

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 1301:17-1-10

**Rule Type:** New

**Rule Title/Tagline:** Continuing Education for Licensees.

**Agency Name:** Department of Commerce

**Division:** Division of Real Estate - Home Inspector Program

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#### **I. Rule Summary**

1. **Is this a five year rule review?** No
  - A. **What is the rule's five year review date?**
2. **Is this rule the result of recent legislation?** Yes
  - A. **If so, what is the bill number, General Assembly and Sponsor?** SB 255 - 132  
- Senator Rob McColley
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 4764.05
5. **What statute(s) does the rule implement or amplify?** 4764.08, 4764.09
6. **What are the reasons for proposing the rule?**

The purpose of this regulation is to comply with the rule-making requirements found in Ohio Revised Code Section 4764.05(A)(6), 4764.05(A)(7) & 4764.05(A)(8).

7. **Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

The intent of this regulation is to ensure home inspector licensees are regularly completing education offerings that maintain or increase a licensee's skill, knowledge

and competency in home inspection and to ensure education providers are offering to home inspector applicants effective continuing education offerings.

8. Does the rule incorporate material by reference? No
9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.

*Not Applicable*

10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.

*Not Applicable*

## II. Fiscal Analysis

11. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.

This will have no impact on revenues or expenditures.

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Not Applicable.

12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?

A licensee will have to pay fees to the education provider for the class. Prices for these classes will be established by market participants. The Division estimates a licensee will pay \$150 for every 14 hours of continuing education per year. The Division also estimates a licensee will have to spend time completing the class and application, which the Division estimates will take 14 hours per year to complete. ESTIMATED \$375,000. 2,500 applicants (grandfather and initial license applicants) x \$150 = 375,000.

13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No
14. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No

15. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

The fee is assessed for the purpose of attempting to defray necessary expenses incurred in the administration of Ohio Revised Code Chapter 4764.

### **III. Common Sense Initiative (CSI) Questions**

16. Was this rule filed with the Common Sense Initiative Office? Yes

17. Does this rule have an adverse impact on business? Yes

- A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? Yes

For a class to be counted toward continuing education requirements for Ohio home inspectors, the class will need to be reviewed and approved through the filing of an application with the Division.

- B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No

- C. Does this rule require specific expenditures or the report of information as a condition of compliance? Yes

An applicant will need to provide information to the Division in order for it to adequately assess the class which is subject to review and approval.

- D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? No

### **IV. Regulatory Restrictions (This section only applies to agencies indicated in R.C. 121.95 (A))**

18. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? No

- A. How many new regulatory restrictions do you propose adding?

Not Applicable

**B. How many existing regulatory restrictions do you propose removing?**

Not Applicable