIP

(None),

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House Committees

Business, Labor, Economic, & Workforce Development

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE CERTIFICATION OF HOME INSPECTORS, AND, IN  
102 CONNECTION THEREWITH, AUTHORIZING THE DIRECTOR OF THE  
103 DIVISION OF REAL ESTATE IN THE DEPARTMENT OF REGULATORY  
104 AGENCIES TO ESTABLISH STANDARDS FOR CERTIFICATION,  
105 EDUCATION, EXAMINATION, SUSPENSION, REVOCATION,  
106 REINSTATEMENT, AND RENEWAL OF CERTIFICATION OF HOME  
107 INSPECTORS.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at*

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

<http://www.leg.state.co.us/bills/summaries/>.)

Under current law, home inspectors are not subject to regulation by any state agency. The bill requires home inspectors, on or before July 1, 2015, to be certified by the director of the division of real estate in the department of regulatory agencies (director). The director is required to establish standards and procedures for the certification, education, examination, denial of certification, suspension, revocation, reinstatement, and renewal of certification of home inspectors. The director is also required to establish application, certification, and recertification fees, as well as fees for any classes offered or examinations administered by the division of real estate to home inspection applicants or certificate holders.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 11 to article  
3 61 of title 12 as follows:

4 **PART 11**

5 **HOME INSPECTORS**

6 **12-61-1101. Short title.** THIS PART 11 SHALL BE KNOWN AND MAY  
7 BE CITED AS THE "HOME INSPECTOR LICENSURE ACT".

8 **12-61-1102. Definitions.** AS USED IN THIS PART 11, UNLESS THE  
9 CONTEXT OTHERWISE REQUIRES:

10 (1) "APPLICANT" MEANS A HOME INSPECTOR WHO APPLIES FOR AN  
11 INITIAL OR RENEWAL CERTIFICATION PURSUANT TO THIS PART 11.

12 (2) "DEPARTMENT" MEANS THE DEPARTMENT OF REGULATORY  
13 AGENCIES CREATED IN SECTION 24-1-122, C.R.S.

14 (3) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OR HIS OR  
15 HER DESIGNEE.

16 (4) "DIVISION" MEANS THE DIVISION OF REAL ESTATE IN THE  
17 DEPARTMENT, AUTHORIZED UNDER SECTION 12-61-106.

18 (5) "HOME INSPECTION" MEANS AN INDEPENDENT INSPECTION OF

1 A BUILDING TO PROVIDE AN OBJECTIVE VISUAL EXAMINATION OF THE  
2 PHYSICAL STRUCTURE AND SYSTEMS OF THE BUILDING, INCLUDING AN  
3 EXAMINATION OF THE BUILDING'S HEATING, VENTILATION, AIR  
4 CONDITIONING, PLUMBING, ELECTRICAL SYSTEMS, ROOF, ATTIC, WALLS,  
5 CEILINGS, FLOORS, WINDOWS, DOORS, FOUNDATION, BASEMENT, AND  
6 EXTERIOR.

7 (6) "HOME INSPECTOR" MEANS AN INDIVIDUAL CONTRACTED TO  
8 PERFORM HOME INSPECTIONS. UNLESS A HOME INSPECTOR IS A LICENSED  
9 ENGINEER, HE OR SHE SHALL NOT EVALUATE THE STRUCTURAL INTEGRITY  
10 OF THE BUILDING WHEN CONDUCTING AN INSPECTION. "HOME INSPECTOR"  
11 DOES NOT INCLUDE AN INDIVIDUAL CONTRACTED TO PERFORM A REAL  
12 ESTATE APPRAISAL OF A BUILDING.

13 **12-61-1103. Rule-making authority.** THE DIRECTOR MAY  
14 PROMULGATE RULES AS NECESSARY TO CARRY OUT THE DIRECTOR'S  
15 DUTIES UNDER THIS PART 11.

16 **12-61-1104. Certification required - application - criminal**  
17 **history record check - revocation - fees - renewal - rules.**

18 (1) EFFECTIVE JULY 1, 2015, IT IS UNLAWFUL FOR A PERSON TO ENGAGE  
19 IN HOME INSPECTION OR PRESENT HIMSELF OR HERSELF AS A HOME  
20 INSPECTOR WITHOUT FIRST HAVING OBTAINED CERTIFICATION FROM THE  
21 DIRECTOR IN ACCORDANCE WITH THIS SECTION.

