

LEAD POISONING PREVENTION FUND

A Simple Solution to End Childhood Lead Poisoning and Promote Equity

The lead contamination crisis in Flint, Michigan cast a spotlight on America's problem with childhood lead exposure. There is no safe level of lead in a child's body. Yet, lead from paint and resulting dust in older homes, drinking water, and other sources continues to poison our children, resulting in [brain and nerve damage, IQ loss, learning difficulties, and behavioral problems](#). COVID-19 induced school closures put children in unsafe housing at even greater risk of harm from this highly toxic metal.

BY ELMINATING LEAD POISONING, WE CAN....



Improve lives

Eliminating lead poisoning would [significantly improve children's health and their long-term academic, workforce, and economic success](#).

Even at extremely low levels, lead exposure [damages the brain and slows development](#).

The CDC estimates children in [4 million households](#) are exposed to high levels of lead.



Create jobs and strengthen local economies

A concerted effort to eliminate lead exposure [would create jobs](#) in the construction industry.

The resulting improvements to homes would also increase property values and thus tax revenue, strengthening both economic opportunity and growth in communities across the country.



Level the playing field for *all* children

Eliminating lead poisoning would address a top concern of vulnerable communities so that *all children live healthy, fulfilling lives*.

[Black](#) children (due to segregation into substandard housing), [Native American](#) children (due to lead-contaminated runoff from former mining sites), and children in [federally assisted housing](#) (due to older, poorly managed units and housing near Superfund sites contaminated with hazardous substances) are far more likely to be exposed to lead.



Save billions of dollars

For those born in 2018, benefits of preventing all lead exposure could reach [\\$84 billion](#).

Lead poisoning [increases](#) health care, education, criminal justice, and social assistance spending, and results in lost productivity.

How much does lead exposure cost your state? View the costs to federal, state, and private sectors at valueofleadprevention.org.

WE KNOW HOW. WE ONLY NEED THE RIGHT INVESTMENT.

We know prevention works. Key policy actions – removing lead from residential paint, establishing protective drinking water standards, prohibiting use of lead pipes and plumbing, eliminating leaded gasoline, reducing industrial emissions, and shifting to non-soldered food cans – have contributed to a [94% decline](#) in children’s blood lead levels in the U.S. since 1976. A focused effort could completely eliminate this problem.

We only need the right investment vehicle – one that leverages private dollars in a way that provides sustained support for lead remediation. We spend [nearly \\$300 million a year](#) nationwide to clean up lead and many times more than that to deal with the impact of lead poisoning in children. Yet, we lack a sufficient and sustainable investment vehicle to further scale these efforts. And we focus on treatment rather than prevention. We must invest the amount needed to prevent lead poisoning by removing the risk in the first place, instead of just treating lead poisoning (and paying for it) after it occurs.

We need a transformative, scalable solution to eliminate childhood lead poisoning once and for all.

A LEAD POISONING PREVENTION FUND IS A SIMPLE, SUSTAINABLE, COST-SAVING SOLUTION TO IMPROVE EQUITY

What is a Lead Fund and how is it financed?

A statewide or citywide Lead Poisoning Prevention Fund provides affordable loans so property owners can solve their lead problems – like getting rid of paint or replacing pipes. The Fund would provide income-based sliding scale interest rates and/or forgivable loans to help families finance repair and remediation projects. Many families that have lead in their homes do not qualify for government loans, are unable to afford the remediation on their own, and/or face additional barriers to borrowing.

The Fund can provide loans directly and/or serve as a loan loss reserve, mitigating risk to lenders to encourage them to make more loans at lower interest rates. Public and private lenders are repaid with interest.

KEY SOURCES FOR THE FUND INCLUDE:

Private Investment



e.g., from hospitals, universities, and banks

Public Investment



e.g., increased local property tax revenue, state appropriations, federal funds such as from HUD Healthy Homes

Interest Income



i.e., interest income from the loans provided

Fees and Fines



e.g., annual lead-safe rental certification fees and fines from enforcement of EPA’s Renovation, Repair, and Painting program

While this investment is primarily used to provide loans for repair and remediation, there are other possible uses as well.

