

NCHILB PROPOSED RULE CHANGES

SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS

11 NCAC 08 .1101 **DEFINITIONS**

Reasons for suggested changes:

1. Add the following defined terms: arc-fault circuit interrupters, corrugated stainless steel tubing, grey water, ground-fault circuit interrupter, grinder pumps, sewer ejector pumps, sump pumps, and grey water;
2. Renumbering based on the above new defined terms; and
3. Tweaking of the definition of “readily accessible”.

11 NCAC 08 .1103 **PURPOSE AND SCOPE**

Reason for suggested change:

1. The name and license number should be listed clearly on the first or second page.

11 NCAC 08 .1105 **GENERAL EXCLUSIONS**

Reason for suggested changes:

1. Home inspectors should not be required to inspect elevators or related equipment
2. Home inspectors should not be required to inspect 240V receptacles or outlets.

11 NCAC 08 .1107 **EXTERIOR**

Reason for suggested change:

1. The SOP does not require confirmation of inspection. Adding photo electric “eyes” and requirement to report when they are not installed.

11 NCAC 08 .1109 **PLUMBING**

Reason for suggested change:

1. To clarify that home inspectors do not need to inspect or operate grinder pumps, sewage ejector pumps, or grey water sump pumps with sealed lids.

11 NCAC 08 .1110 **ELECTRICAL**

Reasons for suggested changes:

1. To clarify and disclaim locations that are out of reach without the use of a ladder. Stating that home inspectors do not have to inspect other voltage receptacles (over 120 V) that are not within reach when standing on the floor of garage/carports or within 6 feet of interior plumbing fixtures and exterior structures;
2. To clarify that home inspectors don't have to test or operate any AFCI or overcurrent devices;

3. To clarify that regardless of the age of the structure, the home inspector shall note in report the absence of ground fault protection of receptacles within 6 feet of interior plumbing fixtures, in the garage or on the exterior of inspected structures;
4. To clarify that service entry conductors leading to the meter are not visible and, therefore not subject to inspection;
5. To separate smoke and CO alarms (not detectors) – and describe testing of function (if not part of a central system) and remove the work “solid” from fuel fireplaces; and
6. Clarify that Home Inspectors don’t have to inspect elevators or related equipment used to transport occupants or materials between elevations.

11 NCAC 08 .1111 HEATING

Reason for suggested change:

1. Home inspectors should only report on the absence of a heating source by removing it from one area relating to inspection of permanently installed heating systems and putting it in a separate section where the home inspector only has to report the absence of an installed heat source within a habitable space.

11 NCAC 08 .1116 CODE OF ETHICS

Reasons for suggested changes:

1. Clarify that life safety issues are an exception to the confidentiality clause and can be communicated to the homeowner or representatives immediately;
2. Created a new item to avoid dissemination of information about clients or their property to third parties; and
3. Clarified the Rule about prohibition for programs deemed to be “pay to play” by both licensee and licensee’s companies, but exempted nominal food or drink costs that are not tied to any referrals or preferred vendor lists.

1 11 NCAC 08 .1101 is proposed for amendment as follows:
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3 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**
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5 **11 NCAC 08 .1101 DEFINITIONS**

