

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

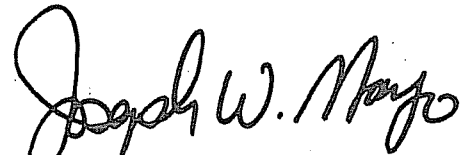
No. 933

H.P. 692

House of Representatives, March 18, 1993

**An Act to Allow Home Buyers to Conduct Inspections for Asbestos,
Lead Paint, Radon and Other Hazardous Conditions.**

Submitted by the Department of the Attorney General pursuant to Joint Rule 24.
Reference to the Committee on Business Legislation suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative BRENNAN of Portland.

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

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

6 CHAPTER 214-A

8 INSPECTIONS FOR HAZARDOUS RESIDENTIAL CONDITIONS

10 §1431. Definitions

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

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

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

20 §1432. Building conditions inspections

22 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 building in general, including, but not limited to, the foundation, roof, heating system and any of the following potentially hazardous conditions: sewage disposal, water quality, radon air quality, radon water quality, asbestos, lead paint and other areas of inspection if the parties so agree.

30 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.

36 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.

42 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.

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

48 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.

2 **§1433. Model contract provision**

4 A contract statement meeting the requirements of this
6 chapter includes, but is not limited to, the following.

8 This contract is subject to the following inspections, with
10 results being satisfactory to the purchasers.

10	<u>TYPE OF INSPECTION</u>	<u>YES NO</u>	<u>PURCHASER REPORTS TO THE SELLER</u>
12	<u>General building</u>	<u>... ..</u>	<u>within days</u>
	<u>Sewage disposa</u>	<u>... ..</u>	<u>within days</u>
14	<u>Water quality</u>	<u>... ..</u>	<u>within days</u>
	<u>Lead water quality</u>	<u>... ..</u>	<u>within days</u>
16	<u>Radon water quality</u>	<u>... ..</u>	<u>within days</u>
	<u>Radon air quality</u>	<u>... ..</u>	<u>within days</u>
18	<u>Lead paint</u>	<u>... ..</u>	<u>within days</u>
	<u>Asbestos</u>	<u>... ..</u>	<u>within days</u>
20	<u>Other.....</u>	<u>... ..</u>	<u>within days</u>
	<u>.....</u>	<u>... ..</u>	<u>within days</u>

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 money must be returned to the purchasers. If the
purchasers do not notify the sellers that an inspection is
unsatisfactory within the time period set forth in this section,
this contingency is waived by the purchaser.

34 **§1434. Exemptions**

36 The parties may agree to exempt themselves completely, or in
38 part, from the requirements of this chapter if they wish to adopt
40 a different approach to home inspections. This agreement must
42 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.

44 **§1435. Enforcement**

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

50 **Sec. 2. Effective date.** This Act takes effect January 1, 1994.

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STATEMENT OF FACT

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

8 This bill requires that all written home purchase contracts
set forth this inspection option. If the buyer decides to have
10 an inspection and, within a set number of days, finds the
results unfavorable, the buyer may void the contract and receive
12 back any earnest money already paid. Sellers and buyers may
agree in writing to exempt themselves in whole or in part from
14 the requirements of this bill.

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

22 As a result of this bill, over time, many of the State's
homes will be inspected for hazardous lead paint, asbestos, radon
24 and other hazardous conditions.