

HOUSE BILL NO. 6235

June 16, 2022, Introduced by Reps. LaGrand, Steckloff, Aiyash, Brenda Carter and Kuppa and referred to the Committee on Commerce and Tourism.

A bill to require all appropriate inquiries before the sale or transfer of certain property; to invalidate the sale or transfer of certain property if certain requirements are not met; and to require certain disclosures before the sale or transfer of certain property.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act may be cited as the "environmental inspection
2 of commercial property act".

3 Sec. 3. As used in this act:

1 (a) "All appropriate inquiry" means an evaluation of
2 environmental conditions at a property that reasonably defines the
3 existing conditions and circumstances at the property in
4 conformance with 40 CFR 312.

5 (b) "Baseline environmental assessment" means a written
6 document that describes the results of an all appropriate inquiry.
7 A baseline environmental assessment must include, but is not
8 limited to, all of the following:

9 (i) An opinion as to whether the all appropriate inquiry has
10 identified conditions indicative of releases or threatened releases
11 of hazardous substances at the commercial property.

12 (ii) An identification of information, if any, that the person
13 conducting the all appropriate inquiry was unable to obtain that
14 affects the ability of the person to identify conditions indicative
15 of releases or threatened releases of hazardous substances at the
16 commercial property.

17 (iii) The qualifications of the person or persons that conducted
18 the all appropriate inquiry.

19 (c) "Commercial property" means that term as defined in
20 section 2 of the obsolete property rehabilitation act, 2000 PA 146,
21 MCL 125.2782.

22 (d) "Department" means the department of environment, Great
23 Lakes, and energy.

24 Sec. 5. (1) A person shall not sell or transfer a commercial
25 property unless all of the following have occurred:

26 (a) An all appropriate inquiry is completed no more than 100
27 days before the closing date of the sale or transfer of the
28 commercial property.

29 (b) A baseline environmental assessment is delivered to the

1 prospective buyer or prospective transferee or the agent of the
2 prospective buyer or prospective transferee at or before closing.

3 (c) A copy of the baseline environmental assessment is mailed
4 or otherwise delivered to the department.

5 (2) If a sale or transfer of commercial property subject to
6 this act fails to comply with any provision of this section, the
7 sale or transfer must be invalidated.

8 Sec. 7. The department shall develop and implement a filing
9 system to accept and store the baseline environmental assessments
10 required under this act.

11 Sec. 9. The specification of items for disclosure in this act
12 does not limit or abridge any obligation for disclosure created by
13 any other provision of law regarding fraud, misrepresentation, or
14 deceit in sale or transfer transactions.