D3, M3 9lr2207 CF 9lr2202

By: Senators Carter, Ferguson, Hayes, McCray, Nathan–Pulliam, and Washington Introduced and read first time: February 4, 2019

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

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Baltimore City - Civil Actions - Liability of Toxic Substance Manufacturers

FOR the purpose of establishing that this Act applies only to an action brought against a certain manufacturer of a toxic substance for certain damages allegedly caused by the presence of paint or surface coatings containing the toxic substance in a residential building located in Baltimore City; providing that this Act does not apply to certain actions for certain damages arising from personal injury or death, certain actions against a person other than a manufacturer, or certain actions brought by a person other than the City of Baltimore, the Housing Authority of Baltimore City, or an owner of a residential building located in Baltimore City; providing that a plaintiff in an action under this Act is not required to prove that a specific manufacturer manufactured or produced the toxic substance used in the paint or surface coating alleged to have caused the plaintiff's harm; providing that a certain manufacturer may be held liable for certain damages in an action under this Act under certain circumstances; establishing certain defenses to an action under this Act; providing for the apportionment of certain damages among certain manufacturers under certain circumstances; providing that failure to join a certain manufacturer in a certain action does not constitute failure to join a required party for any purpose; prohibiting a counterclaim or cross-claim from being filed in an action under this Act, subject to a certain exception; providing that certain provisions of this Act may not be construed or interpreted to prohibit a manufacturer from bringing certain claims against another manufacturer; providing that an action under this Act is not exclusive and is independent of and in addition to certain other rights, remedies, and causes of action; declaring a certain intent of the General Assembly; defining certain terms; providing for the application of this Act; and generally relating to the liability of manufacturers for damage caused in Baltimore City by toxic substances in paint and other surface coatings.

28 BY adding to

Article – Courts and Judicial Proceedings

Section 3–2201 through 3–2205 to be under the new subtitle "Subtitle 22. Baltimore

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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(I**)**

TOXIC SUBSTANCE AT RETAIL OR WHOLESALE; OR

1 2 3	City – Liability of Toxic Substance Manufacturers" Annotated Code of Maryland (2013 Replacement Volume and 2018 Supplement)
4 5	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
6	Article - Courts and Judicial Proceedings
7 8	SUBTITLE 22. BALTIMORE CITY – LIABILITY OF TOXIC SUBSTANCE MANUFACTURERS.
9	3–2201.
10 11	(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
12 13 14	(B) (1) "ABATEMENT" MEANS A SET OF MEASURES THAT ELIMINATE OR REDUCE TOXIC HAZARDS IN A RESIDENTIAL BUILDING IN ACCORDANCE WITH STANDARDS ESTABLISHED BY THE DEPARTMENT OF THE ENVIRONMENT.
15	(2) "ABATEMENT" INCLUDES:
16 17 18 19 20 21	(I) THE REMOVAL OF A TOXIC SUBSTANCE AND DUST CONTAMINATED WITH A TOXIC SUBSTANCE, THE CONTAINMENT OR ENCAPSULATION OF A TOXIC SUBSTANCE, THE REPLACEMENT OR DEMOLITION OF SURFACES OR FIXTURES PAINTED OR COATED WITH A PRODUCT CONTAINING A TOXIC SUBSTANCE, AND THE REMOVAL OR COVERING OF SOIL CONTAMINATED WITH A TOXIC SUBSTANCE; AND
22 23 24	(II) PREPARATION, CLEANUP, DISPOSAL, AND POSTABATEMENT CLEARANCE TESTING ACTIVITIES ASSOCIATED WITH THE MEASURES DESCRIBED IN ITEM (I) OF THIS PARAGRAPH.
25 26 27	(C) (1) "MANUFACTURER" MEANS A PERSON THAT MANUFACTURED OR PRODUCED A TOXIC SUBSTANCE FOR SALE OR USE AS A COMPONENT OF PAINT OR OTHER SURFACE COATINGS, OR A PREDECESSOR-IN-INTEREST OF THE PERSON.
28 29	(2) "MANUFACTURER" DOES NOT INCLUDE A PERSON OR A PREDECESSOR-IN-INTEREST OF THE PERSON THAT ONLY:

