

# SENATE ECONOMIC GROWTH COMMITTEE

## STATEMENT TO

### **SENATE, No. 1147**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: SEPTEMBER 17, 2020

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 1147.

As amended and reported, this bill requires every contract of sale of real property not certified as lead-safe to require, as a condition of the sale, a lead evaluation contractor, certified to provide lead paint inspection services by the Department of Community Affairs (DCA), to inspect any dwelling located on the real property for lead-based paint hazards. If a lead evaluation contractor finds that no lead hazards exist in dwellings located on the property, then the property will be certified as lead-safe on a form prescribed by the DCA.

Additionally, this bill requires municipalities to inspect every single-family, two-family, and multiple rental dwelling located within the municipality for lead-based paint hazards at tenant turnover. Moreover, the bill requires municipalities to impose an additional fee of \$20 per unit inspected by a certified lead evaluation contractor or permanent local agency for deposit into the "Lead Hazard Control Assistance Fund," unless the dwelling has already been charged a \$20 fee for deposit into the "Lead Hazard Control Assistance Fund" by the DCA for lead hazard inspections conducted by the DCA.

A municipality that maintains a permanent local agency for the purpose of conducting inspections and enforcing laws, ordinances, and regulations concerning buildings and structures within the municipality, will inspect single-family, two-family, and multiple rental dwellings located within the municipality at tenant turnover for lead-based paint hazards through the agency. Other municipalities must hire a lead evaluation contractor, certified to provide lead paint inspection services by the DCA, to inspect single-family, two-family, and multiple rental dwellings located within the municipality for lead-based paint hazards at tenant turnover. Inspectors may consult local health boards, the Department of Health, or the DCA concerning the criteria for the inspection and identification of areas and conditions involving a high risk of lead poisoning in dwellings, methods of detection of lead in dwellings, and standards for the repair of dwellings containing lead paint. The bill also allows an owner to directly hire a lead evaluation contractor as long as the lead evaluation contractor is certified by DCA to provide lead paint inspection services.

In municipalities that have a higher concentration of children with elevated blood lead levels, the bill requires a lead evaluation contractor or permanent local agency to inspect for lead-based paint hazards through dust wipe sampling. In municipalities with a lower concentration of children with elevated blood lead levels, the bill allows a lead evaluation contractor or permanent local agency to inspect for lead-based paint hazards through visual assessment. A lead-safe designation for a dwelling unit that passes the lead inspection is valid for two years.

Properties that have been certified to be free of lead-based paint or have received a lead-safe certification and properties that were constructed during or after 1978 would be exempt from the inspection and registration requirements. Multiple dwelling units registered with DCA for at least 10 years with no outstanding lead violations from the most recent cyclical inspection are also exempt.

If, upon conducting an inspection, a lead hazard exists in a dwelling unit, the owner of the dwelling unit is required to remediate and dispose of the lead hazard.

The bill requires the DCA, in consultation with the Department of Health, to establish a Statewide, multifaceted, ongoing educational program designed to meet the needs of tenants, property owners, realtors and real estate agents, insurers and insurance agents, and local building officials about the nature of lead hazards, the importance of lead hazard control and mitigation, and the responsibilities set forth in this bill. The bill requires the DCA to establish guidelines and a trainer's manual for a lead hazard seminar for rental property owners. The lead hazard seminar established under this bill is not to exceed three hours in length and be offered for a maximum fee of \$50 per participant. Property owners who complete the lead hazard seminar may be eligible to self-inspect their properties under this bill. In order to self-inspect, the DCA, a permanent local agency, or a certified lead evaluation contractor is required to certify the dwelling as lead-safe within the preceding five years.

The committee amended the bill to allow dwelling owners or landlords to directly hire lead evaluation contractors; to remove an exception to the inspection requirements for seasonal rental units; to permit an exception to the inspection requirements for certain multiple dwelling units that are registered with DCA and have no outstanding lead violations during cyclical inspections and for any dwelling unit with a valid lead-safe certification; and to clarify that lead-safe certifications from lead inspections are valid for two years.

The amendments also exempt dwelling units from the municipally imposed \$20 per unit fee for deposit into the "Lead Hazard Control Assistance Fund," if the dwelling has already been charged a comparable fee by the DCA. The amendments provide that the act is to take effect on the 90th day after enactment, rather than immediately.