Department of Labor & Licensing Wednesday – September 7, 2022 @ 9:30 a.m.

I. CALL TO ORDER / ROLL CALL

Mr. Burkhead called the meeting to order at 9:30 a.m.

Board Members Present:

Daniel Burkhead, Chairman Chris Perry Dillon Erwin

Kyle Rodgers, Vice Chairman 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

Dan Smith, Complaint Investigator

Brian Schaefer, Realtor & Home Inspector James Schaefer, Realtor & Home Inspector

II. APPROVAL OF <u>September 7, 2022</u> MEETING AGENDA

1. Mr. McBride made a motion to approve the agenda. Mr. Perry seconded the motion. All Board members voted age in favor of the motion.

III. APPROVAL OF MINUTES

May 4, 2022 – Incomplete
July 6, 2022 – Incomplete
August 3, 2022 – Incomplete

1. A motion was made by Mr. McBride and seconded by Mr. Rodgers to table the Minutes until completed. All Board members voted age in favor of the motion.

IV. FINANCIALS

- 1. November 2020 Completed
- 2. December 2020 Incomplete
- 3. January through December 2021 Incomplete
- 4. January 2022 through Present Incomplete

A motion was made by Mr. McBride and seconded by Mr. Rodgers to approve the November 2020 financials. All Board members voted aye in favor of the motion. Mr. McBride made a motion to table all other financials until completed. The motion was seconded by Mr. Rodgers. All Board members voted aye in favor of the motion. Mr. Burkhead advised that Ms. London was working on these.

V. STATUS OF COMPLAINTS / APPEALS / HEARINGS

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A. Old Complaints

1. 202203-31; October 2021 Inspection of a home in Rogers, AR. Complaint Investigator Dan Smith came in to speak with the Board about this complaint. Mr. Erwin and Mr. Burkhead restated their inquiries from the previous Board meeting regarding whether the home had gutters and whether the gutters caused limitations on the inspection. Mr. Smith advised that he is very careful about looking for those kinds of issues and this issue would have been very visible; whether there were gutters present. And there were gutters on the home, and this issue was not obscured by the gutters. Mr. McBride made a motion to accept the recommendation by Complaint Investigator Dan Smith to present a Consent Agreement to the licensee for failing to follow that Standard of Practice and assess a fine of \$100.00. The motion was seconded by Mr. Perry. All Board members voted aye in favor of the motion. Mr. West is drafting the Consent Agreement for Ms. London to mail out to the licensee.

B. **Hearings**

- 1. No new hearings
- 2. Hall Appeal No movement on this case.
- 3. 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.

VI. REVIEW OF NEW APPLICANTS

A. New Applicants

5. Ed Green

Nathan Cassidy
Christopher Cook
Marty Girod
Tim Graves
Austin Harper
Jarrod Hughes
Alexander Markway
Es Moody

11. Jordan White12. Shaun Womack

1. Mr. McBride made a motion to approve applicant #1-Nathan Cassidy. Mr. Rodgers seconded the motion. Mr. McBride indicated the insurance form had P.O. Box instead of physical address. Mr. McBride modified his motion to approve Mr. Cassidy's application pending correction of his address on the certificate of insurance form. Mr. Rodgers seconded the motion. All Board members then voted aye in favor of the motion.

10. Brett Thomas

2. Mr. McBride made a motion to approve applicant #2-Christopher Cook. The motion was seconded by Mr. Rodgers. Mr. McBride indicated that Mr. Cook did not check the boxes on his form in ELP which certifies that you have read and agreed to comply with the Arkansas Home Inspector Registration Act, and the other certifies that you have read and agreed to comply with the Rules & Procedures of the

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Arkansas Home Inspector Registration Board. Mr. Burkhead and Mrs. G advised they would get with I.T. and make those required fields before an applicant can proceed further in the application process. All Board members then voted age in favor of the motion.

