



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Carrie Kuruc, Director

Business Impact Analysis

Agency, Board, or Commission Name: Ohio Home Inspector Board – Division of Real Estate & Professional Licensing / Department of Commerce

Rule Contact Name and Contact Information:

Edward Woodruff, Division Counsel, Division of Real Estate & Professional Licensing

Regulation/Package Title (a general description of the rules' substantive content):

1301:17 – Rules affecting Ohio Licensed Home Inspectors

Rule Number(s): 1301:17-1-01, 1301:17-1-02, 1301:17-1-03, 1301:17-1-04, 1301:17-1-05,
1301:17-1-06, 1301:17-1-07, 1301:17-1-08, 1301:17-1-09, 1301:17-1-10, 1301:17-1-11,
1301:17-1-12, 1301:17-1-13, 1301:17-1-14, 1301:17-1-15, 1301:17-1-16, 1301:17-1-17,
1301:17-1-18, 1301:17-1-19, 1301:17-1-20, 1301:17-1-21 & 1301:17-1-22.

Date of Submission for CSI Review: _____

Public Comment Period End Date: _____

Rule Type/Number of Rules:

New/ ☒ **X** rules

No Change/ _____ rules (FYR? _____)

Amended/ _____ rules (FYR? _____)

Rescinded/ _____ rules (FYR? _____)

The Common Sense Initiative is established in R.C. 107.61 to eliminate excessive and duplicative rules and regulations that stand in the way of job creation. Under the Common Sense Initiative, agencies must balance the critical objectives of regulations that have an adverse impact on business with the costs of compliance by the regulated parties. Agencies should promote transparency, responsiveness, predictability, and flexibility while developing

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

regulations that are fair and easy to follow. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

Reason for Submission

1. R.C. 106.03 and 106.031 require agencies, when reviewing a rule, to determine whether the rule has an adverse impact on businesses as defined by R.C. 107.52. If the agency determines that it does, it must complete a business impact analysis and submit the rule for CSI review.

Which adverse impact(s) to businesses has the agency determined the rule(s) create?

The rule(s):

- a. ☒ Requires a license, permit, or any other prior authorization to engage in or operate a line of business.
- b. ☒ Imposes a criminal penalty, a civil penalty, or another sanction, or creates a cause of action for failure to comply with its terms.
- c. ☒ Requires specific expenditures or the report of information as a condition of compliance.
- d. ☐ Is likely to directly reduce the revenue or increase the expenses of the lines of business to which it will apply or applies.

Regulatory Intent

2. Please briefly describe the draft regulation in plain language.

Please include the key provisions of the regulation as well as any proposed amendments.

1301:17-1-01 – **Public notice** - The intent of this regulation is to provide the procedure in giving public notice, as required by law, of the intention to consider adopting, amending or rescinding a rule.

1301:17-1-02 – **Open public meeting** - The intent of this regulation is to set forth the procedure for providing public notice to a Board meeting.

1301:17-1-03 – **Fees** - The purpose of this regulation is to comply with the rule-making requirements found in Ohio Revised Code Section 4764.05(A)(2). The rule establishes the fees associated with an Ohio home inspector license.

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

1301:17-1-04 – **Out of State Applicants** - The intent of this regulation is to establish the form and manner by which out of state applicants may apply for an Ohio home inspector license.

1301:17-1-05 – **Applications** - The intent of this regulation is to establish the form and manner by which applicants may apply for an Ohio home inspector license.

1301:17-1-06 – **Criminal records check** - The intent of this regulation is to establish the process of completing a criminal background check by an applicant for an Ohio home inspector license as required by Ohio Revised Code Section 4764.07(B).

1301:17-1-07 – **Education** - The intent of this regulation is to ensure home inspector applicants are sufficiently educated and competent to complete home inspections.

1301:17-1-08 – **Classroom qualifying education course approvals** - The intent of this regulation is to ensure education providers are offering to home inspector applicants effective education offerings in a classroom setting.

1301:17-1-09 – **Online home inspector qualifying education course approvals** - The intent of this regulation is to ensure education providers are offering to home inspector applicants effective education offerings in an online setting.

1301:17-1-10 – **Continuing Education** - 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.

