

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

House Bill 1398 (Delegate Workman)

Environmental Matters

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**Lead Paint - Limitations and Exemptions**

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This bill exempts a sole proprietor or tenants by the entireties who own two or fewer rental dwellings in the State from the work practice and accreditation requirements of lead paint risk reduction standards when performing specified repairs, maintenance, renovation work, or risk reduction treatments on their own property. Current law requires persons performing lead abatement services to be accredited by the Maryland Department of the Environment (MDE). The bill also exempts these property owners from the registration fees required by law.

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**Fiscal Summary**

**State Effect:** MDE special fund revenue loss of \$255,300 in FY 1999 and FY 2000, and \$230,000 annually thereafter. Expenditures would not be affected.

**Local Effect:** None.

**Small Business Effect:** Potential meaningful.

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**Fiscal Analysis**

**State Effect:** The bill exempts property owners who own two or fewer rental properties from paying the registration fee required under the Lead Poisoning Prevention Program. MDE currently registers 28,052 of these properties. Rental properties built before 1949 require a \$5 registration fee and those built after 1949 a \$10 registration fee. After December 31, 2000, rental properties built before 1949 will no longer be required to pay a registration fee.

There are 14,775 property owners who own a single, post-1949 unit (\$10 fee) and 3,857 who own a single pre-1949 unit (\$5 fee). In addition, there are 4,114 property owners who own

two, post-1949 units (\$10 fee x 2) and 596 who own two pre-1949 units (\$5 x 2). As a result, special fund revenues would decrease by \$255,275 in fiscal 1999 and fiscal 2000, and by \$230,030 annually thereafter.

Any additional administrative costs associated with the bill could be handled with MDE's existing resources.

**Small Business Effect:** Small business landlords could be impacted in a positive manner. They would no longer be required to pay a registration fee to MDE. The bill exempts these individuals from meeting requirements for accreditation and training that is currently required to perform lead abatement work on their property. This could result in significant savings of both time and money for these individuals. The fee for a two-day accreditation and training course in lead abatement procedures for property owners is approximately \$250.

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**Information Source(s):** Maryland Department of the Environment; Department of Health and Mental Hygiene (Community and Public Health Administration); Department of Legislative Services

**Fiscal Note History:** First Reader - March 18, 1998

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