

Special OP/ED to the Kenly/Pine Level News
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Are your elected officials looking out for the public good or do they vote with corporate special interests? Recently SB1007 – HR979 came before the NC Senate Commerce Committee and subsequently the Finance Committee, passed in the Senate and is now coming before the NC House Commerce and Finance Committees. To explain the genesis, complexities and serious negative consequences of this legislation fully in this format is not possible. Therefore I will offer the basics here and for more information the reader may visit my web site: www.guardresinc.com/files/eletter/george_j.htm optionally www.carolinaes.com

At a public hearing for proposed rule changes in 2004 Gioiella went on record that the NCHILB needed to immediately implement pre-licensing education requirements for new inspectors. This displeased several Board members.

At a meeting of the NCHILB Standards and Rules Committee in March of 2005 Licensing board member Jim Liles, (Also a state employee, realtor and home inspector) clearly stated in the presence of the other attendees and in clear contradiction of the existing law that home inspectors need to be part of the real estate transaction and 'facilitate the sale', that a standardized report was inevitable; that inspector needed to share liability exposure with realtors and home builders, that the realtors would introduce legislation to see that the standardized report concept was implemented. In general Lile's articulated the party line of the realtors and homebuilders.

Gioiella challenged Liles and Liles lost his comportment. Liles stated that the realtors were the most powerful lobby in the state and that they would have the law changed to suit their agenda. Prior to this Gioiella introduced several changes to the Standards one particular change which was successfully adopted; the removal of the inability of inspectors to report safety items in the Summary section of the report. This upset the realtors and in 2007 through NC Senator David Hoyle they introduced legislation, (not a rules change, but a change to the General Statutes licensing law), to reverse this safety change and implement other changes to the Summary section that were in contradiction to the existing law and favored, not the public, but corporate special interests. The proposed changes were defeated. Again in 2007 Liles at the behest of Alan Tate & Co and the North Carolina Association of Realtors introduced similar change to the Standards which adversely affected the homebuyer's awareness of health and safety items. This was also soundly defeated.

In July of 2007 Wm. Talmadge Jones an inspector from Manteo was appointed to the Board by Senator Marc Basnight. May 16, 2008 the Board voted to discontinue the Standardized Report/Format committee, but Board member and realtor John Hamrick

motioned to appoint a new committee for the same subject matter and Liles seconded the motion.

On more than one occasion Jim Liles bypassed committees and introduced proposed rules changes without any warning. The voting block that took over control of the NCHILB for four years is as follows, Liles, (home inspector) Wm. Talmadge Jones (home inspector), Chris Noles PE Engineering and Codes Deputy Commissioner (designee of Commissioner Long of the Department of Insurance, John Hamrick (realtor) and T. Larry Summer (home builder). Fortunately, Jim Liles was not reappointed by Gov. Easley in 2008.

At one point in time when Governor Easley publically expressed his opposition to the rule change Noles refused to vote against it and Commissioner Long had to sit in for Noles and vote against the proposal himself.

In 2009 the North Carolina Home Inspector Licensure Board submitted legislation for mandatory pre-licensing education, nothing more, for new home inspector's to their parent agency, the NC Department of Insurance which is supposed to provide legislative liaison with the NC Assembly.

In the meantime the realtors and home builders contacted the NC Chapter of the American Society of Home Inspectors (NC-ASHI) which has only 50 members out of 1500 +/- inspectors and the North Carolina Licensed Home Inspector Association (NCLIHA) which has less than 400 members both representing less than 1/3 of the home inspectors; both organizations are flat broke and stand to benefit financially to the tune of more than one million dollars over the next three years from this legislation.

The following is excerpted from a nine page report submitted to NC-ASHI directors by one of the major participants in facilitating bypassing the licensing board; NC-ASHI member Bruce Rudd. *"Lisa Martin of NCHBA [NC Home Builders Association] was in attendance for what turned out to be the sole purpose of informing the group that if proposed legislation went forward with language closing the G.C. [General Contractor] back door, then it would be quickly killed by the NCHBA. After her statement and with little discussion she left the meeting. Within one hour of her departure the proposed legislation crafted by the Licensing Board, which also closed the G.C. back door, died at the Department of Insurance. Was that a coincidence? – We didn't think so."*

Have we a serious ethic violation on the part of DOI Commissioner Wayne Goodwin that requires investigation – we believe so and he needs to be held accountable. What occurred is that the realtors and home builders in conjunction with NC-ASHI and NCHLIA usurped the duly legislated and duly appointed home inspector licensing board to further their own interests and Goodwin is in the middle of it – formal cooperator!

A few, just a few of the many negative items in SB1007-HR-979 is that general contractors are given parity with licensed professional engineers and architects in qualifying to sit for the home inspector licensing examination. To accommodate the

realtors the qualifier in the home inspection standards, 'Adversely affects the habitability of the dwelling' is removed.

SB1007 – HR979 is seriously flawed in so many areas it is completely indefensible, but perhaps the most egregious and serious is bypassing the licensing board to foster special interests. Senator David Rouzer of Johnston County was fully informed by this journalist in more detail than provided here and voted in committee and on the floor of the senate in favor of SB 1007.

At the recent Senate Finance Committee meeting on SB1007 Senator Holye stated that he was tired of waiting for the licensing board to move forward – this from the politician that is responsible for tying up for several years the same board on behalf of the realtors and home builders he favors. I listened to the hearing on the Internet and Hoyle is besotted with his own power. Frankly, I am tired of Hoyle and he needs to be retired. Who else is behind this rape of our political system?

If we are truly a nation of laws then why have these people ignored due process and sold out to corporate special interests? Any day now this legislation will come before the committees in the NC House – it needs to be stopped now – immediately before it is too late!

Your influence counts – use it!