



MICHIGAN REALTORS®

Memo

To: Michigan House of Representatives, Health Policy Committee

From: Brad Ward, Vice President of Public Policy and Legal Affairs

Date: February 17, 2022

Michigan Realtors® opposes HB 5419 and the creation of a statewide mandatory lead inspection program at the time of sale for any home built before 1978.

While well intentioned, the bill as introduced creates a second regulatory scheme that is nearly duplicative of the existing federal lead-based paint requirements for properties built before 1978. Our concern is that this will cause confusion for buyers, sellers, and agents – while adding additional costs and time delays to the purchase of a home, with very little benefit to the prospective homeowner.

Federal law provides more robust protections for buyers than HB 5419. It assumes that any home built before 1978 contains lead paint, provides purchasers with detailed EPA information on living in a home with lead paint, requires specific warnings and disclosures in the purchase agreement, and gives the buyer the right to an inspection before the purchase agreement becomes binding.

Conversely, HB 5419 creates an across-the-board obligation on all sellers, no exceptions, to pay for an inspection and report that provides little value to the purchaser. Under the bill the inspection alerts the buyer to the presence of lead paint, a condition that most likely exists in any home built before 1978.

As we know, the mere presence of lead paint isn't the issue, it's the cracking, chipping, and peeling which can lead to the ingestion of lead paint, posing significant danger to children through this kind of exposure. In addition to the already-prescribed Federal disclosures, education on how to identify and remedy these hazards is the most effective way to protect a homeowner.

In addition, approximately 70% of Michigan's housing stock is pre-1978. With the number of properties changing hands and the requirements to use certified inspectors, this bill will cause significant delays in the sale of these properties.

We believe that prospective buyers should avail themselves of a variety of different inspections, but it is the buyer, not the seller, that is in the best position to weigh the benefits and results of these inspections.