SOLD A TOXIC SUBSTANCE OR PRODUCT CONTAINING A

- 3 1 (II) APPLIED A PRODUCT CONTAINING A TOXIC SUBSTANCE IN A 2 RESIDENTIAL BUILDING. "TOXIC SUBSTANCE" MEANS A COMPONENT USED IN PAINT OR 3 OTHER SURFACE COATINGS THAT IS HARMFUL TO HUMAN HEALTH AND THE 4 ENVIRONMENT. "TOXIC SUBSTANCE" INCLUDES LEAD PIGMENT. 6 **(2)** 3-2202. 7 8 **(1)** THIS SUBTITLE APPLIES ONLY TO AN ACTION AGAINST A (A) MANUFACTURER FOR PROPERTY DAMAGE OR CONSEQUENTIAL ECONOMIC DAMAGE 9 ALLEGEDLY CAUSED BY THE PRESENCE OF PAINT OR OTHER SURFACE COATINGS 10 11 CONTAINING A TOXIC SUBSTANCE IN A RESIDENTIAL BUILDING LOCATED IN 12 BALTIMORE CITY. 13 **(2)** DAMAGES THAT MAY BE CLAIMED IN AN ACTION UNDER THIS 14 SUBTITLE INCLUDE: 15 (I)DAMAGES SUSTAINED BY THE HOUSING AUTHORITY OF BALTIMORE CITY OR THE OWNER OF A RESIDENTIAL BUILDING LOCATED IN 16 BALTIMORE CITY REQUIRED TO COMPLY WITH: 17 THE REQUIREMENTS OF TITLE 6, SUBTITLE 8 OF THE 18 1. **ENVIRONMENT ARTICLE**; 19 20 2. AN ABATEMENT ORDER ISSUED BY A UNIT OF THE 21STATE OR A LOCAL GOVERNMENT; OR 223. A REQUIREMENT TO REPAIR ANY DEFECT UNDER § 8-211 OR § 8-211.1 OF THE REAL PROPERTY ARTICLE; 23 24EXPENSES VOLUNTARILY INCURRED BY THE HOUSING (II)AUTHORITY OF BALTIMORE CITY OR THE OWNER OF A RESIDENTIAL BUILDING 25LOCATED IN BALTIMORE CITY TO ABATE TOXIC HAZARDS; 26 27 (III) EXPENSES INCURRED BY THE CITY OF BALTIMORE TO: 28 1. **ENFORCE LEAD-BASED PAINT LAWS;**
- 29 2. RAISE AWARENESS ABOUT THE PRESENCE OF TOXIC SUBSTANCES IN HOUSING; AND 30

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1 2 3	3. CONDUCT OUTREACH AND SCREENING EFFORTS AIMED AT POPULATIONS AT RISK FOR POISONING FROM PAINTS AND SURFACE COATINGS CONTAINING TOXIC SUBSTANCES;
4 5 6 7	(IV) THE REASONABLE FUTURE COSTS ASSOCIATED WITH THE TESTING, REMOVAL, ABATEMENT, OR ELIMINATION OF TOXIC HAZARDS THAT EXIST IN A RESIDENTIAL BUILDING LOCATED IN BALTIMORE CITY AT THE TIME AN ACTION IS FILED; AND
8 9 10	(V) LOST RENT ATTRIBUTABLE TO THE PRESENCE OF PAINT OR SURFACE COATINGS CONTAINING A TOXIC SUBSTANCE IN A RESIDENTIAL BUILDING LOCATED IN BALTIMORE CITY.
1	(B) THIS SUBTITLE DOES NOT APPLY TO AN ACTION:
12 13 14	(1) AGAINST A MANUFACTURER FOR DAMAGES ARISING FROM PERSONAL INJURY OR DEATH ALLEGEDLY CAUSED BY THE PRESENCE OF PAINT OR SURFACE COATINGS CONTAINING A TOXIC SUBSTANCE IN A RESIDENTIAL BUILDING LOCATED IN BALTIMORE CITY;
6	(2) AGAINST ANY PERSON OTHER THAN A MANUFACTURER; OR
17	(3) BROUGHT BY ANY PERSON OTHER THAN:
18	(I) THE CITY OF BALTIMORE;
9	(II) THE HOUSING AUTHORITY OF BALTIMORE CITY; OR
20 21	(III) AN OWNER OF A RESIDENTIAL BUILDING LOCATED IN BALTIMORE CITY.
22	3–2203.
23	(A) (1) IN AN ACTION UNDER THIS SUBTITLE:
24 25 26 27	(I) A PLAINTIFF IS NOT REQUIRED TO PROVE THAT A SPECIFIC MANUFACTURER MANUFACTURED OR PRODUCED THE TOXIC SUBSTANCE CONTAINED IN THE PAINT OR SURFACE COATING ALLEGED TO HAVE CAUSED THE PLAINTIFF'S HARM; AND

