

Final Minutes of the North Carolina Home Inspector Licensure Board

July 14, 2023

The regular meeting of the North Carolina Home Inspector Licensure Board (“Board”) was held at 9:00 AM on Friday, July 14, 2023, by video teleconference via WebEx.

The following members of the Board were present remotely.

Connie Corey	Arthur Hall	Derrick Johnson	William “Bill” Morris
David Dye	Rob Roegner	Joseph Ramsey	David Price

Gina Cleary from the North Carolina Department of Justice, Attorney General’s Office was present remotely as counsel for the Board.

The following staff members from the North Carolina Department of Insurance, Engineering Division were present remotely:

Mike Hejduk	Beth Williams	Jennifer Hollyfield	Rodney Daughtry
Sam Whittington	Rich Hall	Sarah Barcnas	Jeff Johnson

Christopher McLamb

The following members of the public were present as visitors remotely:

Bonnie Gregory	Pam Melton
Jaxson Hanes	Preston Sandlin

Introduction

Chair Connie Corey called the meeting to order at 9:00 AM and provided opening remarks.

David Dye read the Ethics Awareness and Conflict of Interest reminder.

Approval of Minutes

April 14, 2023, Regular Meeting Minutes

Dye made a motion to approve the April 14, 2023, regular meeting minutes. William “Bill” Morris seconded the motion. The motion carried unanimously.

Staff Report

Mike Hejduk shared activity statistics for FY 2022-2023 fourth quarter and the total FY year 2022-2023 as reflected in the table below. Hejduk stated that licensees and applications are following the industry trend.

HILB	Total FY 2020-2021	Total FY 2021-2022	1st QTR Jul - Sep	2nd QTR Oct - Dec	3rd QTR Jan - Mar	4th QTR Apr - Jun	Total FY 2022-2023
Licensees	1,949	2,104	1,822	1,953	2,055	2,072	2,072
Applications	613	558	114	72	103	89	378
Pre-Licensing		472	88	54	94	50	286
Military/Spouses		40	25	22	34	16	97
Criminal History		19	9	7	6	10	35
Exam eligibilities	665	526	58	98	119	110	385
Exams taken		526	91	112	117	110	430
Exams passed		396	38	72	80	76	266
Licenses issued	416	419	20	86	85	68	294
Complaints	64	44	8	18	15	13	54
Disciplinary actions		12	4	1	4	6	15

Sarah Barcenas reported that as of June 1, 2023, 816 licensees have not provided the Board with proof of general liability insurance. The licensees were reminded of this requirement by email and a telephone call over the time span of a month. They were requested to either provide the information to the Board or upload the appropriate Acord forms to their profile on HILB's website. As of July 13, 2023, the list of noncompliant home inspectors was reduced from 816 to 160.

Hejduk asked the Board what actions they would like staff to take with the noncompliant 160 licensees that have not yet provided proof of general liability insurance, despite the efforts made by staff.

A discussion was had as to what can be done legally to bring the licensees into compliance, and what can potentially be done if they refuse.

Joe Ramsey made a motion instructing the staff to send the remaining noncompliant licensees another letter requesting that they provide proof of general liability insurance. Ramsey indicated that these letters should be sent via US certified mail return, receipt, requested. If the licensees do not comply by a staff selected date, the letter will inform the licensees that they may be subject to discipline by the Board. Arthur Hall seconded the motion. The motion carried unanimously.

Sam Whittington informed the Board of staffing updates. Tommy Green has returned to his inspections position with another section in the department, and Chris McLamb has submitted his 2-week notice. This leaves Whittington as the sole investigator moving forward. Staff seeks to fill the open positions as soon as possible.

Hejduk suggested that a temporary worker may be available to help with investigations in the interim. Hejduk indicated that the temporary worker he has in mind for the job is an experienced home inspector.

