M3, N1 HB 1020/07 – ENV 8lr1722 CF 8lr1717

By: **Delegates Oaks, Costa, Frush, Glenn, Hubbard, and Malone** Introduced and read first time: January 31, 2008 Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

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Lead Poisoning Prevention Act of 2008

3 FOR the purpose of requiring a certain application form for a contractor license to 4 require a certain lead paint abatement accreditation number and accreditation 5 expiration date if the applicant provides certain lead paint abatement services; 6 requiring a certain licensee applying for a license renewal to submit to the 7 Maryland Home Improvement Commission a certain lead paint abatement 8 accreditation number and expiration date if the licensee performs certain lead 9 paint abatement services; prohibiting a certain licensee from violating certain 10 lead paint abatement accreditation requirements; requiring an owner of a 11 certain property who fails to comply with certain standards, on written request 12 of a tenant, under certain circumstances to release a tenant from a certain lease 13 and pay to the tenant certain relocation expenses not to exceed a certain 14 amount; providing that an owner may provide certain information to a tenant in 15response to a certain request; providing a tenant with a certain action in district 16 court under certain circumstances; providing that certain actions, inaction, or 17findings may not be construed to have any effect on any civil action or any 18 administrative proceeding brought under certain provision of law; altering 19 certain definitions; and generally relating to eliminating lead risk in housing.

- 20 BY repealing and reenacting, without amendments,
- 21 Article Business Regulation
- 22 Section 8–301, 8–303(a), and 8–620
- 23 Annotated Code of Maryland
- 24 (2004 Replacement Volume and 2007 Supplement)
- 25 BY repealing and reenacting, with amendments,
- 26 Article Business Regulation
- 27 Section 8–303(b), 8–308, and 8–611
- 28 Annotated Code of Maryland
- 29 (2004 Replacement Volume and 2007 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.



$rac{1}{2}$	BY repealing and reenacting, with amendments, Article – Environment			
3	Section 6–801(m)			
$rac{4}{5}$	Annotated Code of Maryland (2007 Replacement Volume and 2007 Supplement)			
0	(2007 Replacement Volume and 2007 Supplement)			
6	BY adding to			
7	Article – Real Property			
8	Section 8–215			
9	Annotated Code of Maryland			
10	(2003 Replacement Volume and 2007 Supplement)			
11	Preamble			
$\begin{array}{c} 12\\ 13 \end{array}$	WHEREAS, Childhood lead poisoning is a major public health threat in Maryland, poisoning over 1,300 children in Maryland as of 2005; and			
$\begin{array}{c} 14 \\ 15 \end{array}$	WHEREAS, Lead poisoning severely and irreversibly impacts the cognitive and physical development of young children; and			
16	WHEREAS, The Governor and the State have endorsed plans to meet the			
17	federal strategy to eliminate childhood lead poisoning by 2010; and			
18 19	WHEREAS, Children are exposed to lead through ingesting and inhaling lead dust, eating lead paint chips, or absorbing lead while in utero; and			
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$\begin{array}{c} 20\\ 21 \end{array}$	WHEREAS, Most of the exposures to lead can be eliminated by removing lead hazards and reducing exposure to toxic lead dust in the home; and			
22	WHEREAS, Although the number of cases of childhood lead poisoning in			
23 24				
- 1				
$\begin{array}{c} 25\\ 26 \end{array}$	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:			
27	Article – Business Regulation			
28	8–301.			
29 30	(a) Except as otherwise provided in this title, a person must have a contractor license whenever the person acts as a contractor in the State.			
$31 \\ 32 \\ 33$	(b) Except as otherwise provided in this title, a person must have a subcontractor license or contractor license whenever the person acts as a subcontractor in the State.			

1 Except as otherwise provided in this title, a person must have a (c) $\mathbf{2}$ salesperson license or contractor license whenever the person sells a home improvement in the State. 3 4 (d) This section does not apply to: 5 (1)an individual who works for a contractor or subcontractor for a salary or wages but who is not a salesperson for the contractor; 6 7 (2)a clerical employee, retail clerk, or other employee of a licensed 8 contractor who is not a salesperson, as to a transaction on the premises of the licensed 9 contractor: 10 (3)a solicitor for a contractor who calls an owner by telephone only; 11 (4)architect. electrician. plumber, an heating, ventilation, air-conditioning, or refrigeration contractor, or other person who: 1213 is required by State or local law to meet standards of (i) competency or experience before engaging in an occupation or profession; 14 15currently is licensed in that occupation or profession under (ii) 16 State or local law; and 17(iii) is: 1. acting only within the scope of that occupation or 18 19 profession; or 20 2. installing a central heating or air-conditioning 21system; 22a security systems technician licensed under Title 18 of the (5)Business Occupations and Professions Article; or 2324a person who is selling a home improvement to be performed by a (6) 25person described in item (4) of this subsection. 8-303. 26 27An applicant for a license shall: (a) (1)28submit to the Commission an application on the form that (i) 29 the Commission provides: 30 submit to the Commission with the license application proof (ii) 31of compliance with the insurance requirement of § 8-302.1 of this subtitle, if the

