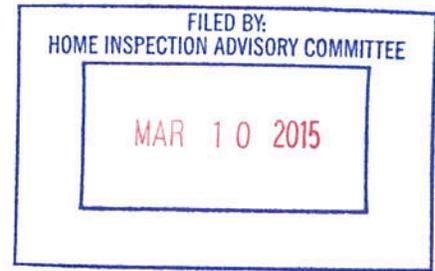


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Home Inspection Advisory Committee



STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
HOME INSPECTION ADVISORY COMMITTEE

IN THE MATTER OF	:	Administrative Action
	:	
ROBERT HORVATH	:	FINAL ORDER
License Number: 24GI00054300	:	OF DISCIPLINE
	:	
LICENSED TO PRACTICE HOME	:	
INSPECTION IN THE STATE OF	:	
NEW JERSEY	:	

This matter was opened to the New Jersey State Home Inspection Advisory Committee (the "Committee") upon receipt of information which the Committee has reviewed and upon which the following findings of fact and conclusions of law are made:

FINDINGS OF FACT

1. Robert Horvath is a licensed home inspector in the State of New Jersey, having been licensed in or about March 7, 2005, and has been a licensee of the Committee at all times relevant hereto. He is

currently employed by ENCO Home Inspections, doing business in New Jersey as Housemaster.

2. On or about June 8, 2007, Mr. Horvath performed a home inspection for T.B., on property located at 88 Ash Street, Westwood, New Jersey 07675. He subsequently prepared and issued a written home inspection report to T.B. concerning his findings.

3. In his inspection report, Mr. Horvath noted that the electric system was "satisfactory." In an area entitled "Supplemental information," there was a checklist of items including knob and tube wiring which was left unchecked in the respondent's report.

4. A subsequent inspection performed by a licensed professional engineer confirmed T.B.'s claims that Mr. Horvath failed to list the knob and tube wiring in his inspection report. The engineer confirmed the presence of the wiring.

5. N.J.A.C. 13:40-15.16(i)(2)(v) requires that a home inspector describe and note the presence of knob and tube branch circuit wiring in the licensee's home inspection report.

CONCLUSIONS OF LAW

The Committee concludes that the respondent violated or failed to comply with the Home Inspection Professional Licensing Act, and the accompanying regulations, administered by the Committee governing the practice of home inspection, in violation of N.J.S.A. 45:1-21(h), when he failed to properly inspect the electrical system, contrary to N.J.A.C. 13:40-15.16(i), and failed to describe and report

the presence of knob and tube branch wiring, as required N.J.A.C. 13:40-15.16(i)(2)(v).

Additionally, the Committee finds that Mr. Horvath, in the report he prepared subsequent to his inspection, failed to state a material defect found in the systems or components, in violation of N.J.A.C. 13:40-15.16(c)(2)(iv), in that he failed to disclose in the report the presence of knob and tube branch wiring.

DISCUSSION ON FINALIZATION

Based on the foregoing findings and conclusions, a Provisional Order of Discipline ("POD"), preliminarily imposing a reprimand, a cease and desist directive, restitution and a civil penalty totaling \$2,500.00, was entered on December 11, 2014, and a copy served on respondent. The Provisional Order was subject to finalization by the Board at 5:00 p.m. on the 30th business day following entry unless respondent requested a modification or dismissal of the stated Findings of Fact or Conclusions of Law by submitting a written request for modification or dismissal setting forth in writing any and all reasons why said findings and conclusions should be modified or dismissed and submitting any and all documents or other written evidence supporting respondent's request for consideration and reasons therefor.

In response to the POD, the respondent submitted a letter dated January 28, 2015. In this correspondence, Mr. Horvath requested a modification or dismissal of said findings and conclusions, and alternatively requested elimination or reduction of the sanctions

detailed in the POD for his failure to comply with the statutes and regulations administered by the Committee. Specifically, he contended that since his violation of the Committee's rules was "technical" and not a violation of the New Jersey Electrical Code, the intended civil penalty of \$2,500.00 was excessive and harsh. He therefore requested that the Committee reduce the penalty to \$1,500.00 and permit him to pay via an installment plan.

