Department of Labor & Licensing Wednesday – November 2, 2022 @ 9:30 a.m.

I. CALL TO ORDER / ROLL CALL

Mr. Burkhead called the meeting to order at 9:33 a.m.

Board Members Present:

Daniel Burkhead, Chairman (Via Zoom) Chris Perry (via Zoom) Dillon Erwin

Kyle Rodgers, Vice Chairman (Via Zoom) Edward Loveless

WC McBride, Secretary/Treasurer

Board Administrator: Charlotte London

Assistant Attorney General: Joe West

New Applicants:

Others Present: Gayathri Arunachalam, ADLL Software Support Analyst

Larissa Liddell, ADLL Budget Analyst Tom Allen, Former Vice Chairman

Monty Freel Brian Albano Leah Hedger

II. APPROVAL OF November 2, 2022 MEETING AGENDA

1. Mr. McBride made a motion to approve the agenda. Mr. Erwin seconded the motion. Tom Allen is going to address the Board about the revolving door issue. All Board members voted aye in favor of the motion.

III. APPROVAL OF MINUTES

1.	May 4, 2022 – Incomplete	4.	August 3, 2022 – Incomplete
2.	June 8, 2022 – Incomplete	5.	September 7, 2022 – Incomplete
3.	July 6, 2022 – Incomplete	6.	October 5, 2022 – Incomplete

1. Mr. Burkhead advised the reason these aren't complete yet is because ELP and renewals starting up, Ms. London is working on these as she gets time to do it. A motion was made by Mr. McBride and seconded by Mr. Erwin to accept the minutes incomplete. All Board members voted aye in favor of the motion.

IV. FINANCIALS

1. October 2022 – Complete

Mr. Burkhead asked Ms. London if she printed out the financials from AASIS because they had October marked as 'complete'. Ms. London advised she had been provided the document this morning by Ms. Liddell from Finance. Ms. Liddell advised she cannot provide them prior to the 1st of the following month

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as the month does not close until after close of business on the last day of the month. A motion was made by Mr. McBride and seconded by Mr. Rodgers to accept the financials as incomplete. All Board members voted age in favor of the motion.

V. TOM ALLEN ADDRESSES THE BOARD – REVOLVING DOOR ISSUE

1. Mr. Allen discusses gives Board members his initial draft and discusses hiring a statistician to further draft and execute a survey to send out and the costs associated with this project. He asks the Board members present to think of the questions that would enhance the ability to analyze what causes an inspector to be successful and what causes an inspector to fail. Mr. Allen stated when we look at the numbers of home inspectors in the state right now, we have more than enough home inspectors in the state to deal with every sale that takes place in the real estate market. They may not be well distributed over the state, but someone will likely stand up and take that job no matter where it is. Mr. Allen believes with the numbers that we have; this is the ideal time to make some things mandatory in the initial licensing process; when your cadre is over strength instead of when you are trying to build your cadre up. Mr. Burkhead requests the Board members to email Mr. Allen additional questions that they believe will improve the survey.

VI. STATUS OF COMPLAINTS / APPEALS / HEARINGS

A. Old Complaints

1. 202203-31; October 2021 Inspection of a home in Rogers, AR. Mr. West drafted the Consent Agreement and Ms. London mailed it out to the licensee, but it has not been returned yet.

B. New Complaints

1. Eleven new complaints. Mr. Erwin inquired about the status of all these complaints and if the Board had received any new complaints since the last of these had been received in July of 2022. Ms. London responded affirmatively that there were approximately 5-6 additional complaints that had come in since July 2022 that were not listed on the handout. Mr. McBride inquired whether any of these complaints were being looked at now. Ms. London says she assigned the numbers for them, but they have not been given to the investigator. Mr. Burkhead advised everything has taken a backseat because of the Department of Labor and Licensing giving Ms. London additional work, due to ELP implementation, and due to the education side of it, however he advised it was being worked. Mr. Loveless advised he understood Ms. London had a lot on her plate, but as they had discussed in previous Board meetings, this issue had to do with protecting the consumers, so if the Board has complaints that need to be taken care of and there are home inspectors in these complaints that have erred egregiously, they should not be out there continuing to perform inspections. Ms. London advised it is very time consuming to get the scanning and copying done for these complaints, but once they are sent to the investigator it is fairly quick from that point.

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C. Hearings

- 1. No new hearings
- 2. Hall Appeal No movement on this case. Still waiting on a ruling. Record was filed on the July 6th, 2022, hearing, but Mr. West is having a difficult time contacting opposing counsel in this case. Judge Griffin's term is expiring, but he has not ruled on this case yet.

VII. REVIEW OF NEW APPLICANTS

A. New Applicants

- 1. Brian Albano
- 2. Justin Conway
- 3. Steven Myers
- 4. Jeremy Palmer
- 1. Mr. McBride made a motion to approve applicant **#1-Brian Albano.** Mr. Rodgers seconded the motion. Mr. Erwin stated Mr. Albano needed to be listed as the insured on the certificate of insurance and the Board needed to be listed as the certificate holder. Mr. Albano advised he sent that to Ms. London, and she confirmed receipt. Mr. Albano requested a waiver of education. Mr. McBride requested his first 3 inspection reports be submitted to the Board. All Board members then voted aye in favor of the motion.
- 2. Mr. McBride made a motion to approve applicant **#2-Justin Conway.** Mr. Perry seconded the motion. Mr. Erwin wanted to ensure that all updated documents were received for Mr. Conway. Ms. London confirmed. All Board members then voted age in favor of the motion.
- 3. Mr. McBride made a motion to approve applicant #3-Steven Myers. Mr. Rodgers seconded the motion. Mr. Erwin inquired whether the Board received Mr. Myers' updated insurance information. Ms. London affirmed it was received. Mr. Burkhead advised that all the applicants' updated documentation was received. All Board members voted aye in favor of the motion.
- 4. Mr. McBride made a motion to approve applicant #4-Jeremy Palmer. Mr. Rodgers seconded the motion. Mr. Erwin inquired whether the Board received a COI on Mr. Palmer. Ms. London affirmed it was received. All Board members voted age in favor of the motion.

