

HOUSE BILL NO. 6101

May 17, 2022, Introduced by Reps. Yaroach and Rendon and referred to the Committee on Natural Resources and Outdoor Recreation.

A bill to require transfer evaluations before the sale or transfer of certain property; to provide exceptions; to provide for the powers and duties of certain state and local governmental officers and entities; to require the promulgation of rules; to require the registration of registered evaluators; and to provide standards for the registration of registered evaluators.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act may be cited as the "septic tank inspection
2 at time of sale act".

1 Sec. 3. As used in this act:

2 (a) "Department" means the department of environment, Great
3 Lakes, and energy.

4 (b) "Parcel" means a lot or distinct portion or tract of land
5 that includes a residential building.

6 (c) "Registered evaluator" means an individual who is
7 registered with the department under section 7.

8 (d) "Septic tank" means a buried watertight covered tank
9 designed and constructed to receive and partially treat sanitary
10 sewage by physical settling and anaerobic decomposition before
11 releasing the sewage to a drain field.

12 (e) "Transfer evaluation" means the process of determining the
13 condition and functionality of a septic tank in relation to the
14 sale or transfer of a parcel containing a septic tank by a
15 registered evaluator. During the transfer evaluation, the
16 registered evaluator shall do all of the following:

17 (i) Locate, expose, open, and inspect the septic tank.

18 (ii) Observe the surrounding area looking for surface drainage
19 problems or evidence of effluent on the ground or entering into a
20 body of water.

21 (iii) Check for evidence of any illicit discharge including, but
22 not limited to, discharge into a waterway, wetland, ditch, or
23 subsurface drain.

24 (iv) Pump the tank to remove and dispose of the contents if the
25 height of the fluid is less than 66% of the height of the contents
26 of the tank.

27 (v) Note whether the septic tank system had failed.

28 (vi) Anything else as required by the department.

29 (f) "Transfer evaluation report" means the report created by a

1 registered evaluator after conducting a transfer evaluation.
2 Transfer evaluation reports must include, but are not limited to,
3 all of the following:

4 (i) The address of the parcel.

5 (ii) The parcel identification number.

6 (iii) The name of the owner of the parcel.

7 (iv) The location of the septic tank.

8 (v) A description of the current operational or functional
9 status of the septic tank.

10 (vi) Identification of any necessary repairs or replacement of
11 any portions of the septic tank system.

12 (vii) Other relevant or unusual observations related to the
13 septic tank system.

14 Sec. 5. (1) Except as provided in subsection (2), beginning on
15 the effective date of this act a person shall not sell or transfer
16 a parcel containing a septic tank unless all of the following have
17 occurred:

18 (a) A registered evaluator has filed a transfer evaluation
19 report with the department.

20 (b) At the time of the transfer evaluation, the department has
21 determined that the condition or operation of the septic tank has
22 not failed or that any necessary system remediation has been
23 completed.

24 (c) The department has issued an authorization for sale or
25 transfer of the parcel.

26 (2) A transfer evaluation is not required before a sale or
27 transfer of a parcel containing a septic tank if any of the
28 following apply:

29 (a) A waiver is filed with the department stating that the

1 parcel is to be connected to an available public sanitary sewer,
2 public water supply, or both within 6 months of the sale or
3 transfer.

4 (b) The septic tank was installed less than 3 years before the
5 sale or transfer of the parcel.

6 (c) A transfer evaluation was conducted and a transfer
7 evaluation report was filed with the department no more than 1 year
8 before the sale or transfer of the parcel.

9 (d) A mortgage or other payment obligation is refinanced.

10 (e) Any structure connected to the septic tank is to be
11 demolished and not occupied after the sale or transfer of the
12 parcel.

13 (f) The value of the consideration of the sale or transfer of
14 the parcel is less than \$100.00.

15 (g) The transfer is from a spouse or spouses creating or
16 disjoining a tenancy by the entirety in the grantor or the
17 grantor and his or her spouse.

18 (h) Unless a specific monetary consideration is specified or
19 ordered by the court, the transfer is court-ordered.

20 (i) The transfer is to create a joint tenancy between 2 or
21 more persons where at least 1 of the persons already owns the
22 parcel.

23 (j) Winter weather conditions preclude completing the transfer
24 evaluation and the owner of the parcel files for an extension with
25 the department.

26 Sec. 7. (1) The department is responsible for regulating
27 transfer evaluations and promulgating rules to regulate transfer
28 evaluations under this act under the administrative procedures act
29 of 1969, 1969 PA 306, MCL 24.201 to 24.328.

1 (2) The department shall determine minimum levels of education
2 and experience to conduct transfer evaluations and shall require an
3 appropriate level of continuing education. Local health departments
4 may provide initial and continuing education of registered
5 evaluators with approval from the department.

6 (3) The department shall approve a certifying agency or
7 organization after determining the agency or organization has an
8 acceptable program for training and certifying individuals in
9 transfer evaluations.

10 (4) The department shall determine a fee schedule for the
11 registration of registered evaluators.

12 (5) The department shall keep a list of all registered
13 evaluators.

14 (6) Subject to subsection (7), before conducting a transfer
15 evaluation, an individual shall do all of the following:

16 (a) Get certified for transfer evaluations by an agency or
17 organization approved by the department.

18 (b) Register with the department.

19 (c) Pay the registration fee.

20 (7) If the department has not approved a certifying agency or
21 organization 90 days after the effective date of this act, the
22 department may register individuals without certification for
23 transfer evaluations after determining the adequacy of the
24 knowledge and experience of the individual until a certifying
25 agency or organization is approved by the department.