

**Department of Legislative Services**

Maryland General Assembly

2002 Session

**FISCAL NOTE**

Senate Bill 484

(Senator Kelley, *et al.*)

Judicial Proceedings

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**Housing - Discrimination Based on Source of Income - Prohibited**

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This bill prohibits discriminatory practices in the sale or rental of a dwelling because of a person's source of income.

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**Fiscal Summary**

**State Effect:** Assuming that the Human Relations Commission receives fewer than 20 complaints as a result of this bill, any additional workload could be handled with existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** The bill prohibits taking the following actions because of a person's source of income: (1) refusing to sell or rent a dwelling after making a bona fide offer; (2) refusing to negotiate for the sale or rental of a dwelling; (3) making a dwelling otherwise unavailable; (4) discriminating in the terms, conditions, or privileges of sale or rental of a dwelling; (5) discriminating in the provision of services or facilities in connection with the sale or rental of a dwelling; (6) making, printing, or publishing or causing to be made, printed, or published any notice, statement, or advertisement with respect to a dwelling that indicates a preference, limitation, or discrimination based on source of income; (7) representing to a person that a dwelling is not available for inspection, sale, or rental when it is available; and (8) for profit, inducing or attempting to

induce a person to sell or rent a dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons with a particular source of income.

The bill exempts determinations of a potential buyer's or renter's ability to pay a purchase price or rent by: (1) verifying that person's source and amount of income; or (2) evaluating that person's stability, security, and credit worthiness, or evaluating any source of income of the potential buyer or renter. The bill also exempts a refusal to consider income derived from any criminal activity.

The bill prohibits a person whose business includes engaging in residential real estate related transactions from discriminating against a person in making available a transaction, or in the terms or conditions of a transaction, because of the person's source of income. However, a real estate appraiser may take into consideration factors other than source of income.

The bill prohibits a person from, because of a person's source of income, denying that person access to, or membership or participation in, a multiple-listing service, real estate brokers' organization or other service, organization, or facility relating to the business of selling or renting dwellings, or to discriminate against a person in the terms or conditions of membership or participation.

Under the bill, a "source of income" is any lawful source of money paid directly or indirectly to a renter or buyer of housing, including: (1) any lawful profession or occupation; (2) any government or private assistance, grant, or loan program; (3) any gift, inheritance, pension, annuity, alimony, child support, or other consideration or benefit; and (4) any sale or pledge of property or interest in property.

**Current Law:** Housing discrimination because of race, sex, creed, color, religion, national origin, marital status, and physical or mental handicap is prohibited. Chapter 340 of 2001 added sexual orientation to this list of prohibited forms of discrimination.

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### **Additional Information**

**Prior Introductions:** A substantially similar bill, HB 650, was introduced in the 1999 session and received an unfavorable report from the House Economic Matters Committee. Similar bills were also introduced in the 1998 session (SB 576 and HB 1245) and the 1997 session (SB 790 and HB 861). HB 1245 and HB 861 both received unfavorable reports from the House Commerce and Government Matters Committee. SB

576 and SB 790 both received unfavorable reports from the Senate Judicial Proceedings Committee.

**Cross File:** HB 990 (Delegate Marriott, *et al.*) – Economic Matters.

**Information Source(s):** Department of Housing and Community Development,  
Department of Legislative Services

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