6 The following definitions apply to this Section:

- 7 (1) "Abnormal" means nontypical or unusual conditions that could cause damage to systems and
8 components of the home.
- 9 (2) "Arc-fault circuit interrupter" means a device intended to provide protection from the effects of arc
10 faults by recognizing characteristics unique to arcing and by functioning to de-energize the circuit
11 when an arc fault is detected.
- 12 ~~(2)~~(3) "Automatic safety controls" means devices designed and installed to protect systems and
13 components from excessively high or low pressures and temperatures, excessive electrical current,
14 loss of water, loss of ignition, fuel leaks, fire, freezing, or other unsafe conditions as stated in
15 manufacturer's instructions.
- 16 ~~(3)~~(4) "Central air conditioning" means a system that uses ducts to distribute cooled or dehumidified air to
17 more than one room or uses pipes to distribute chilled water to heat exchangers in more than one
18 room, and that is not plugged into an electrical convenience outlet.
- 19 ~~(4)~~(5) "Component" means a readily accessible and visible aspect of a system, such as a floor, or wall, but
20 not individual pieces such as boards or nails where many similar pieces make up the component.
- 21 ~~(5)~~(6) "Cosmetic damage" means blemishes or defects that do not interfere with the functionality of the
22 component or system.
- 23 ~~(6)~~(7) "Cross connection" means any physical connection or arrangement between potable water and any
24 source of contamination.
- 25 ~~(7)~~(8) "Dangerous or adverse situations" means situations that pose a threat of injury to the inspector, or
26 those situations that require the use of special protective clothing or safety equipment.
- 27 ~~(8)~~(9) "Describe" means report in writing a system or component by its type, or other inspected
28 characteristics, to distinguish it from other systems or components used for the same purpose.
- 29 (9)(10) "Dismantle" means to take apart or remove any component, device, or piece of equipment that is
30 bolted, screwed, or fastened by other means and that would not be disassembled by a homeowner
31 in the course of routine household maintenance.
- 32 ~~(10)~~(11) "Enter" means to go into an area to inspect all visible components.
- 33 ~~(11)~~(12) "Functional drainage" means a drain that empties at a rate equal to or greater than the supply water
34 flow to the fixture.
- 35 ~~(12)~~(13) "Functional flow" means a usable flow at the highest fixture in a dwelling when another fixture is
36 operated simultaneously.

- 1 (14) “Gray water” means wastewater generated from household activities that do not involve human
2 waste, such as bathing, showering, handwashing, and laundry, which typically contains some
3 residues from soap, detergent, and dirt.
- 4 (15) “Gray water system” means a water reuse system contained within a single family residence
5 or multiunit residential or commercial building that filters gray water or captured rainwater and
6 reuses it for nonpotable purposes such as toilet flushing and irrigation.
- 7 (16) “Ground-fault circuit interrupter” means devices intended for the protection of personnel that
8 functions to de-energize a circuit or portion thereof within an established period of time when
9 currents are out of balance.
- 10 ~~(13)~~(17) "Habitable space" means a space in a building for living, sleeping, eating or cooking. "Habitable
11 space" does not mean a bathroom, toilet room, closet, or any space used or designed for storage.
- 12 ~~(14)~~(18) "Harmful" means conditions that cause damage to systems and components of the home.
- 13 ~~(15)~~(19) "Inspect" means to make a visual examination.
- 14 ~~(16)~~(20) "Installed" means attached or connected such that an item requires tools for removal.
- 15 ~~(17)~~(21) "Normal operating controls" means homeowner operated devices such as a thermostat, wall switch,
16 or safety switch.
- 17 ~~(18)~~(22) "On-site water supply quality" means water quality based on the bacterial, chemical, mineral, and
18 solids content of the water.
- 19 ~~(19)~~ (23) "On-site water supply quantity" means the rate of flow of on-site well water.
- 20 ~~(20)~~(24) "Operate" means to cause systems or equipment to function as intended.
- 21 ~~(21)~~(25) "Readily accessible" means within reach, without the use of a ladder, not blocked by appliances,
22 and approachable or enterable for visual inspection without the risk of damage to any property or
23 alteration of the accessible space, equipment, or opening.
- 24 ~~(22)~~(26) "Readily openable access panel" means a panel provided for homeowner inspection and
25 maintenance that has removable or operable fasteners or latch devices in order to be lifted off, swung
26 open, or otherwise removed by one person; and its edges and fasteners are not painted in place. This
27 definition is limited to those panels within reach standing on the floor or from a four-foot stepladder,
28 and that are not blocked by stored items, furniture, or building components.
- 29 ~~(23)~~(27) "Readily visible" means seen by using natural or artificial light without the use of equipment or tools
30 other than a flashlight.
- 31 ~~(24)~~(28) "Representative number" means, for multiple identical components such as windows and electrical
32 outlets, one such component per room; and, for multiple identical exterior components, one such
33 component on each side of the building.
- 34 ~~(25)~~(29) "Roof drainage systems" means gutters, downspouts, leaders, splash blocks, and similar components
35 used to carry water off a roof and away from a building.
- 36 (30) “Sewage pump” means a device used at elevations where mechanical assistance is needed to move
37 effluent to a sewage system.

1 ~~(26)~~(31) "Shut down" means a piece of equipment or a system that cannot be operated by the device or control
2 provided for homeowner operation. If its safety switch or circuit breaker is in the "off" position, or
3 its fuse is missing or blown, the inspector is not required to reestablish the circuit for the purpose of
4 operating the equipment or system.

