

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 783

(Delegate Jackson)

Appropriations

Public Schools - Mold Assessment and Remediation

This bill requires, by June 1, 2023, the Maryland State Department of Education (MSDE), in consultation with the Maryland Department of Health (MDH) and the Department of General Services (DGS), to adopt regulations that establish uniform standards for mold assessment and remediation in public schools as specified. Among other requirements, the regulations must require each local board of education to (1) establish a formal mold reporting process; (2) hire a certified professional to perform a mold assessment as soon as practicable after receiving a report of potential mold in a public school; (3) remediate any mold identified by the assessment; and (4) pay the costs of the mold assessments and mold remediation. Results of a mold assessment must be written in a manner that is easy to understand and posted on the websites of each local board of education and MSDE in a conspicuous location that is easy for the public to find and access. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: General fund expenditures increase by an estimated \$25,000 in FY 2023. MSDE can post the mold assessments using existing resources. Revenues are not affected.

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	25,000	0	0	0	0
Net Effect	(\$25,000)	\$0	\$0	\$0	\$0

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local school system expenditures increase, likely significantly in some local school systems, beginning as early as FY 2024 to assess and remediate mold in public schools. However, some assessment and remediation costs may occur absent the bill. Revenues are not affected. **This bill may impose a mandate on a unit of local government.**

Small Business Effect: Potential meaningful.

Analysis

Bill Summary:

Relevant Definitions

“Mold” means a form of multicellular fungi that lives (1) on plant or animal matter or (2) in an indoor environment. “Mold assessment” means (1) an inspection, an investigation, or a survey of a dwelling or other structure to provide information to the owner regarding the presence, identification, or evaluation of mold; (2) the development of a mold management plan; or (3) the collection or analysis of a mold sample. “Mold remediation” means (1) removing, cleaning, sanitizing, demolishing, or any other treatment performed to address mold or (2) abatement of the underlying cause of mold.

Regulations

Specifically, the regulations must establish standards for (1) identifying and evaluating the presence of mold, including visible mold inspections and testing and (2) mold remediation as specified. A local board of education must submit the results of a mold assessment to MSDE.

Current Law: There are no statewide requirements to conduct mold assessments or remediation of public schools.

The Healthy School Facility Fund allows the Interagency Commission on School Construction (IAC) to award grants to schools based on the severity of issues including, among others, air quality.

In 2018, the 21st Century School Facilities Commission recommended that the State conduct a statewide facility assessment of all schools by July 2019, and every four years thereafter, to enable IAC and local education agencies to regularly assess school facilities in a uniform manner. The data from the assessment would be accessible to all local education agencies in an integrated data system known as the Integrated Master Facility Asset Library. Delays in the procurement process led to the initial statewide facilities assessment not being completed until July 2021.

According to the final [report](#) of the Workgroup on the Assessment and Funding of School Facilities from January 2022, the data from the first assessment did not include measures

related to a number of sufficiency standards important to the workgroup including humidity (as a proxy for mold); therefore, the workgroup recommended all future facility assessments should include specified data, including humidity.

U.S. Environmental Protection Agency Technical Guidance

The Environmental Protection Agency (EPA) has a host of programs and an extensive list of resources to help states assist school systems and commercial buildings. Among other things, these resources include a guide related to [mold remediation in schools and commercial buildings](#). EPA advises that there are no federal standards or threshold limit values for mold or mold spores, which means that sampling cannot be used to check a building's compliance with federal mold standards. However, surface sampling may be useful to determine if an area has been adequately cleaned or remediated. Similarly, the Maryland Department of Environment does not have any exposure limit standards for indoor concentrations of mold or mold spores.

State Expenditures: General fund expenditures increase by an estimated \$25,000 for MSDE to hire a consultant to assist in developing the regulations. MSDE and DGS advise that they lack the necessary expertise in mold assessment and remediation to develop the regulations. Thus, MSDE estimates consultant costs of \$25,000, and DGS estimates consultant costs of \$125,000. The Department of Legislative Services advises that a consultant hired by MSDE at an estimated cost of \$25,000 is likely sufficient to meet the requirements of the bill. This estimate reflects that the regulation must be adopted by June 1, 2023. MDH advises that they can be consulted using existing resources.

MSDE can post mold assessments received from local school systems on its website using existing resources.

Local Expenditures: Depending on the extent that local school systems already assess and remediate mold in local schools, costs for local school systems may increase significantly. Ultimately, assessment and remediation costs depend on the content of the regulations developed under the bill. Since the regulations must be completed by July 1, 2023, costs begin as early as fiscal 2024. After receiving a report of mold, a local school system must hire a professional certified to perform mold assessments to conduct a visual inspection of the area with potential mold. St. Mary's County Public Schools advises that hiring a professional to assess mold is excessive for all but persistent cases, and Baltimore City Public Schools advises that initial visual inspections are typically conducted by school personnel. Assessment costs depend on the regulations developed, the frequency of reported cases of mold in schools, and the costs to hire certified professionals.

Remediation costs will depend on the regulations developed and the extent of mold found; however, some of these costs would have occurred absent the bill, as local school systems

currently assess and remediate mold, although there are no uniform standards. Although costs cannot be reliably estimated, it is assumed that remediation costs increase, potentially significantly. Baltimore City Public Schools advises that a recent mold remediation project addressing mold on insulated pipes in an elementary school cost \$500,000. Prince George's County Public School advise that it is currently participating in a [mold assessment and remediation program](#) operated by its environmental department.

Small Business Effect: The bill may result in a meaningful increase in business opportunities for mold inspectors and mold remediation businesses in the State, as local school systems throughout the State will need these services to comply with the bill.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 575 (Senator Klausmeier) - Education, Health, and Environmental Affairs.

Information Source(s): Maryland State Department of Education; Maryland Department of the Environment; Department of General Services; Maryland Department of Health; Baltimore City Public Schools; Anne Arundel County Public Schools; Prince George's County Public Schools; St. Mary's County Public Schools; Department of Legislative Services

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