- 3. Mr. McBride made a motion to approve applicant #3-Marty Girod. The motion was seconded by Mr. Perry. Mr. McBride stated he had issue with Mr. Girod's entire application and his certificate of insurance. Mr. Burkhead inquired about Mr. Girod's insurance and Mr. Girod advised that he updated it and Mr. Burkhead confirmed. Mr. Burkhead inquired about Mr. Girod's current license status because Mr. Girod went through the class in 2014. Mr. Burkhead asked where Mr. Girod had been inspecting. Mr. Girod advised he had been inspecting in southern California for the last seven (7) years and then he moved to Arkansas three (3) months ago. Mr. Burkhead inquired about why Mr. Girod did not list his California licensure status on his application. Mr. Girod advised that was because in the state of California, home inspectors are not required to be licensed. Mr. Burkhead also indicated the boxes on his form in ELP which certifies that you have read and agreed to comply with the Arkansas Home Inspector Registration Act, and the other certifies that you have read and agreed to comply with the Rules & Procedures of the Arkansas Home Inspector Registration Board were not checked. Mr. Rodgers made a motion to approve Mr. Girod's application and accept his previous experience performing home inspections in lieu of the full 80 hours of in-class requirement, pending submission of his first five (5) inspection reports to the Board for review. Mr. Loveless seconded the motion. All Board members then voted age in favor of the motion.
- 4. Mr. McBride made a motion to approve applicant **#4-Tim Graves.** The motion was seconded by Mr. Rodgers. All Board members voted aye in favor of the motion.
- 5. Mr. McBride made a motion to approve applicant **#5-Ed Green.** The motion was seconded by Mr. Perry. All Board members voted age in favor of the motion.
- 6. Mr. McBride made a motion to approve applicant **#6-Austin Harper.** The motion was seconded by Mr. Rodgers. All Board members voted aye in favor of the motion.
- 7. Mr. McBride made a motion to approve applicant **#7-Jarrod Hughes.** The motion was seconded by Mr. Rodgers. Mr. McBride indicated there was a P.O. Box address listed on the certificate of insurance form. Mr. Burkhead advised the certificate had been updated. All Board members voted aye in favor of the motion.
- 8. Mr. McBride made a motion to approve applicant **#8-Alexander Markway.** The motion was seconded by Mr. Rodgers. All Board members voted aye in favor of the motion.
- 9. Mr. McBride made a motion to approve applicant **#9-Les Moody.** The motion was seconded by Mr. Rodgers. All Board members voted aye in favor of the motion.

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- 10. Mr. McBride made a motion to approve applicant **#10-Brett Thomas.** The motion was seconded by Mr. Rodgers. All Board members voted age in favor of the motion.
- 11. Mr. McBride made a motion to approve applicant #11-Jordan White. The motion was seconded by Mr. Rodgers. Mr. McBride indicated that the boxes on Mr. White's form in ELP which certifies that you have read and agreed to comply with the Arkansas Home Inspector Registration Act, and the other certifies that you have read and agreed to comply with the Rules & Procedures of the Arkansas Home Inspector Registration Board were not checked. Mr. White advised he would go back into his application and check those boxes and send it back into the Board. At this time, Mr. Cook keyed back up and indicated that he was unable to go back into his application and modify his application. Mr. Burkhead said if he would screenshot it and print it out and check the boxes and sign and return it, that would work for both Mr. Cook and Mr. White's applications. Mr. Burkhead advised Mr. White he would need to correct his insurance form and list the Home Inspector Registration Board where it says "Certificate Holder". All Board members voted aye in favor of the motion.
- 12. Mr. McBride made a motion to approve applicant **#12-Shaun Womack.** The motion was seconded by Mr. Rodgers. All Board members voted aye in favor of the motion.

VII. CONTINUING EDUCATION / PRE-REGISTRATION COURSES

A. **CONTINUING EDUCATION**

COURSE NAME	CREDIT HOURS
Home Inspection University – Michael Casey	Indianapolis Conference – CE Courses

1. Mr. McBride made a motion to approve Home Inspection University's CE Courses. Mr. Erwin seconded the motion. All Board members voted age in favor of the motion.

B. PRE-REGISTRATION

None

VIII. NEW BUSINESS

- 1. ELP is live for new registrations only. Once data is all migrated, Board members will have an account created for them. As soon as information becomes available on a live date for renewals, Mr. Burkhead will provide it to the Board. Mr. McBride asked if they find something at issue with an application, can they flag it in the system? Mr. Burkhead advised that, yes you can flag it, but you should not decline the application. When the time comes to implement this system, Mr. Burkhead would like to gather the Board for a training session to familiarize everyone with how to process renewals/applications.
- 2. Mr. Brian Schaefer and Mr. James Schaefer, if you have questions about conflicts of interest for home inspectors who also have a realtor license (refer to the email in your file, everyone read over it). Mr. McBride inquired about when you're doing a home inspection what's the #1 thing that, as a home inspector, you're looking at to make sure you don't have any discrepancies about

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the home inspection. Mr. Brian Schaefer said the first thing you want to make sure of is that you don't have a conflict of interest and he explained that he is a contractor and also a realtor for Crye Leike and at the first meeting, they had the admin send something out which notified their customer base that Brian and James would not be doing their work. The Schaefer's' concern is that even though they receive no compensation, if the client only has 10 days and if they burn 5 days attempting to get an inspection from the same company only to find out that it isn't allowed, isn't there some allowance the Board can provide to inspectors who aren't receiving compensation from outside agencies. Mr. Burkhead advised that a previous issue arose where a real estate agent wife and a home inspector husband were performing work together and making monetary gain from this relationship, and current legal counsel for the Board advised that they could not specify that one inspector could and another could not, so they made it a blanket decision that all could not. Mr. Burkhead suggests that the Schaefers put a clause on their website that would indicate this to the client upon scheduling, so the client would be made aware of the possibility at that time.