1301:17-1-11 – **Online home inspector continuing education course approvals** - The intent of this regulation is to ensure education providers, who are offering home inspector continuing education in an online setting, provide effective offerings that increase a licensee's skill, knowledge and competency in home inspection.

1301:17-1-12 – **Classroom home inspector continuing education course approvals** - The intent of this regulation is to ensure education providers, who are offering home inspector continuing education in a classroom setting, provide effective offerings that increase a licensee's skill, knowledge and competency in home inspection.

1301:17-1-13 – **Curriculum of experience** - The purpose of this regulation is to comply with the rule-making requirements found in Ohio Revised Code Section 4764.07(D)(6)(a) and establish the requirements for an acceptable curriculum of experience which is designed to ensure applicants are adequately trained and competent to complete home inspections.

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

1301:17-1-14 – **Parallel inspection** - The purpose of this regulation is to comply with the rule-making requirements found in Ohio Revised Code Section 4764.07(D)(6)(b) and establish the requirements for acceptable parallel inspection sessions for applicants which are designed to ensure applicants are adequately trained and competent to complete home inspections.

1301:17-1-15 – **Peer review** - The purpose of this regulation is to comply with the rule-making requirements found in Ohio Revised Code Section 4764.05(A)(15) and establish the requirements for acceptable peer review sessions for home inspector license applicants.

1301:17-1-16 – **Canons of ethics** - The intent of this regulation is to establish the canons of ethics to be followed by Ohio home inspector licensees.

1301:17-1-17 – **Standards of practice** - The intent of this regulation is to establish the standards of practice to be complied with by Ohio home inspector licensees.

1301:17-1-18 – **Lending license** - The purpose of this regulation is to comply with the rule-making requirements found in Ohio Revised Code Section 4764.05(A)(1) and prevent the misuse of an Ohio home inspector license.

1301:17-1-19 – **Stenographic record** - The intent of this regulation is to establish the Division shall provide a record of the hearings conducted within the Division's regulating authority, and the procedure in which the record is produced and made available to interested parties.

1301:17-1-20 – **Informal mediation** - The intent of this regulation is to establish the procedure associated with an informal mediation affecting Ohio home inspector licensees.

1301:17-1-21 – **Disciplinary sanctions** - The purpose of this regulation is to comply with the rule-making requirements found in Ohio Revised Code Section 4764.05(A)(1) and to establish the standards governing sanctions that may be issued by the Ohio Home Inspector Board upon an Ohio home inspector licensee.

1301:17-1-22 – **Settlement agreement** - The intent of this regulation is to establish the requirements for settlement agreements entered by the Superintendent and an Ohio home inspector licensee who has been charged with violating Ohio Revised Code Chapter 4764.

3. **Please list the Ohio statute(s) that authorize the agency, board or commission to adopt the rule(s) and the statute(s) that amplify that authority.**

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

1301:17-1-01 – **Public notice** – Authorized by ORC Section 4764.05(A)(1); Amplified by ORC Section 4764.05(A)(1)

1301:17-1-02 – **Open public meeting** - Authorized by ORC Section 4764.05(A)(1); Amplified by ORC Section 4764.05(A)(1)

1301:17-1-03 – **Fees** - Authorized by ORC Section 4764.05(A)(1); Amplified by ORC Sections 4764.07, 4764.09 & 4764.10

1301:17-1-04 – **Out of State Applicants** - Authorized by ORC Section 4764.05(A)(1); Amplified by ORC Section 4764.10

1301:17-1-05 – **Applications** - Authorized by ORC Section 4764.05(A)(1); Amplified by ORC Sections 4764.07, 4764.09 & 4764.10

1301:17-1-06 – **Criminal records check** - Authorized by ORC Section 4764.05(A)(1); Amplified by ORC Section 4764.06(A)(6)

1301:17-1-07 – **Education** - Authorized by ORC Section 4764.05(A)(3); Amplified by ORC Section 4764.07

1301:17-1-08 – **Classroom qualifying education course approvals** - Authorized by ORC Section 4764.05(A)(3); Amplified by ORC Section 4764.07

1301:17-1-09 – **Online home inspector qualifying education course approvals** - Authorized by ORC Section 4764.05(A)(3); Amplified by ORC Section 4764.07

1301:17-1-10 – **Continuing Education** - Authorized by ORC Section 4764.05(A); Amplified by ORC Section 4764.08 & 4764.09

