

TITLE 16 OCCUPATIONAL AND PROFESSIONAL LICENSING
CHAPTER 66 HOME INSPECTOR LICENSING
PART 9 INSURANCE

16.66.9.1 ISSUING AGENCY: New Mexico home inspectors board.
[16.66.9.1 NMAC – N, 1/15/2021]

16.66.9.2 SCOPE: All licensed home inspectors, license applicants, other agencies, professional associations, and any member of the general public affected by or interested in home inspectors.
[16.66.9.2 NMAC – N, 1/15/2021]

16.66.9.3 STATUTORY AUTHORITY: These rules are promulgated pursuant to the Home Inspector Licensing Act, Sections 61-24D-1 through 16 NMSA 1978 (2019).
[16.66.9.3 NMAC – N, 1/15/2021]

16.66.9.4 DURATION: Permanent.
[16.66.9.4 NMAC – N, 1/15/2021]

16.66.9.5 EFFECTIVE DATE: January 15, 2021, unless a later date is cited at the end of a section.
[16.66.9.5 NMAC – N, 1/15/2021]

16.66.9.6 OBJECTIVE: The objective of Part 9 of Chapter 66 is to establish the minimum terms and conditions of insurance coverage required of all home inspector licensees.
[16.66.9.6 NMAC – N, 1/15/2021]

16.66.9.7 DEFINITIONS: Refer to Definitions, 16.66.1.7 NMAC.
[16.66.9.7 NMAC – N, 1/15/2021]

16.66.9.8 INSURANCE REQUIRED:

A. Pursuant to Section 61-24D-12 of the Home Inspector Licensing Act, all licensees and their employers shall carry at all times errors and omissions insurance and professional liability insurance to cover all activities contemplated pursuant to the provisions of the Home Inspector Licensing Act.

B. Every applicant for a license and every licensee who applies for renewal of a license must, as a condition prerequisite to the issuance or renewal of the license, provide the board with satisfactory evidence (proof) that the applicant or licensee has errors and omissions insurance coverage and professional liability insurance coverage that meet the minimum terms and conditions required by this Part.
[16.66.9.8 NMAC – N, 1/15/2021]

16.66.9.9 ERRORS AND OMISSIONS INSURANCE:

A. A licensee's or applicant's errors and omissions insurance policy shall be, at a minimum, in the amount of \$250,000 in the aggregate.

B. Every proof of an errors and omissions insurance policy shall stipulate that cancellation or nonrenewal of the policy shall not be effective until at least ten days' notice of intention to cancel or not renew has been received in writing by the board.
[16.66.9.9 NMAC – N, 1/15/2021]

16.66.9.10 PROFESSIONAL LIABILITY INSURANCE:

A. A licensee's or applicant's professional liability insurance policy shall be, at a minimum, in the amount of \$250,000.

B. The professional liability insurance policy must include coverage for the licensee's activities performed during the course of a home inspection on the premises of the home inspection.

C. The professional liability insurance policy must include coverage for both property damage and bodily injury.

D. Every proof of a professional liability insurance policy shall stipulate that cancellation or nonrenewal of the policy shall not be effective until at least ten days' notice of intention to cancel or not renew has been received in writing by the board.

[16.66.9.10 NMAC – N, 1/15/2021]

16.66.9.11 GROUP INSURANCE POLICIES ESTABLISHED BY THE BOARD:

A. The Board may, at its discretion, solicit sealed, competitive proposals from insurance carriers to provide a group errors and omissions insurance policy that complies with the terms and conditions established by this Part. The Board may approve one or more policies that comply with the board rules.

B. The Board may, at its discretion, solicit sealed, competitive proposals from insurance carriers to provide a professional liability insurance policy that complies with the terms and conditions established by this Part. The Board may approve one or more policies that comply with the board rules.

C. In the event that the Board approves a group insurance policy, licensees are required to neither purchase the group policy nor contract with the group policy provider.

[16.66.9.11 NMAC – N, 1/15/2021]

HISTORY OF 16.66.9 NMAC