5 ~~(27)~~(32) "Solid fuel heating device" means any wood, coal, fossil, or other similar organic fuel burning
6 device, including fireplaces whether masonry or factory built, fireplace inserts and stoves, wood
7 stoves (room heaters), central furnaces, and combinations of these devices.

8 ~~(28)~~(33) "Structural component" means a component that supports non-variable forces or weights (dead
9 loads) and variable forces or weights (live loads).

10 (34) "Sump pump" means a device used to remove clear water such as condensation or foundation
11 drainage not associated with the plumbing system.

12 ~~(29)~~(35) "System" means a combination of interacting or interdependent components, assembled to carry out
13 one or more functions.

14 ~~(30)~~(36) "Technically exhaustive" means an inspection involving the use of measurements, instruments,
15 testing, calculations, and other means to develop scientific or engineering findings, conclusions, and
16 recommendations.

17 ~~(31)~~(37) "Under floor crawl space" means the area within the confines of the foundation and between the
18 ground and the underside of the lowest floor structural component.

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20 *History Note: Authority G.S. 143-151.49;*
21 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
22 *1996;*
23 *Temporary Adoption Eff. October 24, 1996;*
24 *Eff. July 1, 1998;*
25 *Amended Eff. February 1, 2007; April 1, 2005; May 1, 2003;*
26 *Readopted Eff. October 1, 2018.*
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1 11 NCAC 08 .1103 is amended as published in ## NCR # as follows:

2 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

3 **11 NCAC 08 .1103 PURPOSE AND SCOPE**

4 (a) Home inspections performed according to this Section shall provide the client with an understanding of the
5 property conditions, as inspected at the time of the home inspection.

6 (b) Home inspectors shall:

- 7 (1) provide a written contract, signed by the client, before the home inspection is performed that shall:
- 8 (A) State that the home inspection is in accordance with the Standards of Practice of the North
9 Carolina Home Inspector Licensure Board as set forth in this Section;
- 10 (B) State what services shall be provided and the cost; and
- 11 (C) When an inspection is for only one or a limited number of systems or components, state
12 that the inspection is limited to only those systems or components;
- 13 (2) inspect readily visible and readily accessible installed systems and components described in Rules
14 .1106 through .1115 of this Section;
- 15 (3) submit a written report pursuant to G.S. 143-151.58(a), to the client that shall:
- 16 (A) Describe those systems and components required to be described in Rules .1106 through
17 .1115 of this Section;
- 18 (B) State which systems and components present at the home and designated for inspection in
19 this Section were not inspected, and the reason for not inspecting;
- 20 (C) State any systems or components inspected that do not function as intended, allowing for
21 normal wear and tear, or appear not to function as intended, based upon documented
22 tangible evidence;
- 23 (D) Describe each system or component, pursuant to Part (b)(3)(C) of this Rule; state how the
24 condition is defective; explain the implications of defective conditions reported; and direct
25 the client to a course of action for repair, monitoring, or further investigation by a specialist;
- 26 (E) On the first or second page clearly state ~~state~~ the name, license number, and signature of
27 the person conducting the inspection.
- 28 (4) submit a summary page(s) pursuant to G.S. 143-151.58(a1).

29 (c) Home inspectors may:

- 30 (1) report observations and conditions, including safety or habitability concerns, or render opinions of
31 items in addition to those required in Paragraph (b) of this Rule; or
- 32 (2) exclude systems and components from the inspection if requested by the client, and so stated in the
33 written contract.

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35 *History Note: Authority G.S. 143-151.49; 143-151.58;*
36 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
37 *1996;*

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Temporary Adoption Eff. October 24, 1996;
Eff. July 1, 1998;
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2007; April 1, 2005; May 1, 2003; July 1, 2000;
Readopted Eff. October 1, 2018.

1 11 NCAC 08 .1105 is proposed for amendment as follows:

2 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

3 **11 NCAC 08 .1105 GENERAL EXCLUSIONS**

4 (a) Home inspectors are not required to report on:

- 5 (1) Life expectancy of any component or system;
- 6 (2) The causes of the need for a repair;
- 7 (3) The methods, materials, and costs of corrections;
- 8 (4) The suitability of the property for any specialized use;
- 9 (5) Compliance or non-compliance with codes, ordinances, statutes, regulatory requirements, or
- 10 restrictions;
- 11 (6) The market value of the property or its marketability;
- 12 (7) The advisability or inadvisability of purchase of the property;
- 13 (8) Any component or system that was not inspected;
- 14 (9) The presence or absence of pests such as wood damaging organisms, rodents, or insects;
- 15 (10) Cosmetic damage, underground items, or items not installed; or
- 16 (11) The presence or absence of systems installed to control or remove suspected hazardous substances
- 17 listed in Subparagraph (b)(7) of this Rule.