1301:17-1-11 – **Online home inspector continuing education course approvals** - Authorized by ORC Section 4764.05(A); Amplified by ORC Section 4764.08 & 4764.09

1301:17-1-12 – **Classroom home inspector continuing education course approvals** - Authorized by ORC Section 4764.05(A); Amplified by ORC Section 4764.08 & 4764.09

1301:17-1-13 – **Curriculum of experience** - Authorized by ORC Section 4764.05(A)(4); Amplified by ORC Section 4764.07(D)(6)(a)

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

1301:17-1-14 – **Parallel inspection** - Authorized by ORC Section 4764.05(A)(4); Amplified by ORC Section 4764.07(D)(6)(b)

1301:17-1-15 – **Peer review** - Authorized by ORC Section 4764.05(A)(15); Amplified by ORC Section 4764.05(D) & 4764.07(D)(6)

1301:17-1-16 – **Canons of ethics** - Authorized by ORC Section 4764.05(A)(13); Amplified by ORC Section 4764.05(A)(13)

1301:17-1-17 – **Standards of practice** - Authorized by ORC Section 4764.05(A)(13); Amplified by ORC Section 4764.05(A)(13)

1301:17-1-18 – **Lending license** - Authorized by ORC Section 4764.05(A)(1); Amplified by ORC Section 4764.14(I)

1301:17-1-19 – **Stenographic record** - Authorized by ORC Sections 119.03 & 4764.05(A)(1) & 119.03; Amplified by ORC Section 4764.05(A)(1)

1301:17-1-20 – **Informal mediation** - Authorized by ORC Section 4764.05(A)(1); Amplified by ORC Section 4764.12

1301:17-1-21 – **Disciplinary sanctions** - Authorized by ORC Section 4764.05(A)(1); Amplified by ORC Section 4764.12

1301:17-1-22 – **Settlement agreement** - Authorized by ORC Section 4764.05(A)(11); Amplified by ORC Section 4764.12

4. **Does the regulation implement a federal requirement? No. Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program? No.**
If yes, please briefly explain the source and substance of the federal requirement.
5. **If the regulation includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.** Not Applicable

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

6. **What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?** The purpose of the regulation is to comply with rule-making requirements established by the Ohio General Assembly in recently enacted Ohio Revised Code Chapter 4764 and to ensure Ohio home inspector licensees and applicants are properly trained and educated to complete home inspections. It is also necessary for the stability of our economy for home inspectors to have the required skills and knowledge as their services directly affect real property transactions.
7. **How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?** Division staff interacts with every applicant and Division staff reviews every application for compliance. Division staff also receives comments from the public at outreach functions and through public inquiries filed with the Division.
8. **Are any of the proposed rules contained in this rule package being submitted pursuant to R.C. 101.352, 101.353, 106.032, 121.93, or 121.931? No**
If yes, please specify the rule number(s), the specific R.C. section requiring this submission, and a detailed explanation.

Development of the Regulation

9. **Please list the stakeholders included by the Agency in the development or initial review of the draft regulation.**
If applicable, please include the date and medium by which the stakeholders were initially contacted.

The Division received comments from the public, industry participants, professional organizations and education providers concerning the proposed rules and whether they require implementation or modification. In March of 2019, the Division published the proposed rules on its website and emailed the proposed rules to interested parties who requested such direct notification. The purpose of these communications was to obtain comments about the proposed rules and how they could affect the business community. The Division received close to 20 written replies along with several oral statements made via telephone from interested parties. The proposed rules along with comments from interested parties were presented at multiple meetings in August 2019 of the Ohio Home Inspector Board, which consists of five Ohio home inspector licensees. At these meetings, the Board considered the proposed rules and comments provided earlier in 2019 and heard and considered oral testimony provided at these meetings from interested parties.

10. **What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?** Comments provided by interested parties ranged from very specific suggestions affecting the proposed rules to very general comments about the regulation of the home inspector industry. The Board and the Division considered all

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

comments provided and implemented stakeholder suggestions that were in furtherance of the Ohio Revised Code Chapter 4764.

