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AN ACT
RELATING TO LICENSURE; AMENDING APPROVED EXAMINATION
REQUIREMENTS FOR THE LICENSING OF NEW MEXICO HOME INSPECTORS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 61-24D-2 NMSA 1978 (being Laws 2019,
Chapter 239, Section 2) is amended to read:

"61-24D-2. DEFINITIONS.--As used in the Home Inspector
Licensing Act:

A. "approved examination" means a national home
inspector licensing examination that has been third-party
accredited as complying with the prevailing standards of the
Standards for Educational and Psychological Testing and
assesses an applicant's knowledge of:

- (1) roofing;
- (2) exterior;
- (3) interior;
- (4) structure;
- (5) electrical;
- (6) plumbing;
- (7) heating and cooling;
- (8) insulation;
- (9) fireplace and chimney; and
- (10) ethical business practices,

professional standards and reports;

1 B. "board" means the New Mexico home inspectors
2 board;

3 C. "client" means a person or an agent of the
4 person who, through a written pre-inspection agreement,
5 engages the services of a home inspector for the purpose of
6 obtaining a report on the condition of residential real
7 property;

8 D. "compensation" means the payment for home
9 inspection services pursuant to the written pre-inspection
10 agreement;

11 E. "foreign home inspector" means a home inspector
12 who does not hold a license but who holds a current and valid
13 home inspector license issued by another jurisdiction in the
14 United States;

15 F. "home inspection" means a noninvasive,
16 nondestructive examination by a person of the interior and
17 exterior components of a residential real property, including
18 the property's structural components, foundation and roof,
19 for the purposes of providing a professional written opinion
20 regarding the site aspects and condition of the property and
21 its carports, garages and reasonably accessible installed
22 components. "Home inspection" includes the examination of
23 the property's heating, cooling, plumbing and electrical
24 systems, including the operational condition of the systems'
25 controls that are normally operated by a property owner;

1 G. "home inspector" means a person who performs
2 home inspections for compensation;

3 H. "license" means a home inspector license issued
4 by the board in accordance with the Home Inspector Licensing
5 Act;

6 I. "licensee" means the holder of a license;

7 J. "pre-inspection agreement" means the written
8 agreement signed by the client and a home inspector by which
9 a client engages the services of the home inspector and that
10 sets forth at a minimum the following:

11 (1) the amount of compensation due and
12 payable to the home inspector for the home inspection and
13 delivery of a report;

14 (2) a list of all components and systems
15 that will be inspected; and

16 (3) the date by which the client will
17 receive the report;

18 K. "report" means a written opinion prepared by a
19 home inspector pursuant to the terms of a pre-inspection
20 agreement regarding the functional and physical condition of
21 the residential real property as determined by a home
22 inspection conducted by a home inspector; and

23 L. "residential real property" means any real
24 property or manufactured or modular home that is used for or
25 intended to be used for residential purposes and that is a

1 single-family dwelling, duplex, triplex, quadplex or unit, as
2 "unit" is defined by the Condominium Act."

3 SECTION 2. Section 61-24D-3 NMSA 1978 (being Laws 2019,
4 Chapter 239, Section 3, as amended) is amended to read:

5 "61-24D-3. NEW MEXICO HOME INSPECTORS BOARD--CREATED--
6 POWERS AND DUTIES.--

7 A. The "New Mexico home inspectors board" is
8 created and is administratively attached to the regulation
9 and licensing department.

10 B. The board shall consist of five members,
11 appointed by the governor, who have been residents of the
12 state for at least three consecutive years immediately prior
13 to their appointment. Three members shall be home
14 inspectors. One member shall be a real estate qualifying or
15 associate broker licensed in accordance with Chapter 61,
16 Article 29 NMSA 1978, and one member shall be a member of the
17 public who has never been licensed as a home inspector or
18 real estate broker. No more than one member shall be a
19 resident of any one county in the state. The initial home
20 inspector members appointed shall demonstrate that they have
21 been actively and lawfully engaged in home inspections for at
22 least twenty-four months prior to the effective date of the
23 Home Inspector Licensing Act and have met the requirements of
24 Paragraphs (1) through (4) of Subsection A of Section
25 61-24D-6 NMSA 1978. The initial home inspector members

1 appointed shall comply with Paragraph (6) of Subsection A of
2 Section 61-24D-6 NMSA 1978 within six months of the effective
3 date of the licensing examination rule promulgated by the
4 board in accordance with the State Rules Act. After the
5 board is initially established, any replacement of a home
6 inspector member shall be a licensee.

