

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

House Bill 1527 (Delegate Weir)
Environmental Matters

Lead Risk Reduction - Acquisition of Property - Compliance Requirements

This bill establishes new provisions under the Reduction of Lead Risk in Housing Program within the Maryland Department of the Environment applicable to a person who acquires an affected property and who had no current ownership interest, exclusive of ground rent, in the affected property before acquisition. The person would be able to submit a compliance plan to MDE. If approved, the person would be in compliance and be eligible for specified liability protections.

The bill would apply to any purchase of affected property beginning March 1, 2006.

Fiscal Summary

State Effect: Although MDE would be required to review and approve or deny any compliance plans submitted under the bill, because the bill is not anticipated to result in a significant number of such plans, the bill's changes could be handled with existing resources.

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

Small Business Effect: Minimal.

Analysis

Bill Summary: Beginning March 1, 2006, a person seeking to purchase an affected property that is not in compliance with the Reduction of Lead Risk in Housing subtitle may submit a compliance plan to MDE within 90 days before and 30 days after

settlement. MDE must review and approve or deny the plan within 30 days of submission. The bill establishes provisions relating to modifications of the plan.

After MDE approves a plan, the person that acquired the property would be considered in compliance with the Reduction of Lead Risk in Housing subtitle and would be eligible for the protection afforded to owners of affected property that are in compliance. If a compliance plan is withdrawn, the protections would no longer apply.

If the person that acquired the property fails to comply with the terms of the approved plan, the person must be considered to be noncompliant from the date of settlement and transfer of the affected property.

Current Law: Chapter 114 of 1994 established the Lead Poisoning Prevention Program in 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. A qualified offer by a landowner in such instances covers up to \$7,500 for all medically necessary treatments and up to \$9,500 for relocation benefits. Acceptance of a qualified offer discharges and releases all potential liability of the offeror to the person at risk and to the parent or legal guardian of the person at risk for alleged injury or loss caused by the ingestion of lead by the person at risk in the affected property. An owner is not liable for alleged injury or loss caused by ingestion of lead by a person at risk who rejects a qualified offer if, during the period of the alleged ingestion, the owner has given to the tenant the required notices and was in compliance with the registration and risk reduction standards.

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 over the past few years (from 1,830 in 1996 to 260 in 2002), lead paint remains a significant health issue.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 13, 2006
ncs/ljm

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