The Committee reviewed the respondent's submission at its February 10, 2015 meeting. Following its review of this matter, the Committee determined that further proceedings were not necessary and that no material discrepancies had been raised. The Committee concluded that the respondent had failed to comply with its statutes and regulations, in violation of N.J.S.A 45:1-21(h) and N.J.A.C. 13:40-15.16, by failing to properly inspect the electrical system and failing to describe and report the presence of knob and tube wiring in his home inspection report.

The Committee further found that the violations were not, contrary to the respondent's assertions, simply technical in nature. Specifically, Mr. Horvath failed to report to his clients the presence of knob and tube wiring in his written inspection report and to disclose the significance of this finding. The Committee notes that this type of wiring is a potential fire hazard and that, in fulfilling its obligations of consumer protection, this fact was required to be shared with the respondent's clients. The Committee rejects Mr. Horvath's

contention that his failure to provide his clients with this valuable information constituted a "technical" or minor deviation from the standards of practice as detailed in its regulations and concludes that this conduct warrants the discipline imposed.

However, the Board concluded that there were sufficient mitigating circumstances to permit Mr. Horvath to remit payment of the civil penalty, totaling \$2,500.00, by installments over ten (10) months in the amount of \$250.00 per month. Thereafter, the Board voted to finalize the Provisional Order without any modifications but authorized the option of installment payments of the imposed civil penalty should the respondent so elect.

IT IS, THEREFORE, on this 28 day of FEBRUARY 2015,

ORDERED that:

1. Respondent Robert Horvath is hereby reprimanded for his conduct as described above, contrary to N.J.S.A. 45:1-21(h) and N.J.A.C. 13:40-15.16.

2. Mr. Horvath shall cease and desist from further violations of N.J.S.A. 45:1-21(h) and N.J.A.C. 13:40-15.16.

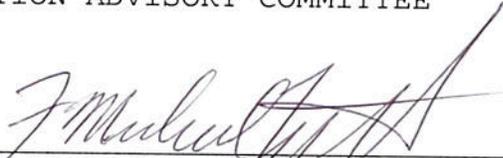
3. Respondent shall provide restitution to consumer T.B. in the amount of \$295.00 for the cost of the home inspection and subsequent report. The restitution shall be made payable to T.B., by certified check or money order, and shall be made within ten (10) days of the entry of this Final Order of Discipline. Proof of said restitution shall be submitted to Karl Reidel, Executive Director of the State Home

Inspection Advisory Committee, at 124 Halsey Street, Post Office Box 45043, Newark, New Jersey 07101, within ten (10) days of the payment of the restitution to T.B.

4. Mr. Horvath is hereby assessed a civil penalty, pursuant to N.J.S.A. 45:1-22(b), in the amount of \$2,500.00 for his violations of N.J.S.A. 45:1-21(h) and N.J.A.C. 13:40-15.16. The respondent may pay the civil penalty, totaling \$2,500.00 in equal monthly installment payments of \$250.00 for a total of ten (10) months. The first payment shall be paid within ten (10) days of the entry of this Final Order of Discipline with subsequent payments due on the fifteenth of each month thereafter until the total amount is paid in full. The civil penalty shall be submitted by certified check or money order, made payable to the State of New Jersey and forwarded to the Home Inspection Advisory Committee, to the attention of Karl Reidel, Executive Director of the Committee, at the address provided in paragraph 4.

Any failure to make any installment payment within ten (10) days of the due date shall cause the entire remaining balance to become immediately due and payable without further notice. Further, failure to pay the penalty within the time period allotted above will result in the filing of a Certificate of Debt, including the applicable interest permitted by the New Jersey Court Rules, and may result in subsequent disciplinary proceedings before the Committee for failure to comply with an Order of the Committee.

NEW JERSEY STATE HOME
INSPECTION ADVISORY COMMITTEE

By: 

F. MICHAEL FITZPATRICK
Chairman