HOUSE BILL NO. 563

AN ACT TO PROVIDE THAT THE COMMISSIONER OF INSURANCE SHALL
ESTABLISH A VOLUNTARY INSPECTION PROGRAM TO CERTIFY THAT A HOME OR
BUILDING HAS BEEN CONSTRUCTED ACCORDING TO CERTAIN MINIMUM
SPECIFICATIONS; TO PROVIDE A PROCEDURE FOR PERSONS TO APPLY FOR
HOME INSPECTIONS; TO PROVIDE FOR INSPECTION CERTIFICATES; TO
REQUIRE THE COMMISSIONER OF INSURANCE TO ESTABLISH STANDARDS AND
RULES FOR THE INSPECTION PROGRAM; TO PROVIDE THAT PERSONS SHALL
MEET CERTAIN QUALIFICATIONS BEFORE CERTIFICATION AS INSPECTORS; TO
ALLOW INSURANCE COMPANIES TO OFFER PREMIUM DISCOUNTS ON PROPERTIES
WITH THESE CERTIFICATES; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. This act shall be known as the "Voluntary Code
Compliance Act."

SECTION 2. As used in this act:
(a) "Inspector" means a person certified by the
Commissioner of Insurance to be an inspector under this act.
(b) "Commissioner" means the Commissioner of Insurance.

SECTION 3. Insurance companies may offer insurance premium
discounts on properties which have acquired a certificate of code
compliance from the Commissioner of Insurance in accordance with
the specifications in Section 5 of this act.

SECTION 4. (1) A person who desires a certification that a
building or home has been built according to code shall apply to
the Insurance Commissioner for certification inspection.
Application for the inspection shall be made in writing and in the
form required by the commissioner.
(2) On receiving an application for an inspection, the
Insurance Commissioner shall provide a list of inspectors
qualified to conduct an inspection for the purposes of this act,
to inspect the property to be covered by the applicant's
homeowners policy.
(3) The inspector who is chosen by the owner of the property shall inspect the property and shall file a written report with the commissioner stating the inspector's findings and whether or not the property qualifies for a code certification.

SECTION 5. (1) If the inspector's report states that the applicant's property qualifies for a code certification, the commissioner shall issue to the applicant a certificate entitling him or her to a premium reduction on the homeowners insurance.

(2) The certificate must be signed by the person to whom the certificate is issued, and the inspector.

(3) A certificate is valid for a term of five (5) years and may be renewed for an additional three-year period at the request of the insured.

SECTION 6. A person's property qualifies for a code certification certificate if the property meets the following minimum specifications:

(a) The construction of the house meets the requirements and standards established by the Southern Building Code Congress International, Inc.;

(b) All electrical and general contractors used in the construction of the house are licensed and insured; and

(c) The construction of the house meets any other standards set by the Commissioner of Insurance.

SECTION 7. The commissioner shall establish standards for the inspection program under this act, shall adopt rules to carry out the inspection program and shall certify inspectors who do the inspections, except such certificate shall be limited to the specification set forth in Section 5 of this act for which the inspector has received instruction under Section 8 of this act.

SECTION 8. (1) Before a person may act as an inspector, that person must apply for and receive certification from the commissioner and must meet the qualifications stated in Section 8 of this act.
(2) The commissioner shall adopt rules and procedures for certification and for registering to maintain certification as an inspector.

(3) After notice and opportunity for a hearing, the commissioner may revoke an inspector’s certification if it finds that the inspector has failed or refused to carry out his or her duties in the manner provided by this act and rules adopted by the commissioner.

SECTION 9. (1) The commissioner, upon application, shall issue an inspector certificate to an individual who:

(a) Is a building code inspector;

(b) Is of high moral integrity; and

(c) Has completed an approved homeowners inspection training course.

(2) The training required under this section must be approved by the commissioner.

(3) After the applicant has completed the prescribed training, an application for a homeowners code certification inspection certificate must be submitted to the commissioner.

(4) The commissioner shall make a monthly report listing any individual who is the holder of a valid homeowners insurance inspector certificate.

(5) The commissioner shall purge from the report each month the name of any person who:

(a) Loses the certificate by revocation, suspension, cancellation or any other means; or

(b) Holds a homeowners insurance inspector certificate and is reported terminated as an inspector.

(6) The standards for conducting a homeowners insurance inspection are as follows:

(a) The inspector shall not conduct an inspection without being qualified for the report maintained by the Commissioner of Insurance because of either:
(i) Termination as a homeowners inspector;
(ii) Failure to complete any required training; or
(iii) Loss of certificate by revocation, suspension, cancellation or any other means.
(b) The inspector may charge or collect a fee for the inspection or report.
(c) The inspector shall not charge or collect any fee for remedial work necessary to pass the inspection and shall not make any specific referrals either directly or indirectly. The inspector may make a general reference to the telephone book or other lists of businesses.
(d) All inspections shall be conducted by an inspector who provides to the homeowner or occupant, before entering the home, an identification card which contains both a photograph and the official title of the inspector.
(e) No inspection shall be made except upon request by and with the approval of the owner or occupant.
(f) Inspections shall comply with the minimum requirements as provided in Section 5 of this act.
(g) The inspector shall verbally inform the homeowner of the results and provide, upon request, a copy of the report within ten (10) working days.
(h) The inspector shall complete and sign the inspection form required by the commissioner and forward it to the commissioner within ten (10) working days.
(7) The commissioner may revoke or suspend any certificate issued under this section for failure to comply with the standards for conducting an inspection found in subsection (8) of this section.
(8) The term "high moral integrity" shall mean the person:
(a) Is not currently on criminal probation;
(b) Has never been convicted of a felony;
(c) Has not been convicted of a DUI within the past twenty-four (24) months or a misdemeanor within the last six (6) months, excluding minor traffic violations;

(d) Has not been discharged from any military service under less than honorable conditions; and

(e) Has never had a license revoked by the commissioner, or has not had a professional building-related license revoked in another state.

(9) Offenses under the federal criminal laws or those of other states shall be construed as their closest equivalent under current Mississippi law.

SECTION 10. This act shall take effect and be in force from and after July 1, 2001.