KEY USES OF THE FUND INCLUDE:

Loans for Repair
and Remediation



Education and
Workforce Initiatives



Prevention and
Screening Programs



Operating Costs of
Securing Investment



Why is a Lead Fund an effective approach?

Lead Funds are public-private partnerships. By applying some of the substantial resources available in the private sector to the problem of lead poisoning prevention, we can more quickly and effectively solve the problem. We know what works to prevent lead poisoning, we only need the resources to do so – and public-private partnerships are a proven path to maximizing resources.

Incentives work. Grants, mandates, and fines have not been sufficient to eliminate childhood lead poisoning. A different approach is needed to address this solvable problem. A loan loss reserve that mitigates risk to lenders serves as a powerful incentive to encourage lenders to do public good by making more loans at low interest rates for purposes of lead poisoning prevention.

This small incentive produces a substantial multiplier effect. Public investment that mitigates risk for lenders can generate many times the amount of private funds. Moreover, support for lead remediation can be sustained, with repaid loans and other sources of investment being cycled back to provide additional loans for repair and remediation. In Michigan, the state's initial investment of \$10 million in a similar energy fund has leveraged over \$280 million in investment for energy upgrade loans, drawing nearly [\\$30 of private investment for every public dollar spent](#). Washington's Clean Energy Fund investment, through awards of \$118 million, has successfully leveraged [over \\$400 million](#) to support innovative projects. The funding has resulted in energy savings, emission reductions, and job creation throughout the energy supply chain. The same can be done for investment in lead poisoning prevention. Impact investors, philanthropic partners, and others are eager to join governments to implement such solutions.

Lead funds address the barriers residents face. None of us want lead in our homes. But maybe we cannot afford to remediate the risks, or the bank may not be willing to lend to us. HUD loans are restricted to those who income qualify. Many other homeowners also need access to affordable loans to remediate lead from their homes or rental properties.

MULTIPLIER EFFECT

The Michigan Saves Energy Fund has drawn nearly \$30 of private investment for every public dollar spent



IT'S BEEN DONE BEFORE – AND IT'S WORKING.

Examples of successful home loan funds focused on lead and home repairs include:



Philadelphia's [low-interest loan fund](#) for property owners to invest in health and safety upgrades, a public/private partnership between local government and several lending and community partners (established in 2019)



Detroit's [zero percent interest loan fund for home repairs](#), targeted to low- and moderate-income property owners or those living in U.S. Department of Housing and Urban Development (HUD) designated areas, with funds from HUD, Local Initiatives Support Corporation (LISC), and a private investor (launched in 2015)



Cleveland's [Lead Safe Home Fund](#), currently in development with \$35 million raised to date from foundations, CareSource (Ohio's largest managed care organization), city government, and state government

The capacity to do this in communities across the country already exists. Community development and other community-based organizations have experience giving loans like this to low-income or Black community members and can reach those most affected. Public health departments and non-profit organizations like Green & Healthy Homes Initiative can provide prevention expertise.

THE TIME TO ACT IS NOW.

Many health problems and health inequities are enormous in scale and challenging to address. We often do not know how to solve them, or the solutions we have are too complex. This is simply not the case with lead poisoning. Lead poisoning is:

- **A problem that is highly targeted – and thus can be eliminated:** There are 4 million children in households exposed to lead. Many of these children are [poor, black, or in public housing](#). A focused effort could bring this number down to zero.
- **A problem with known solutions – that just need to be funded:** The sources of lead are clear, and eliminating them is only a matter of investing in remediation. Lead-based paint and dust in the home is the [predominant source](#) of lead exposure in children.
- **A problem that could be addressed via flexible funding provided in recent federal pandemic response bills.**

Investments in a lead poisoning prevention fund are:

- **A tangible way to enhance health and [education](#) equity and [economic opportunity](#).**
- **Multiplied many times over and sustained even without additional investment.**
- **An actionable solution to end childhood lead poisoning.**

The Lead Fund approach is a concrete, sustainable, feasible way to finally end childhood lead poisoning. The benefits of lead poisoning prevention are clear, and advancing prevention efforts are simply a matter of scaling investment. States and cities would be remiss if they failed to seize this opportunity. Our children deserve it.