# ASSEMBLY, No. 1372

# STATE OF NEW JERSEY

## 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

#### **Sponsored by:**

Assemblyman JAMEL C. HOLLEY
District 20 (Union)
Assemblyman BENJIE E. WIMBERLY
District 35 (Bergen and Passaic)
Assemblyman DANIEL R. BENSON
District 14 (Mercer and Middlesex)
Assemblyman RAJ MUKHERJI
District 33 (Hudson)

#### **Co-Sponsored by:**

Assemblywomen Reynolds-Jackson, Speight and Assemblyman Chiaravalloti

#### **SYNOPSIS**

Requires lead paint inspection prior to home purchases and tenant turnover; establishes educational program on lead hazards.

## **CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



AN ACT concerning lead paint inspections prior to home purchases and tenant turnover, establishing an educational program on lead hazards, supplementing P.L.2003, c.311 (C.52:27D-437.1 et al.), and amending various parts of the statutory law.

**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

- 1. (New section) a. Every contract of sale of real property that has not been certified as lead-safe under subsection c. of this section shall include a provision requiring, as a condition of the sale, the seller to hire a lead evaluation contractor, certified to provide lead paint inspection services by the Department of Community Affairs, to inspect any dwelling located on the real property for lead-based paint hazards.
- b. Closing of title on the sale of the real property shall not occur unless both the buyer and the seller have received and reviewed a copy of the inspection results. At closing, the buyer and seller both shall certify, in writing, that they have received and reviewed the inspection results.
- c. If a lead evaluation contractor finds that no lead hazards exist in a dwelling upon conducting an inspection pursuant to this section, then the lead evaluation contractor shall certify the dwelling as lead-safe on a form prescribed by the Department of Community Affairs.
- d. Notwithstanding this section or any other provisions of P.L., c. (C. ) (pending before the Legislature as this bill) to the contrary, a dwelling shall not be subject to inspection and evaluation for the presence of lead-based paint hazards if the dwelling was constructed during or after 1978.

2. (New section) a. As used in this section:

"Dust wipe sampling" means a sample collected by wiping a representative surface and tested in accordance with a method approved by the United States Department of Housing and Urban Development.

"Self-inspection" means evaluation of a dwelling unit by the unit's owner, or the owner's designee, in accordance with evaluation and control methods approved by the Department of Community Affairs.

"Tenant turnover" means the time at which all existing occupants vacate a dwelling unit and all new tenants move into the dwelling unit.

"Visual assessment" means a visual examination for deteriorated paint or visible surface dust, debris, or residue.

b. (1) In a municipality that maintains a permanent local agency for the purpose of conducting inspections and enforcing laws,

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

ordinances, and regulations concerning buildings and structures within the municipality, the permanent local agency shall inspect every single-family, two-family, and multiple rental dwelling located within the municipality at tenant turnover for lead-based paint hazards. The municipality shall charge the dwelling owner or landlord a fee sufficient to cover the cost of the inspection.

- (2) In a municipality that does not maintain a permanent local agency for the purpose of conducting inspections and enforcing laws, ordinances, and regulations concerning buildings and structures within the municipality, the municipality shall hire a lead evaluation contractor, certified to provide lead paint inspection services by the Department of Community Affairs, to inspect every single-family, two-family, and multiple rental dwelling located within the municipality at tenant turnover for lead-based paint hazards. The municipality shall charge the dwelling owner or landlord a fee sufficient to cover the cost of the inspection, including the cost of hiring the lead evaluation contractor.
- (3) A permanent local agency or lead evaluation contractor with the duty to inspect single-family, two-family, and multiple rental dwellings pursuant to this section may consult with the local health board, the Department of Health, or the Department of Community Affairs 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.
- (4) Fees established pursuant to this subsection shall be dedicated to meeting the costs of implementing and enforcing this subsection and shall not be used for any other purpose.
- c. Notwithstanding subsection b. of this section to the contrary, a dwelling unit in a single-family, two-family, or multiple rental dwelling shall not be subject to inspection and evaluation for the presence of lead hazards if the unit:
  - (1) has been certified to be free of lead-based paint;
  - (2) was constructed during or after 1978;
- (3) is a seasonal rental unit which is rented for less than six months' duration each year; or
- (4) has been certified as lead-safe by a certified lead evaluation contractor or permanent local agency pursuant to this section, or for lead-based paint hazards during a cyclical inspection within the preceding year.
- d. (1) If a lead evaluation contractor or permanent local agency finds that a lead hazard exists in a dwelling unit upon conducting an inspection pursuant to this section, then the owner of the dwelling unit shall remediate and dispose of the lead hazard by using abatement or lead hazard control methods, approved in accordance with the provisions of the "Lead Hazard Control Assistance Act," P.L.2003, c.311 (C.52:27D-437.1 et al.). The lead evaluation contractor or

permanent local agency shall notify the Commissioner of Community Affairs in accordance with subsection e. of this section.

