

House Bill 1540 - Environment - Mold Inspections - Standards, Reporting, and Penalties *Heard on March 4, 2020*

Delegate Shaneka Henson

Delegate Henson's Commentary of the Fiscal Note & Friendly Amendments

The total cost of the bill to the state is expected to be **\$108,064.**

- This cost includes the 1 environmental program manager (\$69,761) and 1 administrative specialist (\$38,303). These are the **only** additional positions required to carry out this bill.

What makes up the difference from the fiscal note.

- The bill tasks the States Attorney with enforcement, additional assistant attorneys not required. (-\$285,000)
- Bill *does not* task MDE with remediation tracking and or compliance so the “23 remedial compliance specialists” are not required. (-\$900,000)

Additional miscalculations in fiscal note.

- The impact on local jurisdictions is overstated. The required inspections are outlined as being “costly additions” because the note does not factor the bills requirement to have the inspection *co-occur with existing inspections*. The codes requiring these inspections are below.
 - Rental Dwellings- MD ANN. CODE Public Safety §12-203
 - Assisted Living Facilities and Nursing Homes- MD ANN. CODE Public Safety § 12-203
 - Child Care Facilities- COMAR 13A.15.13.01 & 13A.16.17.02
 - Schools - COMAR 13A.01.02.04
 - Additional inspections occur for tax credit buildings, buildings receiving HUD funding and which receive smoke detectors and lead paint inspections.
- Local jurisdictions are expected to coordinate with MDH to create regulation standards which can be carried out inside existing budgetary resources. Also note the potential friendly amendment for a local funding source already being utilized by most local jurisdictions for rental housing inspections wherein which they assess rental licensing fees to landlords to cover the costs to administer local the code enforcement inspections.
- The fiscal note assumes equipment will be required, it is not. The bill allows for visual inspections.

POTENTIAL FRIENDLY AMENDMENTS

- **PENALTY REVENUE.** General fund revenues may increase from the penalty provision which can be used to cover at least part of the cost. An amendment can be drafted to revert penalty revenue to local jurisdictions to cover costs of carrying out these inspections.
- **INSPECTION FEES REVENUE.** An amendment could be added to increase general fund revenues by charging inspection fees.
- **OWNER OCCUPIED UNIT EXEMPTION.** Require inspection of rental housing only for non-owner occupied rental housing. This would reduce the inspected number of units by approximately 67%.
- **REMOVE SCHOOLS.** There is a bill before the house to address mold inspection and remediation standards in K-12 schools, HB7. Schools could be deleted as an institution under this bill.