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**SFA****BILL ANALYSIS**

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Senate Bill 1047 (Substitute S-1 as reported by the Committee of the Whole)  
Sponsor: Senator Dale L. Shugars  
Committee: Health Policy and Senior Citizens

## **CONTENT**

The bill would create the "Lead Abatement Act" to require the certification of individuals performing a lead-based paint activity, and require the accreditation of training programs for lead-based paint activity, beginning March 1, 1999. ("Lead-based paint activity" would mean inspection, risk assessment, and abatement (measures designed to eliminate lead-based paint hazards permanently) in target housing and child occupied facilities. "Target housing" would mean housing constructed before 1978, except for 1) housing for the elderly or persons with disabilities, unless one or more children aged six or younger lived or were expected to live in the housing, or 2) a zero-bedroom dwelling. "Child occupied facility" would mean a building or portion of a building constructed before 1978 that was visited regularly by a child aged six or less, on at least two different days within a given week, if each day's visit were at least three hours and the combined weekly visit were at least six hours in length, and the combined annual visits were at least 60 hours.) The bill would do the following:

- Establish training program requirements, and require the Department of Community Health (DCH) to accredit a training program if it were registered by the DCH under the Department's voluntary registration program by August 30, 1998.
- Establish accreditation and certification fees.
- Require the Legislature annually to appropriate to the DCH an amount sufficient to administer and enforce the bill, and provide that these funds would have to be offset by Federal funds.
- Establish an administrative fine and a misdemeanor penalty for violations.
- Require the DCH to conduct programs to educate homeowners and remodelers of lead hazards associated with remodeling target housing and methods of lead-hazard reduction activities.
- Specify that the Act would not require an owner or occupant to undertake any lead-based paint activities.

Proposed MCL 333.5451-333.5477

Legislative Analyst: S. Lowe

## **FISCAL IMPACT**

The bill would result in an indeterminate increase in State General Fund revenues from the fees and fines proposed in the bill. Currently, the Department of Consumer and Industry Services operates an Asbestos Program similar to the lead paint program outlined in the bill, which annually generates approximately \$300,000 in fee revenues from the certification and accreditation of asbestos abatement contractors, workers, trainers, and training courses. If one assumes that lead abatement and asbestos abatement activities are carried out by the same entities, then the revenue that would be generated from the fees outlined in this bill would be equivalent to that earned by the Asbestos Program. According to the Department, however, the experience of other states that have implemented lead paint certification programs is that annual fee revenues have been less than \$50,000. A voluntary lead abatement contractor/worker/ trainer registration program that is operated

by the Department, staffed by approximately 5.5 FTEs and supported with \$270,000 in Federal Environmental Protection Agency (EPA) grant funds had 99 voluntary registrants as of December 1997, compared with the 3,900-plus certified/accredited entities in the Asbestos Program. If this ratio continues, then the revenue that would be expected from the fees levied in the bill would be closer to \$10,000 annually.

The bill also could have an impact on existing Department of Community Health revenue. The passage of the bill would enable the Department to continue to receive the \$270,00 Federal EPA grant already described, and approximately \$4,000,000 in remaining Federal Housing and Urban Development (HUD) Lead Abatement grant funding.

Date Completed: 4-21-98

Fiscal Analyst: P. Graham

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.