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- (2) If a lead evaluation contractor or permanent local agency finds that no lead hazards exist in a dwelling unit upon conducting an inspection pursuant to this section, then the lead evaluation contractor or permanent local agency shall certify the dwelling unit as lead-safe on a form prescribed by the Department of Community Affairs. Property owners shall provide evidence of a lead-safe certification obtained pursuant to this section at the time of the cyclical inspection for lead-based paint hazards.
- e. If a lead evaluation contractor or permanent local agency finds that a lead-based paint hazard exists in a dwelling unit upon conducting an inspection pursuant to this section, then the lead evaluation contractor or permanent local agency shall notify the Commissioner of Community Affairs, who shall review the findings in accordance with section 8 of the "Lead Hazard Control Assistance Act," P.L.2003, c.311 (C.52:27D-437.8). If the commissioner determines that the removal and relocation of a household is warranted, then the commissioner shall authorize the payment of relocation assistance pursuant to P.L.2003, c.311 (C.52:27D-437.1 et al.), and shall assist in the relocation of the household to lead-safe housing. The commissioner may authorize the payment of relocation assistance pursuant to P.L.2003, c.311 (C.52:27D-437.1 et al.) to a household that has reached an agreement with a property owner to be the legal inhabitant of a dwelling unit, but has not begun residing in the dwelling unit because an inspection revealed a lead hazard.
  - f. (1) If a dwelling is located in a municipality in which less than three percent of children tested, six years of age or younger, have a blood lead level greater than or equal to five ug/dL, according to the central lead screening database maintained by the Department of Health pursuant to section 5 of P.L.1995, c.328 (C.26:2-137.6), then a lead evaluation contractor or permanent local agency may inspect for lead-based paint hazards through visual assessment.
  - (2) If a dwelling is located in a municipality in which at least three percent of children tested, six years of age or younger, have a blood lead level greater than or equal to five ug/dL, according to the central lead screening database maintained by the Department of Health pursuant to section 5 of P.L.1995, c.328 (C.26:2-137.6), then a lead evaluation contractor or permanent local agency shall inspect for lead-based paint hazards through dust wipe sampling.
- g. Notwithstanding any provision of this section, the "Lead Hazard Control Assistance Act," P.L.2003, c.311 (C.52:27D-437.1 et al.), or the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.), to the contrary, rental property owners or designated persons may conduct self-inspections of single-family, two-family, and multiple dwellings at tenant turnover if:

- 1 (1) The property owner or designated person completed the lead 2 hazard seminar established pursuant to section 3 of P.L. 3
  - ) (pending before the Legislature as this bill); and
  - (2) The single-family, two-family, or multiple dwelling has been certified as lead-safe by a certified lead evaluation contractor or permanent local agency pursuant to this section, or during a cyclical inspection for lead-based paint hazards within the preceding five years.
  - h. A landlord conducting self-inspections pursuant to subsection g. of this section shall notify all effected tenants and shall certify, in writing, that the landlord or a designee performed a self-inspection and no lead hazards were detected. Failure to conduct self-inspections in good faith shall constitute an unlawful practice under the New Jersey consumer fraud act, P.L.1960, c.39 (C.56:8-1 et seq.).
  - i. In addition to the fees permitted to be charged for inspection of rental housing pursuant to this section, each municipality shall assess an additional fee of \$20 per unit inspected by a certified lead evaluation contractor or permanent local agency for the purposes of Act," the "Lead Hazard Control Assistance P.L.2003, c.311 (C.52:27D-437.1 et al.) concerning lead hazard control work. In a common interest community, any inspection fee charged pursuant to this subsection shall be the responsibility of the unit owner and not the homeowners' association, unless the association is the owner of the unit. The fees collected pursuant to this subsection shall be deposited into the "Lead Hazard Control Assistance Fund" established pursuant to section 4 of P.L.2003, c.311 (C.52:27D-437.4).