18 (b) Home inspectors are not required to:

- 19 (1) Offer warranties or guarantees of any kind;
- 20 (2) Calculate the strength, adequacy, or efficiency of any system or component;
- 21 (3) Enter any area or perform any procedure that may damage the property or its components or be
- 22 dangerous to or adversely affect the health or safety of the home inspector or other persons;
- 23 (4) Operate any system or component that is shut down or otherwise inoperable;
- 24 (5) Operate any system or component that does not respond to normal operating controls;
- 25 (6) Move personal items, panels, furniture, equipment, plant life, soil, snow, ice, or debris that obstructs
- 26 access or visibility;
- 27 (7) Determine the presence or absence of any suspected adverse environmental condition or hazardous
- 28 substance, including mold, toxins, carcinogens, noise, contaminants in the building or in soil, water,
- 29 and air;
- 30 (8) Determine the effectiveness of any system installed to control or remove suspected hazardous
- 31 substances;
- 32 (9) Determine House Energy Ratings (HER), insulation R values, system or component efficiencies;
- 33 (10) Inspect heat recovery and similar whole house ventilation systems;
- 34 (11) Predict future condition, including failure of components;
- 35 (12) Project operating costs of components;
- 36 (13) Evaluate acoustical characteristics of any system or component;

1 (14) Inspect special equipment or accessories that are not listed as components to be inspected in this
2 Section; ~~or~~

3 (15) Disturb insulation, except as required in Rule .1114 of this ~~Section~~ Section;

4 (16) Inspect elevators or related equipment meant to transport occupants or materials between elevations;
5 or

6 (17) Inspect 240V receptacles or outlets.

7 (c) Home inspectors shall not:

8 (1) Offer or perform any act or service contrary to law; or

9 (2) Offer or perform engineering, architectural, plumbing, electrical or any other job function requiring
10 an occupational license in the jurisdiction where the inspection is taking place, unless the home
11 inspector holds a valid occupational license. In that case the home inspector shall inform the client
12 that the home inspector is so licensed, and therefore qualified to go beyond this Section and perform
13 additional inspections beyond those within the scope of the Standards of Practice.

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15 *History Note: Authority G.S. 143-151.49;*

16 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
17 *1996;*

18 *Temporary Adoption Eff. October 24, 1996;*

19 *Eff. July 1, 1998;*

20 *Amended Eff. February 1, 2007; April 1, 2005; May 1, 2003;*

21 *Readopted Eff. October 1, 2018.*

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1 11 NCAC 08 .1107 is proposed for amendment as follows:

2 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

3 **11 NCAC 08 .1107 EXTERIOR**

4 (a) The home inspector shall inspect:

- 5 (1) Wall cladding, flashings, and trim;
- 6 (2) Entryway doors and a representative number of windows;
- 7 (3) Garage door operators including automatic safety controls;
- 8 (4) Decks, balconies, stoops, steps, areaways, porches, and appurtenant railings;
- 9 (5) Eaves, soffits, and fascias;
- 10 (6) Driveways, patios, walkways, and retaining walls; and
- 11 (7) Vegetation, grading, and drainage with respect only to their effect on the condition of the building.

12 (b) The home inspector shall:

- 13 (1) Describe wall cladding materials;
- 14 (2) Operate all entryway doors;
- 15 (3) Operate garage doors manually or by using installed controls for any garage door operator; and
- 16 (4) Report ~~whether or not~~ any garage door operator that will not automatically reverse or stop when
- 17 meeting reasonable resistance during closing; ~~and~~
- 18 Report when any garage door that will not automatically reverse when photoelectric safety devices
- 19 are actuated;
- 20 Report any garage door operator that does not utilize a photoelectric safety device; and
- 21 ~~(5)~~(7) Probe exterior wood components where deterioration is suspected.

