

LEGISLATURE OF NEBRASKA

NINETY-NINTH LEGISLATURE

SECOND SESSION

**LEGISLATIVE BILL 991**

Introduced by Langemeier, 23; Combs, 32; Erdman, 47; Flood, 19;  
Friend, 10; Janssen, 15

Read first time January 9, 2006

Committee: Judiciary

A BILL

- 1 FOR AN ACT relating to home inspectors; to define terms; and to
- 2 provide for registration and financial sureties.
- 3 Be it enacted by the people of the State of Nebraska,

1           Section 1. For purposes of sections 1 to 4 of this act:

2           (1) Home inspection means the process by which a  
3 home inspector examines the observable systems and components  
4 of improvements to residential real property that are readily  
5 accessible to him or her;

6           (2) Home inspector means a person who, for compensation,  
7 conducts a home inspection; and

8           (3) Residential real property means a structure used or  
9 intended to be used as a residence and consisting of one to four  
10 family dwelling units.

11           Sec. 2. Before conducting home inspections in this state,  
12 a home inspector shall register with the Secretary of State.  
13 Such registration shall be signed by the home inspector or, if  
14 the home inspector is a firm, partnership, corporation, company,  
15 association, limited liability company, or other entity, by an  
16 officer of the home inspector and shall include:

17           (1) The name of the home inspector and, if different, the  
18 name under which he, she, or it proposes to register and transact  
19 business in this state;

20           (2) The address of the office of the home inspector;

21           (3) The name and address of any agent for service of  
22 process on the home inspector, appointed by the home inspector; and

23           (4) A statement that the Secretary of State is appointed  
24 the agent of the home inspector for service of process if no agent  
25 has been appointed, if an agent has been appointed but the agent's

1 authority has been revoked, or if an agent has been appointed  
2 but cannot be found or served with the exercise of reasonable  
3 diligence.

4           Sec. 3. At the time of registering under section 2 of  
5 this act, a home inspector shall pay a registration fee set by the  
6 Secretary of State, in an amount sufficient to defray the expense  
7 of registration but not to exceed XX dollars, and shall provide a  
8 certificate of insurance for general liability insurance and surety  
9 bond as provided in section 4 of this act.

10           Sec. 4. (1) All home inspectors shall carry a general  
11 liability insurance policy and a surety bond as provided in this  
12 section.

13           (2) Such general liability insurance policy shall  
14 provide that cancellation or nonrenewal of the policy shall  
15 not be effective unless and until at least ten days' notice of  
16 cancellation or nonrenewal has been received in writing by the  
17 Secretary of State.

18           (3) Insurance coverage limits required by this section  
19 shall be not less than two hundred fifty thousand dollars for  
20 general liability.

21           (4) The surety bond required by this section shall be in  
22 the sum of fifty thousand dollars, with an incorporated surety.