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- (New section) a. The Department of Community Affairs, in consultation with the Department of Health, shall 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 P.L.
- 34 (C. ) (pending before the Legislature as this bill). In c. 35 developing and coordinating this educational program, the 36 department shall seek the participation and involvement of private 37 industry organizations, including those involved in real estate, 38 insurance, mortgage banking, and pediatrics.
- 39 Within 90 days of the effective date of P.L. ) (pending before the Legislature as this bill), the 40 (C. 41 department shall:
  - (1) Create educational materials outlining the rights responsibilities of parties subject to the provisions of P.L. ) (pending before the Legislature as this bill). c. (C.
- 45 (2) Establish guidelines and a trainer's manual for a lead hazard 46 seminar for rental property owners or designated persons, which the 47 department shall forward to all public and private colleges and 48 universities in New Jersey, to other professional training facilities,

- and to professional associations and community organizations with a training capacity. The department shall approve proposals to offer the seminar from institutions; provided that the proposals are consistent with the guidelines. The department shall create an electronic version of the lead hazard seminar accessible on the Internet. The seminar shall be available to tenants, property owners, and other interested parties.
  - (3) Promulgate rules for the dissemination of information about the requirements of P.L. , c. (C. ) (pending before the Legislature as this bill) to all prospective owners of pre-1978 dwellings during the real estate transaction, settlement, or closing;
  - (4) Solicit requests to enter into ongoing, funded partnerships to provide specific counseling information services to tenants and affected parties on their rights and responsibilities with regard to lead hazards and lead poisoning.
  - c. The lead hazard seminar established pursuant to this section shall not exceed three hours in length. The department shall offer the seminar for a maximum fee of \$50 per participant.

- 4. Section 5 of P.L.1995, c.328 (C.26:2-137.6) is amended to read as follows:
- 5. a. The department shall maintain a central [data base] database which shall include a record of all lead screening conducted pursuant to this act. The [data base] database shall include the name, age and address of the child screened and any other demographic data the department deems necessary. The [data base] database shall be geographically indexed, by municipality, in order to determine the location of areas of relatively high incidence of lead poisoning.
- b. The information reported to and compiled by the department pursuant to this act is to be used only by the department and such other agencies as may be designated by the commissioner and shall not otherwise be divulged or made public so as to disclose the identity of any child to whom it relates without written parental consent; and to that end, the information shall not be included under materials available to public inspection pursuant to P.L.1963, c.73 (C.47:1A-1 et seq.). The department may, however, make such statistical reports available using information compiled from the [data base] database if the name or other identifying information of the child screened is not revealed.

(cf: P.L.1995, c.328, s.5)

- 5. Section 2 of P.L.2007, c.251 (C.46:8-28.5) is amended to read as follows:
- 2. a. Except as otherwise provided in subsection b. of this section, every owner of a tenant-occupied single-family or two-family residential property, including, without limitation, a two-

- family property in which one unit is owner-occupied, shall file a 1
- 2 certificate of registration on forms prescribed by the Commissioner
- 3 of Community Affairs, in accordance with section 2 of P.L.1974,
- 4 c.50 (C.46:8-28), with the Bureau of Housing Inspection in the
- 5 Department of Community Affairs. Any such filing shall be
- 6 accompanied by a filing fee not exceeding the filing for hotels and
- multiple dwellings established by section 12 of P.L.1967, 7
- 8 c.76 (C.55:13A-12).
- 9 b. Subsection a. of this section shall not apply to any owner-10 occupied two-family residential property that:
- (1) has been certified to be free of lead-based paint; 11
- 12 (2) was constructed during or after 1978; or
- 13 (3) [is a seasonal rental unit which is rented for less than six 14 months' duration each year; or ] (Deleted by amendment, P.L. , 15
  - c. ) (pending before the Legislature as this bill)
  - (4) has been certified as having a lead-free interior by a certified inspector.
- 18 c. Any owner who fails to comply with an order of the 19 commissioner to register any property subject to this section shall 20 be liable for a penalty of \$200 for each registration ordered by the commissioner. The commissioner may issue a certificate to the 21 22 clerk of the Superior Court that an owner is indebted to the 23 department for the payment of such penalty and thereupon the clerk 24 shall enter upon the record of docketed judgments the name of the 25 owner, and of the State, a designation of the statute under which the penalty is imposed, the amount of the penalty so certified, and the 26 27 date of such certification. The making of the entry shall have the 28 same force and effect as the entry of a docketed judgment in the
- office of such clerk. 30 (cf: P.L.2007, c.251, s.2)

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- 32 6. Section 12 of P.L.2003, c.311 (C.52:27D-437.12) is 33 amended to read as follows:
  - Notwithstanding any other provisions of this act, a dwelling unit shall not be subject to inspection and evaluation or subject to any fees for the presence of lead-based paint hazards if the unit:
- 38 (1) has been certified to be free of lead-based paint;
  - (2) was constructed during or after 1978;
- (3) Lis a seasonal rental unit which is rented for less than six 40 41 months' duration each year; I (Deleted by amendment, P.L., c.) 42 (pending before the Legislature as this bill)
- 43 (4) has been certified as having a lead-free interior by a certified 44 inspector; or
- 45 (5) is occupied by the owner of the dwelling unit.
- 46 b. In a common interest community, any inspection fee charged 47 shall be the responsibility of the unit owner and not the