Committee Reports

Application Evaluation Committee

Joe Ramsey reported the Application Evaluation Committee met on June 28, 2023, and reviewed 16 applications. The Committee recommended the following 16 applicants listed below:

Recommended for Approval

1. Ronald Radford
2. Bryan Clayton
3. Christopher Mondragon
4. Zachary Csarnogusky
5. George Millar
6. Edward Neyland
7. Ashely Thomas
8. Rubens Hacman
9. Demond Mcfadden
10. Shawn Turner
11. Aaron Nicholson
12. Robert Janezic
13. Dante Smith
14. Jeremiah Black
15. Bobby Cash

Recommended for Approval to sit for the Exam if Applicant Satisfies Requirements of Pre-Licensing

16. Thomas Jordan

Ramsey made a motion based on the recommendations of the Application Evaluation Committee for the Board to permit the following applicants to sit for the license exam:

1. Ronald Radford
2. Bryan Clayton
3. Christopher Mondragon
4. Zachary Csarnogusky
5. George Millar
6. Edward Neyland
7. Ashely Thomas
8. Rubens Hacman
9. Demond Mcfadden
10. Shawn Turner
11. Aaron Nicholson
12. Robert Janezic
13. Dante Smith
14. Jeremiah Black
15. Bobby Cash

and moved that 16. Thomas Jordan is to be approved to sit for the license exam if Jordan satisfies and completes all of the terms, conditions, and requirements relating to the eligibility requirements, the application process and the pre-licensing courses. Morris seconded the motion. The motion carried unanimously.

Hejduk thanked Ramsey for his service to the Board and for his active participation on the Application Evaluation Committee. It was noted that Ramsey has worked tirelessly to serve the community with keeping in mind the goal and mission of protecting the public. Various members of the Board thanked Ramsey. Ramsey also expressed thanks to the staff of DOI and his fellow Board members.

Examination Committee

Although the Examination Committee did not meet, Rich Hall reported the following:

- HILB paper exams will continue to be administered at NCSU McKimmon Center pursuant to the contract. The 2023-2024 contract is underway.
- Exam reviews will now be conducted at the new offices at the Rock Quarry Road location.

The test item reviewer is in the process of reviewing the questions applicants missed most from the exams Nos. 805, 806, and 807. These high-missed questions will also be reviewed by the subject matter experts.

- An RFP has been submitted for authorization with the goal to be approved that will allow the exams to be proctored remotely.

Hejduk asked the Board for input as to whether the Board would be comfortable with allowing staff to proctoring exams remotely for applicants who demonstrate and communicate hardship due to travel costs in the case of repeat examinations after failing the first time. Derrick Johnson advised that further discussion should be had by staff to establish parameters or policies as to how a person would be eligible for a hardship. Hejduk stated that this would be a pilot program, because at this point, there is no Board rule covering hardship claims based on the expense for travelling to take the exam again after failure the first time. The task of developing a starting point for drafting a policy or written criteria was assigned to staff. There was some discussion of how other states administer exams. Staff can update the Board of their recommendations on a policy at either the October 13, 2023, Board meeting, or at a future meeting set in 2024.

Finance Committee

Derrick Johnson shared the tables below, reporting that revenues continue to exceed expenses. Johnson stated that the Revenue is \$566,156.00, Expenses are \$247,375.00, with a contribution of \$318,780.00, for a balance of 2.2 million.

