



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

January 9, 2026

Honorable Larry Walker, III
Chairman, Senate Insurance and Labor
321 State Capitol
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
Senate Bill (LC 62 0243)

Dear Chairman Walker:

The bill would provide for the creation of a board that would license home inspectors and companies performing home inspections. The bill would also provide minimum requirements to apply for licensure and continuing education, and the bill would require home inspectors to maintain liability insurance and the establishment of standards and unfair trade practices. The bill does not assign the board to any state agency or specifically provide the board with the ability to hire staff. For the purpose of the fiscal note, we assume the board would be supported by staff of the Office of the Secretary of State (SOS).

Information from the SOS indicates that the bill would result in one-time costs of \$495,000 to \$545,000 and annual, ongoing costs of approximately \$277,000 (Table 1). Additional costs could be incurred if the new board receives enough complaints that an additional investigator must be hired. Details of the estimate are below the table. It should be noted that revenue from licensing and renewal fees will offset a portion of the cost.

Table 1: One-Time and Annual Costs for LC 62 0243

One-Time	Cost
Licensing System Modifications	\$450,000-\$500,000
Rulemaking and Legal Support	\$30,000
Board Orientation and Training	<u>\$15,000</u>
Total	\$495,000-\$545,000
Annual	Cost
Professional Licensing Board Analyst (2)	\$137,258
Licensing System Maintenance and Support	\$75,000
Shared Enforcement and Legal Services	\$40,000
Board per Diem and Travel	\$15,000
Office Operations, Records, and Communications	<u>\$10,000</u>
Total	\$277,258

The one-time costs are primarily driven by modifications to the Georgia Online Application Licensing System, estimated at \$450,000 to \$500,000. The other one-time costs are associated with the creation of any new board.

The annual costs of approximately \$277,000 include several categories:

- Two additional analysts at a cost of approximately \$137,000 for salary and benefits. One professional licensing board analyst can typically handle up to 900 applicants; however, the number of home inspector licensees is expected to exceed 1,200. If the number of applicants is below 900, only one analyst would be required. It should be noted that, depending on the number of complaints received on licensed home inspectors, an additional investigator could eventually be required. An investigator has a one-time cost of \$46,000 and annual costs of \$119,000.
- Annual maintenance and support for the licensing system is estimated at \$75,000.
- All boards share in the cost of the enforcement and legal services. The new board's share is estimated at \$40,000.
- Board per diem and travel are estimated at \$15,000 and general SOS office operations are \$10,000.

The bill requires the board to establish fees for applications, examinations, licenses, renewals, and other administrative services. Assuming 1,400 individuals obtain licenses over the first two years and license fees are typical of SOS-supported boards, the new board may generate revenue of \$150,000 to \$300,000 (**Table 2**). If initial license fees are higher than renewal fees, fee revenue will be much higher in the board's initial years.

Table 2: Potential Fee Revenue for LC 62 0243¹

	Year One	Year Two	Year Three
New Licensees	1,200	200	100
Renewal Licensees	0	1,100	1,250
New License Revenue (\$250 each)	\$300,000	\$50,000	\$25,000
Renewal License Revenue (\$100 each)	<u>\$0</u>	<u>\$110,000</u>	<u>\$125,000</u>
Total Fee Revenue	\$300,000	\$160,000	\$150,000

¹ Estimate is illustrative. It assumes that most inspectors become licensed in year one and not all renew licenses the following year

Respectfully,



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State Auditor



Richard Dunn, Director
Office of Planning and Budget

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