- 11. What scientific data was used to develop the rule or the measurable outcomes of the rule?** The rules are required by Ohio law. **How does this data support the regulation being proposed?** Not Applicable
- 12. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate?** The proposed rules are being offered to satisfy Ohio law. The intention of the proposed rules is to ensure home inspectors are qualified and competent to complete home inspections, which is necessary for the stability of our economy. **If none, why didn't the Agency consider regulatory alternatives?** The proposed rules are being offered to satisfy Ohio law.
- 13. Did the Agency specifically consider a performance-based regulation? Please explain.**
Performance-based regulations define the required outcome, but don't dictate the process the regulated stakeholders must use to achieve compliance. It was not necessary for the Division to consider performance-based regulations for these rules. The existing rules are offered to satisfy Ohio law.
- 14. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?** The Division is the only agency in this state that regulates Ohio home inspector licensees.
- 15. Please describe the Agency's plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.** The Division publishes a newsletter. The Division will include an article in the newsletter explaining the rules. The Division will also publish the rules on its website. Division staff responsible for enforcement will receive training.

Adverse Impact to Business

- 16. Provide a summary of the estimated cost of compliance with the rule. Specifically, please do the following:**
- a. Identify the scope of the impacted business community; and**

1301:17-1-01 – Public notice – Any person interested when the Board reviews a rule

1301:17-1-02 – Open public meeting - Any person interested about a Board meeting

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

1301:17-1-03 – **Fees** - Any person applying for an Ohio home inspector license or an education provider seeking to offer home inspector qualifying or continuing education

1301:17-1-04 – **Out of State Applicants** – Any applicant seeking an Ohio home inspector license who maintains a home inspector license in another state

1301:17-1-05 – **Applications** - Any person applying for an Ohio home inspector license

1301:17-1-06 – **Criminal records check** - Any person applying for an Ohio home inspector license

1301:17-1-07 – **Education** - Any person applying for an Ohio home inspector license or an education provider offering home inspector qualifying education for persons seeking to obtain an Ohio home inspector license

1301:17-1-08 – **Classroom qualifying education course approvals** - Any person applying for an Ohio home inspector license or an education provider offering home inspector qualifying education for persons seeking to obtain an Ohio home inspector license

1301:17-1-09 – **Online home inspector qualifying education course approvals** - Any person applying for an Ohio home inspector license or an education provider offering home inspector qualifying education for persons seeking to obtain an Ohio home inspector license

1301:17-1-10 – **Continuing Education** - Any person applying for an Ohio home inspector license or an education provider offering home inspector continuing education for home inspector licensees

1301:17-1-11 – **Online home inspector continuing education course approvals** - Any person applying for an Ohio home inspector license or an education provider offering home inspector continuing education for home inspector licensees

1301:17-1-12 – **Classroom home inspector continuing education course approvals** - Any person applying for an Ohio home inspector license or an education provider offering home inspector continuing education for home inspector licensees

1301:17-1-13 – **Curriculum of experience** – Any person applying for an Ohio home inspector license

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

1301:17-1-14 – **Parallel inspection** – Any person applying for an Ohio home inspector license or a supervisory inspector

1301:17-1-15 – **Peer review** – Any person applying for an Ohio home inspector license or an entity sponsoring a home inspection peer review

1301:17-1-16 – **Canons of ethics** – Any Ohio home inspector licensee

1301:17-1-17 – **Standards of practice** – Any Ohio home inspector licensee

1301:17-1-18 – **Lending license** – Any Ohio home inspector licensee

1301:17-1-19 – **Stenographic record** - Any person interested in an adjudication hearing held before the Division or the Board

1301:17-1-20 – **Informal mediation** – Any Ohio home inspector licensee

1301:17-1-21 – **Disciplinary sanctions** – Any Ohio home inspector licensee

1301:17-1-22 – **Settlement agreement** – Any Ohio home inspector licensee

b. Identify the nature of all adverse impact (e.g., fees, fines, employer time for compliance,); and

1301:17-1-01 – **Public notice** – A stakeholder will have no adverse impact from this rule.

1301:17-1-02 – **Open public meeting** - A stakeholder will have no adverse impact from this rule.

1301:17-1-03 – **Fees** – A home inspector applicant or an education provider will be required to spend time and money.

1301:17-1-04 – **Out of State Applicants** – An applicant will be required to spend time and money.

1301:17-1-05 – **Applications** - An applicant will be required to spend time and money.

