

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 673

H.P. 479

House of Representatives, February 19, 1991

Reference to the Committee on Business Legislation suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative DORE of Auburn.

Cosponsored by Senator KANY of Kennebec, Representative KETOVER of Portland and Senator TITCOMB of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

**An Act to Allow Home Buyers to Conduct Inspections for Radon and
Other Hazardous Substances.**



Be it enacted by the People of the State of Maine as follows:

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Sec. 1. 10 MRSA c. 214-A is enacted to read:

CHAPTER 214-A

INSPECTIONS FOR HAZARDOUS RESIDENTIAL CONDITIONS

§1431. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Earnest money. "Earnest money" means money paid in partial payment of the purchase price of a residential building.

2. Residential building. "Residential building" means a structure with no more than 2 dwelling units.

§1432. Hazardous conditions inspections

Any contract for the sale of a residential building must include a statement allowing the purchaser the option to condition the final purchase of the building on an inspection of the following potentially hazardous conditions: sewage disposal, water quality, radon air quality, radon water quality, asbestos and lead paint.

The contract statement must specify that the purchaser may declare the contract void if the results of any of the inspections are unsatisfactory to the purchaser. This contract statement must also include the following provisions:

1. Declaration. To render the contract void the purchaser must state in writing to the seller that an inspection result was unsatisfactory, the reasons in general why the inspection was unsatisfactory and that the purchaser was declaring the contract void.

2. Delivery of declaration. The declaration that the contract is void must be delivered to the seller by a specific date as set forth in the contract.

3. Earnest money paid. Any earnest money already paid by the purchaser must be returned to the purchaser.

4. Waiver. The right to cancellation is waived by the purchaser if the purchaser fails to declare in writing that an inspection was unsatisfactory and the contract void, within the time period specified in the contract.

§1433. Model contract provision

2 A contract statement meeting the requirements of this
 4 chapter includes, but is not limited to, the following.
 6 This contract is subject to the following inspections, with
 8 results being satisfactory to the purchasers.

10	TYPE OF INSPECTION	YES	NO	PURCHASER REPORTS TO THE SELLER
12	Sewage disposal			within _____ days
14	Water quality			within _____ days
16	Radon air quality			within _____ days
18	Radon water quality			within _____ days
20	Lead paint			within _____ days

22 All inspections must be done by inspectors chosen and paid
 24 for by the purchasers. If the result of any inspection is
 26 unsatisfactory to the purchasers, the purchasers may declare the
 28 contract void by notifying the sellers in writing within the
 30 specified number of days that the inspections were
 32 unsatisfactory, giving in general the reasons why and any earnest
 34 money must be returned to the purchasers. If the purchasers do
 36 not notify the sellers that an inspection is unsatisfactory
 38 within the time period set forth in this section, this
 40 contingency is waived by the purchaser.

42 **§1434. Exemptions**

44 The parties may agree to exempt themselves completely, or in
 46 part, from the requirements of this chapter if they wish to adopt
 48 a different approach to these inspections by the purchaser. This
 50 agreement must specifically refer to this chapter, be in writing
 and signed and dated by both the seller and the buyer. It may be
 a separate document or incorporated into a form residential
 purchase contract.

§1435 Enforcement

Violation of this chapter is prima facie evidence of an
 unfair trade practice in violation of Title 5, section 207.

Sec. 2. Effective date. This Act takes effect January 1, 1992.

STATEMENT OF FACT

This bill allows home buyers the option to condition their
 purchase of a home on the results of an inspection for hazardous
 problems such as high radon levels or asbestos.

2 This bill requires that all written home purchase contracts
3 set forth this inspection option. If the buyer decides to have
4 an inspection and finds the results unfavorable, the buyer may
5 void the contract and receive back any earnest money already
6 paid. Sellers and buyers may agree in writing to exempt
7 themselves in whole or in part from the requirements of this bill.

8 This bill sets forth a model statement that meets the
9 inspection option required by this bill. The use of this
10 statement is not mandatory. Buyers and purchasers may agree to
11 adopt different or additional language as long as their statement
12 meets the requirements of this bill.