Type	Unit	Count	Total
Application	\$35	294	\$10,290
Exam	\$80	437	\$34,960
License issue	\$160	295	\$47,200
Renewal	\$160	1,966	\$314,560
Late	\$30	230	\$6,900
Licensing Sub-Total			\$413,910
Course Approval	\$150	45	\$6,750
Course Renewal	\$75	189	\$14,175
Per Student Fee	\$5	27,048	\$135,240
Education Sub-Total			\$156,165
Grand Total			\$570,075

Month	Expenditures	Revenues	Fund Balance
Jul	\$ 20,748.54	\$ 33,565.00	\$ 1,958,354.55
Aug	\$ 41,298.49	\$ 122,180.00	\$ 2,026,419.60
Sep	\$ 61,461.45	\$ 351,690.00	\$ 2,235,766.64
Oct	\$ 78,553.94	\$ 434,050.00	\$ 2,301,034.15
Nov	\$ 92,747.63	\$ 457,475.00	\$ 2,310,265.46
Dec	\$ 113,495.64	\$ 468,110.00	\$ 2,300,152.45
Jan	\$ 138,253.52	\$ 488,365.00	\$ 2,295,649.57
Feb	\$ 159,791.22	\$ 500,780.00	\$ 2,286,526.87
Mar	\$ 180,120.15	\$ 520,870.00	\$ 2,286,287.94
Apr	\$ 199,888.22	\$ 531,185.00	\$ 2,276,834.87
May	\$ 221,196.83	\$ 533,205.00	\$ 2,277,045.81
Jun	\$ 247,374.59	\$ 566,155.00	\$ 2,264,318.50

Legislative Committee

Chairwoman Corey of the Legislative Committee discussed the following anticipated changes to the statutes that impact the NCHILB. Chair Corey highlighted that the most significant proposed change was for an increase to the current fee for taking of the Home Inspector licensure exam. A brief update was provided on the potential changes to G.S. 143-151.57. Amendments proposed seeking an increase of permissible fees for taking the home inspector exam (currently set in the statute at \$80.00) to \$200.00. The purpose of this increase is to allow additional funds to cover the increased cost of contracting out the test administration. The bills (S463, H850) as reflected online vary in amounts of the potential fee increase. One shows a proposed fee increase to \$135.00. There was discussion that S463 and H850 have yet to be ratified.

Discussion was also had on the proposed changes to G.S. 143-151.49, which if adopted, would allow for new Board powers and responsibilities for relating to pre-licensing program sponsors and instructors.

Education Committee

Bill Morris reported that the Education Committee met on July 28, 2023. Morris stated that course development discussions are continuing. The following timeline and information were shared:

- The Board-developed update course for FY 2023-2024 will be:
“Home Inspection Business Practices and New Construction Inspections”
Course Award and Development
- An initial meeting was held on 1/4/23.
- An interim meeting was held on 4/3/23; and
- The final meeting was held on 6/28/23.

Morris made a motion to accept the course curriculum Bonnie Gregory brought forward. Dye seconded the motion. The motion carried unanimously.

Rodney Daughtry shared the recommendation that Jeremy Polich’s application be denied as a pre-licensing field trainer. This recommendation was after Sam Whittington’s review and based on the additional factor that Polich has only been licensed in North Carolina as a home inspector for less than a year.

Dye made a motion to deny Jeremy Polich as a pre-licensing field trainer. Johnson seconded the motion. The motion carried unanimously. Dye suggested that a formal policy be put in place for being eligible to become a field trainer. Chairwoman Corey thought that Dye should further discuss this topic and add it as an agenda item at the Strategic Planning Retreat.

Investigation Review Committee

Arthur Hall reported the Investigative Review Committee met on July 10, 2023. Hall brought the following Committee recommendations to the Board for vote. Hall stated #942 Bannon is scheduled for a hearing on October 23, 2023. Gina Cleary informed the Board that that Home Inspector Bannon is represented by counsel. Hall requested a date certain for the hearing for #953 Goforth. Chairwoman Corey stated that #953 Goforth can be scheduled on the same date as the Bannon hearing on October 23, 2023.