#### A1372 HOLLEY, WIMBERLY

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1 homeowners' association unless the association is the owner of the 2 unit 3 (cf: P.L.2003, c.311, s.12) 4 5 7. Section 1 of P.L.2007, c.251 (C.55:13A-12.2) is amended to 6 read as follows: 7 1. a. The commissioner shall inspect every single-family and 8 two-family rental dwelling in accordance with the "Hotel and 9 Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.), at 10 least once every five years for lead-based paint hazards and shall charge a fee sufficient to cover the cost of such inspection; 11 12 provided, however, that the fee shall not exceed one-third of the inspection fee for a three-unit multiple dwelling, established 13 14 pursuant to the "Hotel and Multiple Dwelling Law," P.L.1967, 15 c.76 (C.55:13A-1 et seq.), for each unit inspected. 16 b. Notwithstanding any other provisions of P.L.2007, 17 c.251 (C.55:13A-12.2 et al.) to the contrary, a dwelling unit in a 18 single-family or two-family dwelling shall not be subject to 19 inspection and evaluation for the presence of lead-based paint hazards, or for the fees for such inspection or evaluation, if the unit: 20 (1) has been certified to be free of lead-based paint; 21 22 (2) was constructed during or after 1978; or 23 (3) Lis a seasonal rental unit which is rented for less than six 24 months' duration each year; or **1** (Deleted by amendment, P.L. , c. ) (pending before the Legislature as this bill) 25 (4) has been certified as having a lead-free interior by a certified 26 27 inspector. The commissioner shall have the power to enforce the 28 c. 29 corrections of any violations found pursuant to a lead-based paint 30 hazard inspection conducted pursuant to this section as if the rental 31 unit were in a multiple dwelling subject to the requirements of the 32 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et 33 seq.). (cf: P.L.2007, c.251, s.1) 34 35 36 8. This act shall take effect immediately. 37 38 39 **STATEMENT** 40 41 This bill would require every contract of sale of real property to 42 43 44

include a provision requiring, 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 lead evaluation contractor

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would certify the property as lead-safe on a form prescribed by the DCA.

Additionally, this bill would require municipalities to inspect every single-family, two-family, and multiple rental dwelling located within the municipality for lead-based paint hazards at tenant turnover. Municipalities would charge a fee for the inspection at a rate proportional to the current "Hotel and Multiple Dwelling Law" fee schedule. 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."

In a municipality that maintains a permanent local agency for the purpose of conducting inspections and enforcing laws, ordinances, and concerning buildings and structures within municipality, the permanent local agency would inspect single-family, two-family, and multiple rental dwellings located within the municipality for lead-based paint hazards. If the municipality does not maintain a permanent local agency that conducts inspections and enforces laws, ordinances, and regulations concerning buildings and structures within the municipality, then the municipality would 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 leadbased paint hazards. A permanent local agency or lead evaluation contractor with the duty to inspect single-family, two-family, and multiple rental dwellings may consult the local health board, 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.

Dwelling units that pass visual tests for intact paint frequently contain invisible lead dust hazards detectable through dust wipe sampling. Thus, 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.

Rental properties that have been certified to be free of lead-based paint or lead-safe, properties that were constructed during or after 1978, and seasonal rental units would be exempt from the inspection and registration requirements. However, the bill eliminates the exemption for seasonal rentals from the cyclical inspections required under the "Hotel and Multiple Dwelling Act."

Lastly, the bill requires the DCA, in consultation with the Department of Health, to establish a Statewide, multifaceted, ongoing

## A1372 HOLLEY, WIMBERLY

1	educational program designed to meet the needs of tenants, property
2	owners, realtors and real estate agents, insurers and insurance agents,
3	and local building officials about the nature of lead hazards, the
4	importance of lead hazard control and mitigation, and the
5	responsibilities set forth in this bill. The bill requires the DCA to
6	establish guidelines and a trainer's manual for a lead hazard seminar
7	for rental property owners. The lead hazard seminar established under
8	this bill would not exceed three hours in length and would be offered
9	for a maximum fee of \$50 per participant. Property owners who
10	complete the lead hazard seminar may be eligible to self-inspect their
11	properties under this bill. In order to self-inspect, the Department of
12	Community Affairs, a permanent local agency, or a certified lead
13	evaluation contractor would have had to certify the dwelling as lead-
14	safe within the preceding five years.