32 applicant is applying for a contractor license;

$egin{array}{c} 1 \ 2 \end{array}$	title, if the applica	(iii) int is a	pay into the Fund the fee required under § 8–404(a) of this pplying for a contractor license; and	
3		(iv)	pay to the Commission an application fee.	
4	(2)	The a	application fee:	
5 6	the contractor;	(i)	for a contractor license is \$225 for each place of business of	
7		(ii)	for a subcontractor license is \$125; or	
8		(iii)	for a salesperson license is \$75.	
9 10	(3) To cover the cost of processing an application, \$15 of the application fee is nonrefundable.			
$\begin{array}{c} 11 \\ 12 \end{array}$	(b) In addition to any other information required on an application form, the form shall require:			
13	(1)	for a	n individual applicant, the name and address of the applicant;	
14	(2)	for a	corporate applicant, the name and address of each officer;	
15	(3)	for a	partnership applicant, the name and address of each partner;	
16 17	(4) the joint venture;	for a	joint venture applicant, the name and address of each party to	
18 19 20	_	ited pa	e applicant acts as a contractor or subcontractor through a artnership, the name and address of the resident agent of the artnership in the State;	
$21 \\ 22 \\ 23$	(6) license, a comple applicant;		e applicant is applying for a contractor license or subcontractor scription of the nature of the contracting business of the	
$\begin{array}{c} 24 \\ 25 \end{array}$	(7) description of the		e applicant is applying for a salesperson license, a complete of the applicant;	
26 27 28	_	ther c	cord of the applicant's experience in the field of home onstruction work, including dates when and addresses where d and done business:	

28 the applicant has resided and done business;

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1 (9) IF THE APPLICANT PROVIDES LEAD PAINT ABATEMENT $\mathbf{2}$ SERVICES, THE DEPARTMENT OF THE ENVIRONMENT LEAD PAINT ABATEMENT 3 ACCREDITATION NUMBER AND ACCREDITATION EXPIRATION DATE: 4 whether the applicant has ever held a professional or **[(9)] (10)** $\mathbf{5}$ vocational license in this or any other state; and 6 [(10)] (11) whether the applicant has had a professional or vocational $\mathbf{7}$ license denied, suspended, or revoked. 8-308. 8 9 The Secretary may stagger the terms of licenses. (a) Unless a license is renewed for a 2-year term as provided in this section, 10 (b) the license expires: 11 if the Secretary staggers the terms of licenses, on the date that the 12 (1)13Secretary sets; or 14 (2)if the Secretary does not stagger the terms of licenses, on the first June 30 that comes after the effective date of the license in an odd-numbered year. 1516 At least 1 month before a license expires, the Commission shall mail to (c) the licensee, at the last known address of the licensee: 17a renewal application form; and 18 (1)19 (2)a notice that states: (i) the date on which the current license expires; 20 21the date by which the Commission must receive the renewal (ii) 22application for the renewal to be issued and mailed before the license expires; and 23(iii) the amount of the renewal fee. Before a license expires, the licensee periodically may renew it for 24(**d**) (1)an additional 2-year term, if the licensee: 2526(i) otherwise is entitled to be licensed; 27submits to the Commission a renewal application on the (ii) form that the Commission provides: 28