22 (c) The home inspector is not required to inspect:

- 23 (1) Storm windows, storm doors, screening, shutters, and awnings;
- 24 (2) Fences;
- 25 (3) For the presence of safety glazing in doors and windows;
- 26 (4) Garage door operator remote control transmitters;
- 27 (5) Geological conditions;
- 28 (6) Soil conditions;
- 29 (7) Recreational facilities (including spas, saunas, steam baths, swimming pools, tennis courts,
- 30 playground equipment, and other exercise, entertainment, or athletic facilities), except as otherwise
- 31 required in 11 NCAC 08 .1109(d)(5)(F);
- 32 (8) Detached buildings or structures; or
- 33 (9) For the presence or condition of buried fuel storage tanks.

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35 *History Note: Authority G.S. 143-151.49;*

36 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
37 *1996;*

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Readopted Eff. October 1, 2018.

1 11 NCAC 08 .1109 is proposed for amendment as follows:

2 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

3 **11 NCAC 08 .1109 PLUMBING**

4 (a) The home inspector shall inspect:

- 5 (1) Interior water supply and distribution system, including: piping materials, supports, and insulation;
- 6 fixtures and faucets; functional flow; leaks; and cross connections;
- 7 (2) Interior drain, waste, and vent system, including: traps; drain, waste, and vent piping; piping
- 8 supports and pipe insulation; leaks; and functional drainage;
- 9 (3) Hot water systems including: water heating equipment; normal operating controls; automatic safety
- 10 controls; and chimneys, flues, and vents;
- 11 (4) Fuel storage and distribution systems including: interior fuel storage equipment, supply piping,
- 12 venting, and supports; leaks; and
- 13 (5) Sump pumps.

14 (b) The home inspector shall describe:

- 15 (1) Water supply and distribution piping materials;
- 16 (2) Drain, waste, and vent piping materials;
- 17 (3) Water heating equipment, including fuel or power source, storage capacity or tankless point of use
- 18 demand systems, and location; and
- 19 (4) The location of any main water supply shutoff device.

20 (c) The home inspector shall operate all plumbing fixtures, including their faucets and all exterior faucets attached to

21 the house, except where the flow end of the faucet is connected to an appliance.

22 (d) The home inspector is not required to:

- 23 (1) State the requirement for or effectiveness of anti-siphon devices;
- 24 (2) Determine whether water supply and waste disposal systems are public or private or the presence or
- 25 absence of backflow devices;
- 26 (3) Operate automatic safety controls;
- 27 (4) Operate any valve except water closet flush valves, fixture faucets, and hose faucets;
- 28 (5) Inspect:
 - 29 (A) Water conditioning systems;
 - 30 (B) Fire and lawn sprinkler systems;
 - 31 (C) On-site water supply quantity and quality;
 - 32 (D) On-site waste disposal systems including electrical controls, alarms, sewage pumps, and
 - 33 gray water systems;
 - 34 (E) Foundation irrigation systems;
 - 35 (F) Bathroom spas, whirlpools, or air jet tubs except as to functional flow and functional
 - 36 drainage;
 - 37 (G) Swimming pools;

- 1 (H) Solar water heating equipment; ~~or~~
- 2 (I) Fixture overflow devices or shower pan liners; or
- 3 (6) Inspect the system for proper sizing, design, or use of approved materials;
- 4 (7) Report on the absence or presence of thermal expansion tanks; ~~or~~
- 5 (8) Report on the adequacy of the reported water heater ~~capacity~~; capacity; or
- 6 (9) Operate sewage pumps.

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History Note: Authority G.S. 143-151.49;
Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,
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Readopted Eff. October 1, 2018.

1 11 NCAC 08 .1110 is proposed for amendment as follows:

2 **SECTION .110 – N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

3 **11 NCAC 08 .1110 ELECTRICAL**

4 (a) The home inspector shall inspect:

- 5 (1) Electrical service entrance conductors;
- 6 (2) Electrical service equipment, grounding equipment, main overcurrent device, and interiors of
7 panelboard enclosures unless unsafe conditions are reported;
- 8 (3) Amperage and voltage ratings of the electrical service;
- 9 (4) Branch circuit conductors, their overcurrent devices, and the compatibility of their ampacities at the
10 interiors of panelboard enclosures unless unsafe conditions are reported;
- 11 (5) The operation of a representative number of installed ceiling fans, lighting fixtures, switches, and
12 receptacles located inside the house, garage, and on the dwelling's exterior walls;
- 13 (6) ~~The polarity and grounding of all~~ All readily accessible 120V receptacles within six feet of interior
14 plumbing fixtures, not separated from a fixture by an operable door, and all receptacles in the garage
15 or carport, and on the exterior of inspected structures; structures; and
- 16 (7) The operation of ground fault circuit ~~interrupters; and~~ interrupters within six feet of the floor/ground.
- 17 (8) ~~Smoke detectors and installed carbon monoxide alarms.~~