22 (2) THE DIRECTOR SHALL ESTABLISH BY RULE STANDARDS FOR THE  
23 CERTIFICATION OF HOME INSPECTORS, INCLUDING THE DEVELOPMENT OF:

24 (a) PROCEDURES FOR DETERMINING WHETHER AN APPLICANT HAS  
25 MET THE STANDARDS THAT HAVE BEEN SET;

26 (b) STANDARDS FOR ANY EDUCATION OR CONTINUING EDUCATION  
27 REQUIREMENTS THAT THE DIRECTOR MAY IMPOSE;

1 (c) STANDARDS FOR ANY EXAMINATIONS THAT THE DIRECTOR MAY  
2 ADMINISTER IN CONNECTION WITH EDUCATION OR CONTINUING  
3 EDUCATION REQUIREMENTS;

4 (d) STANDARDS FOR THE WITHHOLDING OF CERTIFICATION,  
5 INCLUDING THE DETERMINATION OF ANY DISQUALIFYING FACTORS SUCH  
6 AS AGE, EDUCATION LEVEL, OR CRIMINAL HISTORY; AND

7 (e) STANDARDS FOR SUSPENSION, REVOCATION, AND  
8 REINSTATEMENT OF CERTIFICATION.

9 (3) THE DIRECTOR SHALL ESTABLISH AND ADJUST BY RULE FEES  
10 FOR:

11 (a) A CERTIFICATION APPLICATION;

12 (b) CERTIFICATION;

13 (c) RECERTIFICATION;

14 (d) ANY CLASSES THAT THE DIVISION OFFERS TO APPLICANTS OR  
15 CERTIFICATE HOLDERS; AND

16 (e) ANY EXAMINATIONS THAT THE DIVISION ADMINISTERS TO  
17 APPLICANTS OR CERTIFICATE HOLDERS.

18 (4) THE DIRECTOR SHALL DETERMINE THE FORM AND MANNER OF  
19 APPLICATION FOR CERTIFICATION, INCLUDING A REQUIREMENT THAT AN  
20 APPLICANT SUBMIT TO A FINGERPRINT-BASED CRIMINAL HISTORY RECORD  
21 CHECK BY SUBMITTING A COMPLETE SET OF FINGERPRINTS TO THE  
22 DIRECTOR. THE DIRECTOR SHALL FORWARD THE FINGERPRINTS TO THE  
23 COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING  
24 A STATE AND NATIONAL FINGERPRINT-BASED CRIMINAL HISTORY RECORD  
25 CHECK UTILIZING RECORDS OF THE COLORADO BUREAU OF INVESTIGATION  
26 AND THE FEDERAL BUREAU OF INVESTIGATION. THE APPLICANT SHALL PAY  
27 THE FEE ESTABLISHED BY THE COLORADO BUREAU OF INVESTIGATION FOR

1 CONDUCTING THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK.  
2 UPON COMPLETION OF THE CRIMINAL HISTORY RECORD CHECK, THE  
3 BUREAU SHALL FORWARD THE RESULTS TO THE DIRECTOR. THE DIRECTOR  
4 MAY ACQUIRE A NAME-BASED CRIMINAL HISTORY RECORD CHECK FOR AN  
5 APPLICANT WHO HAS TWICE SUBMITTED TO A FINGERPRINT-BASED  
6 CRIMINAL HISTORY RECORD CHECK AND WHOSE FINGERPRINTS ARE  
7 UNCLASSIFIABLE.

8 (5) IF AN INDIVIDUAL WHO PERFORMED HOME INSPECTIONS BEFORE  
9 THE EFFECTIVE DATE OF THIS SECTION DEMONSTRATES TO THE  
10 SATISFACTION OF THE DIRECTOR THAT THE INDIVIDUAL HAS SUFFICIENT  
11 KNOWLEDGE, SKILL, AND EXPERIENCE TO SERVE AS A HOME INSPECTOR,  
12 THE DIRECTOR MAY CERTIFY THE INDIVIDUAL WITHOUT REQUIRING THE  
13 INDIVIDUAL TO UNDERGO THE EDUCATION AND EXAMINATION THAT THE  
14 DIRECTOR WOULD OTHERWISE REQUIRE UNDER SUBSECTION (2) OF THIS  
15 SECTION.

16 (6) UPON CERTIFYING AN APPLICANT AS A HOME INSPECTOR, THE  
17 DIRECTOR SHALL ISSUE THE APPLICANT A CERTIFICATE IN A FORM  
18 DETERMINED BY THE DIRECTOR.

19 (7) A CERTIFICATE HOLDER SHALL RENEW HIS OR HER  
20 CERTIFICATION ACCORDING TO A SCHEDULE OF RENEWAL DATES  
21 ESTABLISHED BY THE DIRECTOR AND USING A RENEWAL APPLICATION  
22 FORM ESTABLISHED BY THE DIRECTOR.

23 **SECTION 2. Act subject to petition - effective date.** This act  
24 takes effect at 12:01 a.m. on the day following the expiration of the  
25 ninety-day period after final adjournment of the general assembly (August  
26 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a  
27 referendum petition is filed pursuant to section 1 (3) of article V of the

1 state constitution against this act or an item, section, or part of this act  
2 within such period, then the act, item, section, or part will not take effect  
3 unless approved by the people at the general election to be held in  
4 November 2014 and, in such case, will take effect on the date of the  
5 official declaration of the vote thereon by the governor.