$egin{array}{c} 1 \\ 2 \\ 3 \end{array}$	(iii) submits to the Commission proof of compliance with the insurance requirement of § 8–302.1 of this subtitle, if the licensee is renewing a contractor license; [and]			
4 5 6 7	(IV) SUBMITS TO THE COMMISSION THE DEPARTMENT OF THE ENVIRONMENT LEAD PAINT ABATEMENT ACCREDITATION NUMBER AND ACCREDITATION EXPIRATION DATE, IF THE LICENSEE PROVIDES LEAD PAINT ABATEMENT SERVICES; AND			
8	[(iv)] (V) pays to the Commission a renewal fee.			
9	(2) The renewal fee:			
$\begin{array}{c} 10\\11 \end{array}$	(i) for a contractor license is \$225 for each place of business of the contractor;			
12	(ii) for a subcontractor license is \$125; or			
13	(iii) for a salesperson license is \$75.			
14 15 16 17	(3) Notwithstanding paragraph (2) of this subsection, a licensee that is incorporated or has its principal office in another state shall pay to the Commission the fee imposed in that state on a similar nonresident business if that fee is higher than the renewal fee under paragraph (2) of this subsection.			
18	(e) For renewal of a contractor license, the licensee shall:			
19 20 21	(1) submit to the Commission, by a credit reporting agency approved by the Commission, a credit report that contains the information required by the Commission; or			
22 23 24 25	(2) pay to the Commission or the Commission's designee a credit report fee in an amount not to exceed the cost charged by a credit reporting agency approved by the Commission to obtain a credit report that contains the information required by the Commission for renewal of a contractor license.			
$\frac{26}{27}$	(f) (1) The Commission shall renew the license of each licensee who meets the requirements of this section.			
28 29 30	(2) The Commission may not renew a contractor license unless the contractor submits proof of compliance with the insurance requirement of § 8–302.1 of this subtitle.			
$31 \\ 32 \\ 32$	(g) A licensed contractor shall give the Commission notice of the cancellation of insurance required under § 8-302.1 of this subtitle at least 10 days before the effective data of the cancellation			

effective date of the cancellation. 33

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1	8–611.				
2	A licensee may not violate:				
3	(1)	a building law of the State or a political subdivision of the State;			
4	(2)	a safety or labor law of the State; [or]			
5	(3)	the Maryland Workers' Compensation Act ; OR			
6 7 8	(4) THE LEAD PAINT ABATEMENT ACCREDITATION REQUIREMENT UNDER § 6–1002 OF THE ENVIRONMENT ARTICLE OR ANY REGULATION ADOPTED UNDER THAT SECTION.				
9	8–620.				
$10 \\ 11 \\ 12$	(a) The Commission may impose on a person who violates this title, including § $8-607(4)$ of this subtitle, a civil penalty not exceeding \$5,000 for each violation, whether or not the person is licensed under this title.				
13	(b) In se	etting the amount of a civil penalty, the Commission shall consider:			
14	(1)	the seriousness of the violation;			
15	(2)	the good faith of the violator;			
16	(3)	any previous violations;			
$\begin{array}{c} 17\\18\end{array}$	(4) and the business	the harmful effect of the violation on the complainant, the public, of home improvement;			
19	(5)	the assets of the violator; and			
20	(6)	any other relevant factors.			
21		Article – Environment			
22	6–801.				
23	(m) "Lea	d–safe housing" means a rental dwelling unit that:			
$\begin{array}{c} 24 \\ 25 \end{array}$	(1) subtitle;	Is certified to be lead-free in accordance with § 6–804 of this			
26	(2)	Was constructed after 1978;			

$rac{1}{2}$	(3) Is deemed to be lead-safe by the Department in accordance with criteria established by the Department by regulation; or		
3	(4) Is certified to be in compliance with $ 6-815(a) $ of this subtitle and:		
4 5	(i) In which all windows are either lead-free or have been treated so that all friction surfaces are lead-free;		
6 7 8 9 10 11	(ii) In which lead [particulate] CONTAMINATED DUST levels are determined to be within abatement clearance levels established by the Department by regulation, [within 15 days prior to the relocation of a person at risk to the rental dwelling unit in accordance with a qualified offer made under Part V of this subtitle] WITHIN A TIME FRAME ESTABLISHED BY THE DEPARTMENT BY REGULATION ; and		
$\begin{array}{c} 12\\ 13 \end{array}$	(iii) Which is subject to ongoing maintenance and testing as specified by the Department by regulation.		
14	Article – Real Property		
15	8–215.		
$\begin{array}{c} 16 \\ 17 \end{array}$	(A) IN THIS SECTION, "AFFECTED PROPERTY" AND "OWNER" HAVE THE MEANINGS STATED IN § 6–801 OF THE ENVIRONMENT ARTICLE.		
18 19 20 21	(B) (1) IF AN OWNER OF AN AFFECTED PROPERTY FAILS TO COMPLY WITH THE APPLICABLE RISK REDUCTION STANDARDS UNDER §§ 6–815 AND 6–819 OF THE ENVIRONMENT ARTICLE, THE OWNER, ON THE WRITTEN REQUEST OF THE TENANT, SHALL:		
22 23	(I) IMMEDIATELY RELEASE THE TENANT FROM THE TERMS OF THE LEASE OR RENTAL AGREEMENT FOR THAT PROPERTY; AND		
24 25 26 27 28	(II) PAY TO THE TENANT ALL REASONABLE RELOCATION EXPENSES, NOT TO EXCEED \$2,500, DIRECTLY RELATED TO THE PERMANENT RELOCATION OF THE TENANT TO A LEAD-FREE DWELLING UNIT OR ANOTHER DWELLING UNIT THAT HAS SATISFIED THE RISK REDUCTION STANDARD IN ACCORDANCE WITH § 6–815 OF THE ENVIRONMENT ARTICLE.		
29 30 31 32	(2) A TENANT'S WRITTEN REQUEST TO THE LANDLORD UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE ANY RISK REDUCTION CERTIFICATION INFORMATION PROVIDED BY THE DEPARTMENT OF THE ENVIRONMENT.		