VIII. CONTINUING EDUCATION / PRE-REGISTRATION COURSES

A. **CONTINUING EDUCATION**

None

B. PRE-REGISTRATION

None

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IX. NEW BUSINESS

- 1. Leah Hedger (Realtor) had questions for the Board about limitations on what a home inspector may put on Facebook, social media, etc. Ms. Hedger inquired about what laws the Board has about advertising. She advised the Board of an inspector in Northeast Arkansas who has been inspecting for a long time and is generally very good at what he does, but in this instance, he went on his Facebook page and posted negative comments about the home he inspected, which happened to be one Ms. Hedger had listed for sale. He did not mention the address in his post, but there were very specific details about the home that could have identified it to potential buyers. Ms. Hedger's complaint is that she must now complete a dissolution of contract form to the seller today and she is hoping he has not seen this Facebook post because he could come back at Ms. Hedger, and it could potentially make it more difficult for her to sell this house in the future because of the post. Mr. Joe West advised that he did not know immediately whether or not there were any laws currently in place concerning advertising for the Board. Mr. Burkhead advised there are no laws currently in place for this issue, however if this is something that affects the sale of the home for Ms. Hedger in the future, then the Board can address the issue at that time.
- 2. Legislative Audit Supplemental Findings Mr. Burkhead made a motion to approve the findings. Mr. McBride seconded the motion. All Board members voted aye in favor of the motion. Ms. London and Mr. Burkhead attended the Legislative Joint Budget hearing, and it was discussed that the boards and commissions are not to keep more than a three (3) year fund balance in their coffers. The Board currently has over eight (8) years' worth of funds accumulated in its coffers at this time. What Mr. Burkhead has proposed to do with those excess funds is as follows: prepare to fund ELP once the grant runs out, the revolving door proposal, day-to-day operations of the Board (including, but not limited to, the salary of the administrator), increased monthly fees to the ADLL, salary for an additionally hired employee.
- 3. Migration was completed for ELP. Account activation emails were sent out for past and present, licensed inspectors on October 25, 2022.
- 4. September MOU Due Mr. McBride made a motion to approve the MOU. The motion was seconded by Mr. Rodgers. All Board members voted in favor of the motion.

X. OLD BUSINESS

- 1. Tom Allen has addressed the Board regarding the revolving door proposal.
- 2. Apprenticeship Program Into effect on July 31, 2022. Do the applicants need to contact home inspectors who are interested in being mentors or does the Board need to do that? When does the program take place: before licensure, during CE, after licensure, etc.? Mr. West stated that it is in Rule now that the Board has authority to complete the program pre-registration. Mr. Perry advised he is of the opinion that this is something that should be pre-license. Mr. Burkhead advised to make contact with those inspectors who have expressed an interest in being a mentor and get that list up on the webpage on how to become a home inspector. Mr. Burkhead advised

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that the Board needs to have a section in ELP for new applicants to select whether they have been through the apprenticeship program, as the Board has discretion to waive the 80-hour requirement based on this. Mr. Burkhead requested that Ms. London send out a new letter to qualified home inspectors requesting that they notify the Board of their interest in becoming a mentor for the Apprenticeship Program. Mr. Burkhead will contact Mr. Ken Anderson and work on getting this information published to the website. Mr. Burkhead made a motion to waive renewal fees for any qualified, licensed home inspector that has performed on-the-job training for the apprenticeship program within the previous calendar year for three (3) apprentices. Mr. Perry seconded the motion. All Board members voted aye in favor of the motion.

3. Website updates/issues/comments: ELP and website are a work in progress. Mr. Burkhead is going to talk to Mr. Anderson about the global search function, as well.

XI. ADMINISTRATOR'S UPDATE to BOARD MEMBERS

- 1. Weekly Reports to Dept. of Labor are being completed.
- 2. Insurance expiration letters for November were mailed out on October 21st, 2022.
- 3. A lot of people are calling about ELP. The emails that were sent out went to deceased people's email addresses and people who were unlicensed for quite some time, etc. It was a problem and those people, and their families were calling. Mr. Erwin was surprised that there was no short instructional video or explanation of how to use it sent out to anyone. Mr. Burkhead asked Ms. London to turn in a ticket to add those things to the website as Mr. Anderson is in a meeting all day today.

XII. 2022 REGISTRATION RENEWALS

None.

XIII. SCHEDULE NEXT MEETING

- 1. The next Board meeting is scheduled for Wednesday, December 7, 2022 @ 9:30 a.m. (Meeting date and time are subject to change at the discretion of the Board)
- 2. Mr. Erwin made a motion for Mr. Burkhead, as Chairman of the Board, to pursue the addition of a full-time staff member in office with Ms. London. Mr. McBride seconded the motion. All Board members voted aye in favor of the motion.

XIV. ADJOURNMENT

The meeting adjourned at 11:22 a.m. on a motion by Mr. Burkhead and seconded by Mr. McBride. All Board members voted age in favor of adjournment.