- 3. Home inspector has completed a home inspection for a client and did not charge the client for the home inspection. The realtor made all arrangements for the home inspection, some things were missed on the home inspection report the client felt and some were written to be in good condition. The client has called and left messages for the home inspector and the realtor within two weeks of the inspection and neither party has returned her calls or responded to text messages. She believes the home inspector and realtor may have some type of arrangement to have more clients referred to the home inspector. Mr. Burkhead inquired whether this was filed as a complaint. Ms. London said she wanted to but was unsure about whether she was past the 12-month statute of limitations on the issue. Mr. West was unable to find a 12-month statute of limitations. Mr. Burkhead advised Ms. London to contact the complainant and have her contact the Real Estate Commission as the Board has no jurisdiction over this issue.
- 4. Bart Tucker (in folder provided) Mr. Tucker did not get his renewal completed until June. Was supposed to correct his address and did not. Was completing inspection without a card.
- 5. Budget analyst originally wanted access to ELP, and Mr. Burkhead told them to go through the Board. They now have access to it anyway and will only need it to do refunds and those are few and far between.
- 6. Voluntary Apprenticeship Training Program Julie advised this could not be made mandatory and would remain voluntary for now. Mr. West advised that, if you submit rule changes, they must go through the Administrative Procedure Act and rule promulgation process which includes approval by the Secretary, approval by the Governor, public comment period, and then final approval by Legislative Council. Mr. McBride advised he went to 4-5 states that had mentoring programs/requirements set up in their Rules and Regulations and said they were who we needed to look at as far as mentors. Mr. Burkhead asked Mr. West to follow up on this issue for the next Board meeting.

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- 7. Mr. Rodgers drafted a letter to be sent out to all lapsed licensees which will be reviewed by all Board members currently present. Mr. McBride wants to add something to the letter asking what about the home inspector profession did you have problems with or is there anything that could have kept you in the profession longer. Mr. Burkhead advised to email Ms. London with any changes you want to make to the letter. Mr. Burkhead made a motion to bring Tom Allen back to speak with UALR on behalf of the Board about a training program. The motion was seconded by Mr. Rodgers. All Board members voted aye on behalf of the motion.
- 8. July MOU Due July 1, 2022 rent increase is in effect, but no explanation has been given to the Board about the increase. Mr. McBride inquired as to why the Board is being asked about this if ADLL is going to do what they want to do. Mr. Burkhead advised that it was, so it looked like the Board agreed to everything they were doing. Mr. McBride and Mr. Burkhead advised they both disagreed with this, and Mr. McBride made a motion that the Board disagree with everything presented in the MOU until everything is explained to them. Mr. Erwin advised he had a call in to the Governor's office and he has invited Gov. Asa Hutchinson to the Board's next meeting. Mr. Erwin's asks what the benefit of the Board coming under the Department of Labor and Licensing was. Mr. Burkhead advised it was his understanding that it would be an overall savings for the State of Arkansas, but that it is not a savings for the Board. Mr. Erwin indicated that it was a fulltime job to manage the duties of the Board administrator and when you have more bureaucracy on top of that and other duties on top of that, it puts a very undesirable strain on our staff. Mr. Burkhead indicated that was what the Secretary of the Department of Labor and Licensing wanted, was the Board's staff gone and their own staff in, that it was personal and had been from day one (1) and that Ms. London only received a one (1) percent raise last year, but they keep adding more duties onto her and expect her to do everything that has to be done for the Board, but have no idea what has to be done for the Board because they've never bothered to ask. Mr. Erwin suggested that additional staff be hired, and Ms. London be given a raise. Mr. Burkhead responded saying that they have set Ms. London up for failure in so many different ways that it is not going to happen. Mr. McBride made a motion to deny and not sign the MOU until further explanation is given. The motion was seconded by Mr. Perry. All Board members voted in favor of the motion.

IX. OLD BUSINESS

- 1. Website issues, updates, and comments: Mr. Burkhead asked Ken Anderson to try to attend the meeting to discuss a search function on the website, but he was unable to do so.
- 2. ELP is live for new applications as of August 22nd, 2022.

X. ADMINISTRATOR'S UPDATE to BOARD MEMBERS

- 1. Weekly Reports to Dept. of Labor are being completed.
- 2. Insurance expiration letters for September were mailed out on August 16th, 2022.
- 3. Fiscal year end reports are done and turned in on date due or the day before.

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XI. 2022 REGISTRATION RENEWALS

None

XII. SCHEDULE NEXT MEETING

1. The next Board meeting is scheduled for Wednesday, October 5, 2022 @ 9:30 a.m. (Meeting date and time are subject to change at the discretion of the Board)

XIII. ADJOURNMENT

The meeting adjourned at 11:26 a.m. on a motion by Mr. McBride and seconded by Mr. Rodgers. All Board members voted aye in favor of adjournment.