1 (3) WITHIN 3 BUSINESS DAYS OF RECEIPT OF A TENANT'S $\mathbf{2}$ WRITTEN REQUEST UNDER PARAGRAPH (1) OF THIS SUBSECTION, AN OWNER 3 MAY PROVIDE TO THE TENANT: 4 **(I)** A CURRENT AND VALID RISK REDUCTION CERTIFICATE; $\mathbf{5}$ **(II) A LEAD-FREE CERTIFICATE;** 6 (III) A STATEMENT OF VERIFICATION BY THE OWNER AND $\mathbf{7}$ TENANT OF WORK PERFORMED IN ACCORDANCE WITH § 6-819(F)(1) OF THE 8 **ENVIRONMENT ARTICLE FOR THE AFFECTED PROPERTY; OR** 9 (IV) THE FINAL REPORT OF AN INSPECTOR VERIFYING THAT 10 WORK WAS PERFORMED ON THE AFFECTED PROPERTY IN ACCORDANCE WITH § 11 6-819(F)(2) OF THE ENVIRONMENT ARTICLE. 12**(C)** (1) IF AN OWNER FAILS TO PROVIDE INFORMATION IN 13ACCORDANCE WITH SUBSECTION (B)(3) OF THIS SECTION OR TO COMPLY WITH 14 THE TENANT'S WRITTEN REQUEST UNDER SUBSECTION (B)(1) OF THIS SECTION 15WITHIN 3 BUSINESS DAYS OF RECEIPT OF THE REQUEST, THE TENANT MAY 16 BRING AN ACTION IN DISTRICT COURT FOR THE: 17 **(I)** LEASE TERMINATION; 18 **(II)** REIMBURSEMENT OF REASONABLE RELOCATION 19 **EXPENSES; AND** 20(III) **REASONABLE ATTORNEY'S FEES.** 21A TENANT DOES NOT HAVE A CAUSE OF ACTION UNDER THIS **(2)** 22SUBSECTION IF THE OWNER OF AN AFFECTED PROPERTY PROVIDES 23INFORMATION IN ACCORDANCE WITH SUBSECTION(B)(3) OF THIS SECTION. 24THE RIGHT OF A TENANT TO REQUEST RELEASE IN ACCORDANCE **(D)** 25WITH SUBSECTION (B) OF THIS SECTION DOES NOT PRECLUDE THE TENANT 26 FROM PURSUING ANY OTHER RIGHT OR REMEDY AVAILABLE TO THE TENANT AT $\mathbf{27}$ LAW OR EQUITY AND IS IN ADDITION TO THEM. 28ANY ACTION OR INACTION OF THE OWNER OF AN AFFECTED **(E)** 29 PROPERTY OR TENANT UNDER THIS SECTION OR ANY FINDING IN A 30 PROCEEDING UNDER THIS SECTION MAY NOT BE CONSTRUED TO HAVE ANY 31**EFFECT ON:**

32 (1) ANY CIVIL ACTION; OR

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1 (2) ANY ADMINISTRATIVE PROCEEDING BROUGHT UNDER THIS 2 TITLE OR TITLE 6 OF THE ENVIRONMENT ARTICLE.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2008.