1301:17-1-06 – **Criminal records check** – A home inspector applicant will be required to spend time and money to complete the criminal background check as required by the Ohio Revised Code Section 4764.07.

1301:17-1-07 – **Education** - An applicant will be required to spend time and money.

1301:17-1-08 – **Classroom qualifying education course approvals** - An applicant will be required to spend time and money.

1301:17-1-09 – **Online home inspector qualifying education course approvals** - An applicant will be required to spend time and money.

1301:17-1-10 – **Continuing Education** - An applicant will be required to spend time and money.

1301:17-1-11 – **Online home inspector continuing education course approvals** - An applicant will be required to spend time and money.

1301:17-1-12 – **Classroom home inspector continuing education course approvals** - An applicant will be required to spend time and money.

1301:17-1-13 – **Curriculum of experience** - A home inspector applicant will be required to spend time.

1301:17-1-14 – **Parallel inspection** - A home inspector applicant will be required to spend time.

1301:17-1-15 – **Peer review** - A home inspector applicant will be required to spend time and may have to pay a fee to the sponsoring entity to have the opportunity to participate in a peer review.

1301:17-1-16 – **Canons of ethics** - A home inspector licensee will be required to spend time learning to comply with the rule requirements as found in Ohio Revised Code Section 4764.05(A)(13).

1301:17-1-17 – **Standards of practice** - A home inspector licensee will be required to spend time learning to comply with the rule requirements as found in Ohio Revised Code Section 4764.05(A)(13).

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

1301:17-1-18 – **Lending license** - A home inspector licensee will be required to spend time learning to comply with the rule requirements.

1301:17-1-19 – **Stenographic record** - A stakeholder will have no adverse impact from this rule unless they voluntarily use a stenographic service other than the one provided by the Division.

1301:17-1-20 – **Informal mediation** – A party to an informal mediation will have no adverse impact from the proposed rule.

1301:17-1-21 – **Disciplinary sanctions** – A home inspector licensee will be required to spend time and/or money satisfying Board’s sanctions ordered pursuant to Ohio Revised Code Section 4764.13. However, a licensee will have no adverse impact from the proposed rule as it describes Division procedure.

1301:17-1-22 – **Settlement agreement** – A home inspector licensee will be required to spend time and/or money satisfying Board’s sanctions ordered pursuant to Ohio Revised Code Section 4764.13. However, a licensee will have no adverse impact from the proposed rule as it describes Division procedure.

c. Quantify the expected adverse impact from the regulation.

The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a “representative business.” Please include the source for your information/estimated impact.

1301:17-1-01 – **Public notice** – The proposed rule provides procedure for the Division and does not provide adverse impact on a stakeholder.

1301:17-1-02 – **Open public meeting** - A person requesting notice records from the Division could be assessed a fee in conformity with Ohio Revised Code Section 149.43.

1301:17-1-03 – **Fees** – An applicant will have to pay the fees as required in the proposed rule and as authorized by Ohio Revised Code Section 4764.05.

1301:17-1-04 – **Out of State Applicants** – An applicant will have to pay the fees as required in the proposed rule and as authorized by Ohio Revised Code Section 4764.05. They will also have to spend time completing the application, which the Division estimates will take less than 30 minutes to complete.

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

1301:17-1-05 – **Applications** - An applicant will have to pay the fees as required in the proposed rule and as authorized by Ohio Revised Code Section 4764.05. They will also have to spend time completing the application, which the Division estimates will take 30 minutes to complete.

1301:17-1-06 – **Criminal records check** - The Division estimates it would take less than an hour for an applicant to complete the fingerprint process for a criminal records check. The Division estimates the fingerprint process costs between \$50 and \$75.

1301:17-1-07 – **Education** - An applicant will have to pay the fees as required in the proposed rule and as authorized by Ohio Revised Code Section 4764.05. They will also have to spend time completing the application, which the Division estimates will take 30 minutes to complete.

1301:17-1-08 – **Classroom qualifying education course approvals** - An applicant will have to pay the fees as required in the proposed rule and as authorized by Ohio Revised Code Section 4764.05. They will also have to spend time completing the application, which the Division estimates will take 30 minutes to complete.

