

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

House Bill 1446 (Delegate Oaks, *et al.*)
Environmental Matters

Environment - Reducing Lead Risk in Housing - Risk Reduction Standard

This bill requires an owner of affected property under the Reduction of Lead Risk in Housing Program to satisfy the risk reduction standard by passing the test for lead-contaminated dust *and* performing specified lead hazard reduction treatments. Currently, an owner has the option of either passing the test for lead-contaminated dust *or* performing specified lead hazard reduction treatments.

Fiscal Summary

State Effect: The bill's changes could be handled with existing budgeted resources.

Local Effect: The bill would not materially affect local operations or finances.

Small Business Effect: Meaningful.

Analysis

Current Law: Chapter 114 of 1994 established the Lead Paint Poisoning Prevention Program in the Maryland Department of the Environment (MDE). The program provides limited liability relief for owners of rental property built before 1950 and others in exchange for the reduction of lead hazards in these older rental properties. The program also provides for limited compensation to children who are poisoned by lead.

By December 31, 1995, the owner of an affected property must have registered that property with MDE. An owner who first acquires affected property after that date must register the property within 30 days of acquisition. At each change in occupancy, before the next tenant occupies the property, an owner must satisfy the risk reduction standard

by passing the test for lead contaminated dust *or* performing specified lead hazard reduction treatments. An affected property is exempt from the risk reduction standards under specified conditions.

Background: Lead poisoning impacts the cognitive and physical development of young children. Children are exposed to lead through breathing lead paint dust, eating lead paint chips, or absorbing lead while in-utero. Most exposures can be eliminated by removing lead paint from the homes of children and pregnant women. Although the number of cases of childhood lead poisoning in Maryland has decreased significantly over the past few years (from 1,830 in 1996 to 260 in 2002), lead paint remains a significant health issue.

Small Business Effect: According to MDE, approximately 28,000 property owners have registered their properties with MDE under the Reduction of Lead Risk in Housing Program. There are approximately 135,000 pre-1950 rental units; of these, 30,000 have been certified lead-free. Accordingly, about 105,000 units are subject to the risk reduction requirements. Affected landlords would incur increased costs to comply with the bill's changes, while businesses performing the risk reduction treatments and inspections would benefit from an increase in the demand for their services. MDE advises that a dust test costs approximately \$300 per unit, and risk reduction treatments range from \$800 to \$2,500 per unit. In addition, visual inspections cost \$40 per unit.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of the Environment, Department of Housing and Community Development, Baltimore City, Department of Legislative Services

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nas/ljm

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