18 (b) The home inspector shall describe:

- 19 (1) Electrical service amperage and voltage;
- 20 (2) Electrical service entry conductor ~~materials; materials at the readily openable access panels at the~~
21 main;
- 22 (3) The electrical service type as being overhead or underground; and
- 23 (4) The location of main and distribution panels.

24 (c) The home inspector shall report in writing the presence of any readily accessible single strand aluminum branch
25 circuit wiring.

26 (d) The home inspector shall report in writing ~~on~~ the presence or absence of readily accessible: smoke detectors, and
27 installed carbon monoxide alarms in any homes with fireplaces, fuel fired appliances or attached garages, and operate
28 their test function, if readily accessible, except when detectors are part of a central alarm system.

29 (1) Installed smoke alarms, and operate their test function, except when smoke alarms are part of a
30 central system;

31 (2) Installed carbon monoxide alarms in any homes with fireplaces, fuel fired appliances, or attached
32 garages, and operate their test function, except when carbon monoxide alarms are part of a central alarm system; and

33 (3) Ground fault protection of receptables within six feet of interior plumbing fixtures not separated
34 from a fixture by an operable door, and all receptacles in the garage or carport, on the exterior of inspected structures.

35 (e) The home inspector is not required to:

- 36 (1) Insert any tool, probe, or testing device inside the panels;

- 1 (2) Test or operate any arc-fault circuit interrupters or other overcurrent devices; ~~except ground fault~~
2 ~~circuit interrupters~~;
- 3 (3) Dismantle any electrical device or control other than to remove the covers of panelboard enclosures;
4 or
- 5 (4) Inspect:
- 6 (A) Low voltage systems;
- 7 (B) Security systems and heat detectors;
- 8 (C) Telephone, security, cable TV, intercoms, or other ancillary wiring that is not a part of the
9 primary electrical distribution system;
- 10 (D) Built-in vacuum equipment;
- 11 (E) Back up electrical generating equipment;
- 12 (F) Other alternative electrical generating or renewable energy systems such as solar, wind, or
13 hydro power;
- 14 (G) Battery or electrical automotive charging systems; ~~or~~
- 15 (H) Electrical systems to swimming pools or spas, including bonding and
16 ~~grounding-grounding~~; or
- 17 (I) Elevators or related equipment used for the purpose of transporting occupants or materials
18 between elevations.
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21 *History Note: Authority G.S. 143-151.49; 143-151.58;*
22 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
23 *1996;*
24 *Temporary Adoption Eff. October 24, 1996;*
25 *Eff. July 1, 1998;*
26 *Amended Eff. September 1, 2013; February 1, 2007; April 1, 2005;*
27 *Readopted Eff. October 1, 2018.*

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1 11 NCAC 08 .1111 is proposed for amendment as follows:

2 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

3 **11 NCAC 08 .1111 HEATING**

4 (a) The home inspector shall inspect permanently installed heating systems including:

- 5 (1) Heating equipment;
- 6 (2) Normal operating controls;
- 7 (3) Automatic safety controls;
- 8 (4) Chimneys, flues, and vents, where readily visible;
- 9 (5) Solid fuel heating devices; and
- 10 (6) Heat distribution systems including fans, pumps, ducts and piping, with supports, insulation, air
11 filters, registers, radiators, fan coil units, ~~convectors;~~ and convectors.
- 12 ~~(7) The presence or absence of an installed heat source for each habitable space.~~

13 (b) The home inspector shall describe the:

- 14 (1) Energy source; and
- 15 (2) Heating equipment and distribution type.

16 (c) The home inspector shall operate the systems using normal operating controls appropriate to weather conditions
17 at the time of the inspection.

18 (d) The home inspector shall open readily openable access panels provided by the manufacturer or installer for routine
19 homeowner maintenance. The home inspector shall report the method of inspection used to inspect the heating system
20 and whether or not access panels were removed.