1301:17-1-09 – **Online home inspector qualifying education course approvals** - An applicant will have to pay the fees as required in the proposed rule and as authorized by Ohio Revised Code Section 4764.05. They will also have to spend time completing the application, which the Division estimates will take 30 minutes to complete.

1301:17-1-10 – **Continuing Education** - An applicant will have to pay the fees as required in the proposed rule and as authorized by Ohio Revised Code Section 4764.05. They will also have to spend time completing the application, which the Division estimates will take 30 minutes to complete.

1301:17-1-11 – **Online home inspector continuing education course approvals** - An applicant will have to pay the fees as required in the proposed rule and as authorized by Ohio Revised Code Section 4764.05. They will also have to spend time completing the application, which the Division estimates will take 30 minutes to complete.

1301:17-1-12 – **Classroom home inspector continuing education course approvals** - An applicant will have to pay the fees as required in the proposed rule and as authorized by Ohio Revised Code Section 4764.05. They will also have to spend time completing the application, which the Division estimates will take 30 minutes to complete.

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

1301:17-1-13 – **Curriculum of experience** - An applicant will have to satisfy the requirement as found in the proposed rule. The applicant will need at least forty hours of home inspector experience and spend time completing an experience log, which the Division estimates will take less than 1 hour to complete the experience log.

1301:17-1-14 – **Parallel inspection** - An applicant will have to satisfy the requirement as found in the proposed rule. Depending on the property type, the Division estimates an applicant will need at least a couple of hours to complete a home inspection and at least 1 hour to write a home inspection report.

1301:17-1-15 – **Peer review** - An applicant will have to satisfy the requirement as found in the proposed rule. Depending on the property type, the Division estimates an applicant will need at least a couple of hours to complete a home inspection and submit his or her findings to a peer review committee. The Division estimates a sponsoring entity will charge an applicant between \$25 to \$100 to participate in a peer review.

1301:17-1-16 – **Canons of ethics** - A licensee will be required to comply with the rule requirements as required by Ohio Revised Code Section 4764.05. A licensee will have to spend some time reviewing the rule. The amount of time spent will vary from licensee to licensee; from a few minutes to several hours.

1301:17-1-17 – **Standards of practice** - A licensee will be required to comply with the rule requirements as required by Ohio Revised Code Section 4764.05. A licensee will have to spend some time reviewing the rule. The amount of time spent will vary from licensee to licensee; from a few minutes to several hours.

1301:17-1-18 – **Lending license** - A licensee will be required to comply with the rule requirements. A licensee will have to spend some time reviewing the rule. The amount of time spent will vary from licensee to licensee. The Division estimates a licensee will spend a few minutes to several hours reviewing the rules.

1301:17-1-19 – **Stenographic record** - A stakeholder will have no adverse impact from the proposed rule unless they voluntarily use a stenographic service other than the one provided by the Division. The estimated hourly rate for a stenographic service is approximately \$55.00 per hour.

1301:17-1-20 – **Informal mediation** – The proposed rule provides procedure for the Division and does not provide adverse impact on a stakeholder.

1301:17-1-21 – **Disciplinary sanctions** - The proposed rule provides procedure for the Division and does not provide adverse impact on a stakeholder.

1301:17-1-22 – **Settlement agreement**–The proposed rule provides procedure for the Division and does not provide adverse impact on a stakeholder.

- 17. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?** The proposed rules are being offered to satisfy Ohio law and to ensure Ohio home inspector licensees and applicants are properly trained and educated to complete home inspections. It is necessary for the stability of our economy for home inspectors to have the required skills and knowledge as their services directly affect real property transactions.

Regulatory Flexibility

- 18. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.** The Division recognizes that Ohio home inspector licensees can be small businesses. The proposed rules are the result of Ohio law. The rules are designed with the small business owner in mind.

- 19. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?** Division staff regularly works with applicants to ensure they have all the necessary paperwork for their application. If an applicant omits any required documentation, Division staff notifies the applicant of the deficiency; discusses with the applicant his or her options for compliance; and the Division allows the application to remain in a pending status for a reasonable time to avoid forfeiture of any application fee.

- 20. What resources are available to assist small businesses with compliance of the regulation?** The Division recognizes that applicants can be small businesses, and the Division is easily accessible by email and telephone for inquiries. Further, the Division's website has valuable information including forms, helpful facts and answers, newsletters and links to additional outside resources.

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov