



continuing education requirements. Sixth, the bill authorizes the board to adopt reasonable rules to carry out and enforce the continuing education program. Finally, the bill provides the board with the option to grant extensions to those who fail to meet the continuing education requirements.

**ASSUMPTIONS AND METHODOLOGY:** The bill has two potential areas for fiscal impact: creating a lapsed category, and authorizing continuing education and a series of associated fees.

The Department of Insurance reports that there are currently 96 home inspectors and 29 associate home inspectors who have not yet paid their renewal fee. (This does not include the inspectors and associates who have become “inactive”). The renewal fee for home inspectors is \$150. The renewal fee for associate home inspectors is \$100. Payment is due by October 1 of each year. Under the bill, in future years, the licenses of these inspectors and associate inspectors would be considered “lapsed”. If “lapsed” status encourages these inspectors and associates to renew their license, the Department could see a \$17,300 increase in renewal fees. However, it is unclear if the “lapsed” standing would actually cause these inspectors and associates to renew their license. It is also unclear how many of these inspectors will eventually pay their delinquent fee, with or without the law. As such, no fiscal estimate on this portion of the bill is possible.

The second potential area for fiscal impact is related to the continuing education requirements. At this time, neither the Home Inspection Licensure Board nor the Department of Insurance (which staffs the Board) have made any determinations or recommendations as to the number of courses to be offered, or the number of courses to approve. No estimate on this portion of the bill is possible. Neither body has determined or recommended what fee should be charged, per student, for each credit hour completed. The Department of Insurance reports that there are 1079 home inspectors and 110 associate home inspectors with active licenses. Assuming each active inspector and associate completes 12 credit hours of training, and the Board charges the maximum fee of \$5, the Board might see a revenue increase of \$71,300 (1189 inspectors and associates X \$60 each in fees). The Department reports that the current number of inspectors and associates is about average. No significant revenue growth is expected. All revenue from continuing education program is non-reverting.

Given the above information it appears that the Home Inspectors Licensing Board will see some increase in revenue. It is unclear how much the exact fiscal impact may be, primarily because the Board has yet to determine the number of courses offered and approved.

**FISCAL RESEARCH DIVISION 733-4910**

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