21 (e) The home inspector is not required to:

- 22 (1) Operate heating systems when weather conditions or other circumstances may cause equipment
23 damage or when inappropriate to weather conditions at the time of inspection;
- 24 (2) Operate automatic safety controls;
- 25 (3) Ignite or extinguish solid fuel fires;
- 26 (4) Ignite a pilot light; or
- 27 (5) Inspect:
 - 28 (A) The interior of flues;
 - 29 (B) Fireplace insert flue connections;
 - 30 (C) Heat exchangers;
 - 31 (D) Humidifiers;
 - 32 (E) Electronic air filters;
 - 33 (F) The uniformity or adequacy of heat supply to the various rooms; or
 - 34 (G) Solar space heating equipment.

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36 *History Note: Authority G.S. 143-151.49;*

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Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15, 1996;
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1 11 NCAC 08 .1116 is proposed for amendment as follows:

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3 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**

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5 **11 NCAC 08 .1116 CODE OF ETHICS**

6 (a) Licensees shall discharge their duties with fidelity to the public and to their clients, with fairness and impartiality
7 to all.

8 (b) Opinions expressed by licensees shall be based only on their education, experience, and honest convictions.

9 (c) A licensee shall not disclose any information about the results of an inspection without the approval of the client
10 for whom the inspection was performed, or the client's representative unless the licensee finds that public health,
11 safety, or welfare imperatively requires immediate or emergency action.

12 (d) No licensee shall accept compensation or any other consideration from more than one interested party for the
13 same service without the written consent of all interested parties.

14 (e) No licensee or licensee's company shall compensate, either financially or through other services or benefits, realty
15 agents or other parties with a financial interest in closing or settlement of real estate transactions for the following:

16 (1) Referral of inspections; or

17 (2) Inclusion on a list of recommended inspectors or preferred providers.

18 This Rule also prohibits co-marketing or sharing of expenses between the licensee or licensee's company and realty
19 agents or other parties with a financial interest in closing or settlement of real estate transactions that obligates the
20 realty agents or other parties with a financial interest in closing or settlement of real estate transactions to include the
21 licensee or the licensee's company on preferred lists of providers. However, nothing set forth in this Rule shall
22 prohibit a licensee or licensee's company from engaging in customary marketing activities of low monetary value,
23 such as providing food or beverages or other items, where the costs for such marketing activities are nominal, so
24 long as the marketing activities are not intended to be a form of compensation in exchange for recommendations for
25 referrals or placement on preferred lists of providers.

26 (f) No licensee shall express, within the context of an inspection, an appraisal or opinion of the market value of the
27 inspected property.

28 (g) Before the execution of a contract to perform a home inspection, a licensee shall disclose to the client any interest
29 he or she has in a business that may create a conflict of interest for the home inspector or the client. No licensee shall
30 allow his or her interest in any business to affect the quality or results of the inspection work that the licensee may be
31 called upon to perform. The client must approve in writing the licensee's dissemination of personal information
32 (including names, addresses, email addresses or phone numbers) unrelated to the results of the home inspection to any
33 third parties, other than the Board.

34 (h) A licensee shall not solicit for repairs of systems or components found defective in the course of a home inspection
35 performed by the licensee or that licensee's company.

36 (i) Licensees shall not engage in false or misleading advertising or otherwise misrepresent any matters to the public.

1 (j) Licensees shall not inspect properties under contingent arrangements whereby any compensation or future referrals
2 are dependent on reported findings or on the sale of a property.

3 (k) A licensee shall not impugn the professional reputation or practice of another home inspector, nor criticize another
4 inspector's reports.

5 (l) Unless written permission is obtained from the appropriate party or parties, the licensee shall not sell, share or
6 provide data or personal information (such as names, addresses, email addresses, telephone numbers) about the home
7 inspection or the client to third parties, other than the Board, and shall “opt out” of software programs that seek
8 permission from the licensee to use such data or personal information obtained from home inspection.

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10 *History Note: Authority G.S. 143-151.49;*
11 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
12 *1996;*
13 *Temporary Adoption Eff. October 24, 1996;*
14 *Eff. July 1, 1998;*
15 *Amended Eff. May 1, 2013; October 1, 2010; July 1, 2000;*
16 *Readopted Eff. October 1, 2018.*

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