(II) A MANUFACTURER MAY BE HELD LIABLE FOR DAMAGES

ALLEGEDLY CAUSED BY THE PRESENCE OF PAINT OR SURFACE COATINGS

- 1 CONTAINING A TOXIC SUBSTANCE IN A RESIDENTIAL BUILDING LOCATED IN
- 2 BALTIMORE CITY, IF THE PLAINTIFF SHOWS THAT:
- 3 THE PLAINTIFF'S ALLEGED HARM WAS CAUSED BY A
- 4 TOXIC SUBSTANCE USED AS A COMPONENT OF PAINT OR SURFACE COATINGS;
- 5 2. THE MANUFACTURER MANUFACTURED OR
- 6 PRODUCED THE TOXIC SUBSTANCE FOR SALE OR USE AS A COMPONENT OF PAINT OR
- 7 SURFACE COATINGS; AND
- 3. The manufacturer breached a legally
- 9 RECOGNIZED DUTY TO THE PLAINTIFF UNDER MARYLAND LAW IN THE COURSE OF
- 10 SELLING, MANUFACTURING, PROMOTING, OR DISTRIBUTING THE TOXIC
- 11 SUBSTANCE.
- 12 (2) It is a defense to an action under this subtitle that the
- 13 MANUFACTURER DID NOT SELL, MANUFACTURE, PROMOTE, OR DISTRIBUTE THE
- 14 TOXIC SUBSTANCE:
- 15 (I) IN BALTIMORE CITY; OR
- 16 (II) DURING THE TIME PERIOD WHEN THE PAINT OR SURFACE
- 17 COATING ALLEGED TO HAVE CAUSED THE PLAINTIFF'S HARM WAS APPLIED.
- 18 (B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, IF
- 19 MORE THAN ONE MANUFACTURER IS FOUND LIABLE IN AN ACTION UNDER THIS
- 20 SUBTITLE, LIABILITY SHALL BE JOINT AND SEVERAL.
- 21 (2) (I) A MANUFACTURER MAY REDUCE ITS SHARE OF LIABILITY
- 22 UNDER A VERDICT BY SHOWING THAT THE MANUFACTURER WAS RESPONSIBLE FOR
- 23 A PARTICULAR SHARE OF THE MARKET FOR A TOXIC SUBSTANCE DURING THE TIME
- 24 PERIOD WHEN THE PAINT OR SURFACE COATING ALLEGED TO HAVE CAUSED THE
- 25 PLAINTIFF'S HARM WAS APPLIED.
- 26 (II) If a manufacturer shows that the manufacturer
- 27 WAS RESPONSIBLE FOR A PARTICULAR SHARE OF THE MARKET IN ACCORDANCE
- 28 WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH:
- 29 1. The court shall reduce the manufacturer's
- 30 SHARE OF THE VERDICT TO BE THE SAME AS THE MANUFACTURER'S SHARE OF THE
- 31 MARKET; AND
- 2. ANY MANUFACTURERS THAT HAVE NOT SHOWN THAT

- 1 THEY WERE RESPONSIBLE FOR A PARTICULAR SHARE OF THE MARKET IN
- 2 ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE JOINTLY
- 3 AND SEVERALLY RESPONSIBLE FOR THE REMAINING AMOUNT OF THE VERDICT.
- 4 (C) FAILURE TO JOIN A SPECIFIC MANUFACTURER IN AN ACTION UNDER
- 5 THIS SUBTITLE DOES NOT CONSTITUTE FAILURE TO JOIN A REQUIRED PARTY FOR
- 6 ANY PURPOSE.
- 7 (D) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A
- 8 COUNTERCLAIM OR CROSS-CLAIM MAY NOT BE FILED IN AN ACTION BROUGHT
- 9 UNDER THIS SUBTITLE.
- 10 (E) THIS SECTION MAY NOT BE CONSTRUED OR INTERPRETED TO PROHIBIT
- 11 A MANUFACTURER FROM BRINGING CLAIMS AGAINST ANOTHER MANUFACTURER
- 12 FOR CONTRIBUTION OR INDEMNIFICATION.
- 13 **3–2204.**
- AN ACTION UNDER THIS SUBTITLE IS NOT EXCLUSIVE AND IS INDEPENDENT
- 15 OF AND IN ADDITION TO ANY RIGHT, REMEDY, OR CAUSE OF ACTION AVAILABLE TO
- 16 ANY PERSON OR PUBLIC ENTITY TO RECOVER DAMAGES CAUSED BY PAINT OR
- 17 SURFACE COATINGS CONTAINING A TOXIC SUBSTANCE.
- 18 **3–2205.**
- 19 THE GENERAL ASSEMBLY DECLARES THAT:
- 20 (1) THE PURPOSE OF THIS SUBTITLE IS REMEDIAL AND ESSENTIAL TO
- 21 THE PUBLIC INTEREST; AND
- 22 (2) It is the intent of the General Assembly that this
- 23 SUBTITLE BE LIBERALLY CONSTRUED BY THE COURTS.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
- 25 apply only prospectively and may not be applied or interpreted to have any effect on or
- application to any case filed before the effective date of this Act.
- SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 28 October 1, 2019.