7 C. Board members shall serve for five years or
8 until their successors are appointed and qualified. The
9 governor may remove a member with or without cause. In the
10 event of a vacancy, the governor shall appoint a member to
11 complete the unexpired term. The initial board members
12 appointed shall serve staggered terms from the date of their
13 appointment as follows:

- 14 (1) two members for three-year terms;
- 15 (2) two members for two-year terms; and
- 16 (3) one member for a one-year term.

17 D. The board shall elect annually from among its
18 members a chair and other officers as the board determines.
19 The board shall meet at times and places as fixed by the
20 board. A majority of the board constitutes a quorum.

21 E. Members of the board may receive per diem and
22 mileage as provided in the Per Diem and Mileage Act but shall
23 receive no other compensation, perquisite or allowance.

24 F. The board shall possess all powers and perform
25 all duties prescribed by the Home Inspector Licensing Act and

1 as otherwise provided by law and may promulgate rules in
2 accordance with the State Rules Act to carry out the
3 provisions of the Home Inspector Licensing Act.

4 G. Pursuant to the provisions of the Home
5 Inspector Licensing Act, the board shall:

6 (1) adopt rules and procedures necessary to
7 administer and enforce the provisions of the Home Inspector
8 Licensing Act;

9 (2) adopt and publish a code of ethics and
10 standards of practice for persons licensed under the Home
11 Inspector Licensing Act;

12 (3) issue, renew, suspend, modify or revoke
13 licenses to home inspectors in accordance with the Uniform
14 Licensing Act;

15 (4) establish standards for the training,
16 experience and continuing education requirements of the Home
17 Inspector Licensing Act;

18 (5) establish the amount and administer the
19 fees charged for examinations, initial licensure, license
20 renewals, reinstatement of revoked or suspended licenses,
21 reactivation of inactive or expired licenses, criminal
22 background checks and other services pursuant to the
23 provisions of the Home Inspector Licensing Act;

24 (6) adopt an approved examination, which may
25 be administered by a nationally accepted testing service, in

1 compliance with federal Americans with Disabilities Act of
2 1990 accommodations as required by law;

3 (7) conduct state and criminal background
4 checks on all applicants for a license;

5 (8) maintain a list of the names and
6 addresses of all licensees and of all persons whose licenses
7 have been suspended or revoked within that year, together
8 with such other information relative to the enforcement of
9 the provisions of the Home Inspector Licensing Act;

10 (9) maintain a statement of all funds
11 received and a statement of all disbursements;

12 (10) mail copies of statements to any person
13 in this state upon request; and

14 (11) perform other functions and duties as
15 may be necessary to administer or carry out the provisions of
16 the Home Inspector Licensing Act."

17 **SECTION 3.** Section 61-24D-6 NMSA 1978 (being Laws 2019,
18 Chapter 239, Section 6, as amended) is amended to read:

19 "61-24D-6. LICENSURE.--

20 A. Unless otherwise provided in the Home Inspector
21 Licensing Act, an applicant for a license shall:

22 (1) complete an application on forms
23 provided by the board;

24 (2) provide documentation to establish that
25 the applicant is at least eighteen years of age;

1 (3) provide the board with the applicant's
2 fingerprints and all information necessary for a state and
3 national criminal background check;

4 (4) provide proof of and maintain insurance
5 coverage as provided in Section 61-24D-12 NMSA 1978;

6 (5) have completed at least eighty hours of
7 classroom training, the content of which shall be established
8 by rule of the board;

9 (6) pass an approved examination and any
10 additional New Mexico-specific licensing examinations as
11 prescribed by the board; and

12 (7) have completed at least eighty hours of
13 field training, or its equivalent, as determined by the
14 board.

15 B. Paragraphs (5) and (7) of Subsection A of this
16 section shall not apply to a person who has:

17 (1) worked as a home inspector in each of
18 the twenty-four months immediately preceding the effective
19 date of the Home Inspector Licensing Act; and

20 (2) performed at least one hundred home
21 inspections for compensation in the twenty-four months
22 immediately preceding the effective date of the Home
23 Inspector Licensing Act.

24 C. After the board's review of all information
25 obtained by the board and submitted by the applicant as

1 required by this section, if all of the requirements for
2 licensure are met, the board shall issue a license to the
3 applicant."

4 SECTION 4. EFFECTIVE DATE.--The effective date of the
5 provisions of this act is July 1, 2023.

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