Hearings

942 Bannon #4895 (Worthem)

953 Goforth #296 (Shareef)

Consent Agreement

946 Ingram #4281 (Knight)

948 Costello #5463 (Rojas)

949 Hansen #3785 (Kaleopa’a)

952 Lowery #3401 (Kash)

956 Presnell #4319 (Ackerman)
977 Bogosian #3717 (Payne)
980/981 White #4900 (Noble/StClair)

Morris made a motion to approve consent agreements for the following complaints against home inspectors: #946 Ingram, #948 Costello, #949 Hansen, #952 Lowery, #956 Presnell, #977 Bogosian, and #980/#981 White. Dye asked for clarification if there were 2 different complaints made against White. Staff indicated that there were 2 complaints. Dye agreed with the Committee's recommendation, and if the Committee was fine with the consent agreements, so was he. Price seconded the motion. The motion carried unanimously.

Dismiss with *Letter of Caution*

963 Pender #2662 (Alligood)
964 Stout #4080 (Nicholson)
970 Helton #4064 (Baker)
978 Spicuzza #4559 (Grudzinski)
989 Benson #4201 (Alligood)

Hall made a motion to dismiss with a letter of caution the complaints made against the following home inspectors: #963 Pender, #964 Stout, #970 Helton, #978 Spicuzza, and #989 Benson. Johnson seconded the motion. The motion carried unanimously.

Dismiss

955 Freeberg #3500 (Nauman)
974 Schonemann #4999 (Staton)
976 Hohenberger #4372 (Nicholas)
983 Thorne/Kendall #3495/#4193 (Smith)

Hall made a motion to dismiss the complaints made against the following home inspectors: #955 Freeberg, #974 Schonemann, #976 Hohenberger, and #983 Thorne/Kendall. Chairwoman Corey asked if #983 involve two different home inspectors. Whittington confirmed that the complaint was against both the owner of the company (who is an inspector), and another home inspector who conducted the inspection for Smith, the complainant. Dye seconded the motion. The motion carried unanimously.

Standards of Practice Committee

Dye reported the Standards of Practice Committee met on July 13, 2023. Dye reviewed the proposed amendments to the below Rules in the Standards of Practice and the Code of Ethics. Dye thanked Hejduk for holding open mic sessions, as the feedback from these sessions proved useful in the proposed amendments.

- 11 NCAC 08 .1101 DEFINITIONS
- 11 NCAC 08 .1103 PURPOSE AND SCOPE
- 11 NCAC 08 .1105 GENERAL EXCLUSIONS
- 11 NCAC 08 .1107 EXTERIOR

- 11 NCAC 08 .1109 PLUMBING
- 11 NCAC 08 .1110 ELECTRICAL
- 11 NCAC 08 .1111 HEATING
- 11 NCAC 08 .1116 CODE OF ETHICS

Dye made a motion to approve the proposed amendments to the above sections of the Rules contained in the Standards of Practice/Code of Ethics and to request that these be submitted for next steps in the rules review process . Hall seconded the motion. The motion carried unanimously. Chairwoman Corey thanked the team for all their work.

Public Comment

No public comments were made.

Unfinished Business

Hejduk stated that OSFM's offices are now open at at 1429 Rock Quarry Road, Raleigh. Hejduk also mentioned that the Strategic Planning Retreat will be scheduled for some time in 2024. Chairwoman Corey asked that any concerns or suggestions about the Retreat be emailed to her, Hejduk, and Dye. Hall inquired about the Board's new Committee assignments. Chairwoman Corey stated that Committee assignments will be the responsibility of the new Chairman, David Dye.

Hall made a motion to slate the officers as follows: David Dye as Chairman, William "Bill" Morris as Vice-Chairman, David Price as Treasurer, and Rob Roegner as Secretary. Price seconded the motion. The motion carried unanimously.

Chairwoman Corey thanked the Board as she enjoyed serving as Chairwoman. Chairwoman Corey was thanked by various Board members for all she has done for the Board during her term as as Chairwoman.

New Business

There was no discussion of any new business.

Adjournment

Morris made a motion to adjourn. Ramsey seconded the motion. The motion carried unanimously.

Sincerely,



Secretary,
N.C. Home Inspector Licensure Board