

Dear Governor Perry:

I respectfully ask that you veto senate bill SB914 which includes an amendment offered by Rep. Brian McCall that mandates that home inspectors carry errors and omissions (E & O) insurance. This amendment was introduced very late in the process and was a fait accompli before anyone in the home inspection industry was aware of what was transpiring. The facts surrounding this issue do NOT support the need for inspectors to have E & O insurance. Complaints against inspectors are far lower than those made against real estate agents and brokers. The TREC recovery fund is in place to take care of consumers who have legitimate complaints that result in judgments against inspectors. The fact that Rep. McCall is an advisor to Guaranty Insurance, a company that sells E & O insurance, makes his sponsoring of this amendment a conflict of interest at best or outright corruption at the worst. From the information I have gleaned from various sources, it is apparent that no one was asking for this provision. If allowed to become law it will hurt the industry, not help. Only the insurance companies and trial lawyers will benefit from this. The consumer won't get any real benefit from this measure. It will probably put a lot of small guys, such as me, out of business as the cost of E & O insurance is huge in comparison to all of my other business expenses to include general liability which I now carry.

Once again, please stop this bill from becoming law. Send it back to them and insist that this onerous amendment be removed.

Respectfully yours,

Gary F. Loughman
Assured Home Inspections, PLLC
TREC License # 6801