

**HB0747/443329/1**

BY: Environment and Transportation Committee

AMENDMENTS TO HOUSE BILL 747  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, after “**Services**” insert “**and Extension of Sunset and Implementation Dates**”; in line 10, after “manner” insert “, subject to certain exceptions; requiring a landlord or an owner of property to notify a certain delegated approval authority of certain information regarding a failing on-site sewage disposal system under certain circumstances; extending the termination date for certain provisions of law establishing and requiring an on-site wastewater property transfer inspection license under certain circumstances; extending certain dates by which the Department of the Environment is required to adopt certain regulations and by which certain individuals are required to be licensed by the State Board of On-Site Wastewater Professionals”; and after line 21, insert:

“BY repealing and reenacting, without amendments,  
Chapter 419 of the Acts of the General Assembly of 2022  
Section 3

BY repealing and reenacting, with amendments,  
Chapter 419 of the Acts of the General Assembly of 2022  
Section 6 through 8”.

AMENDMENT NO. 2

On page 2, strike in their entirety lines 15 and 16 and substitute:

**“(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

**(2) “DELEGATED APPROVAL AUTHORITY” MEANS THE LOCAL HEALTH DEPARTMENT OR COUNTY AGENCY THAT HAS RECEIVED AN ON-SITE SEWAGE DISPOSAL SYSTEM DELEGATION OF AUTHORITY BY THE DEPARTMENT.**

**(3) “ON-SITE WASTEWATER SYSTEM” HAS THE MEANING STATED IN § 9-11A-01 OF THE ENVIRONMENT ARTICLE.”;**

and in line 17, strike “**JANUARY 1, 2026**” and substitute “**JULY 1, 2028**”.

On page 3, after line 2, insert:

**“(D) IF AN INSPECTION UNDER THIS SECTION IDENTIFIES A FAILING ON-SITE WASTEWATER SYSTEM, THE LANDLORD OF THE PROPERTY SHALL NOTIFY THE DELEGATED APPROVAL AUTHORITY:**

**(1) ABOUT THE FAILURE; AND**

**(2) WHEN THE SYSTEM IS FIXED”;**

strike in their entirety lines 4 and 5 and substitute:

**“(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

**(2) “DELEGATED APPROVAL AUTHORITY” MEANS THE LOCAL HEALTH DEPARTMENT OR COUNTY AGENCY THAT HAS RECEIVED AN ON-SITE SEWAGE DISPOSAL SYSTEM DELEGATION OF AUTHORITY BY THE DEPARTMENT.**

**(3) “ON-SITE WASTEWATER SYSTEM HAS THE MEANING STATED IN § 9-11A-01 OF THE ENVIRONMENT ARTICLE.”;**

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in line 6, after “(B)” insert “THE REQUIREMENTS OF THIS SECTION DO NOT APPLY IF:

**(1) (I) THE PROPERTY TRANSFER INVOLVES THE TRANSFER OF RESIDENTIAL REAL PROPERTY THAT IS BETWEEN:**

**1. CURRENT SPOUSES;**

**2. A PARENT AND A CHILD; OR**

**3. SIBLINGS, BY WHOLE BLOOD, IF THE PROPERTY IS HELD IN TRUST;**

**(II) THE PROPERTY’S MORTGAGE IS BEING REFINANCED; OR**

**(III) THE CHANGE IN OWNERSHIP OR FORM OF OWNERSHIP DOES NOT INVOLVE THE INTRODUCTION OF NEW PARTIES; AND**

**(2) THE ON-SITE WASTEWATER SYSTEM HAS BEEN INSPECTED WITHIN THE IMMEDIATELY PRECEDING 5-YEAR PERIOD.**

**(C)**”;

in the same line, strike “**JANUARY 1, 2026**” and substitute “**JULY 1, 2028**”; in lines 25, 27, and 28, strike “(C)”, “(B)(1)”, and “(B)(1)”, respectively, and substitute “(D)”, “(C)(1)”, and “(C)(1)”, respectively; and after line 29, insert:

(Over)

**“(E) IF AN INSPECTION UNDER THIS SECTION IDENTIFIES A FAILING ON-SITE WASTEWATER SYSTEM, THE OWNER OF THE PROPERTY SHALL NOTIFY THE DELEGATED APPROVAL AUTHORITY:**

**(1) ABOUT THE FAILURE; AND**

**(2) WHEN THE SYSTEM IS FIXED.”**

**AMENDMENT NO. 3**

On page 3, after line 29, insert:

**“Chapter 419 of the Acts of 2022**

**SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:**

**Article – Environment**

**[9–217.2.**

**(a) In this section, “license holder” means an individual who holds a valid on-site wastewater property transfer inspection license issued by the Department under this section.**

**(b) This section does not apply to an individual who inspects an on-site sewage disposal system as a part of the individual’s duties as an employee of the federal government, the State, or any local government of the State.**

**(c) On or after July 1, 2022, an individual may not engage in the business of inspecting an on-site sewage disposal system unless the individual holds a valid on-site wastewater property transfer inspection license issued by the Department.**

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(d) (1) On or before January 1, 2022, the Department shall adopt regulations establishing eligibility criteria, minimum training standards for on-site wastewater property transfer inspection licenses, the frequency with which licenses must be renewed, and the fees for license applications and renewals.

(2) The regulations adopted under this subsection shall require that:

(i) The training include instruction on determining whether an on-site sewage disposal system is:

1. In need of replacement or repair; and
2. Not in compliance with statutory or regulatory requirements; and

(ii) Each inspection performed by a license holder follows the inspection format provided by the Department.

(e) An applicant for a license under this section shall:

(1) Submit an application to the Department on the form the Department provides; and

(2) Pay an application fee set by the Department.

(f) (1) An individual who violates a provision of this section or any regulation adopted under this section is subject to an administrative penalty not exceeding \$10,000.

(2) Each on-site sewage disposal system that an individual knowingly inspects without a valid on-site wastewater property transfer inspection license constitutes a separate violation of this section.

(Over)

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(3) Any administrative penalty collected by the Department under this subsection shall be paid into the separate account within the Bay Restoration Fund established under § 9-1605.2(h) of this title.

(g) A local government may establish additional requirements for inspections of on-site sewage disposal systems.]

SECTION 6. AND BE IT FURTHER ENACTED, That, on or before July 1, [2025] 2027, the Department of the Environment, in consultation with the State Board of On-Site Wastewater Professionals, shall adopt regulations to implement Section 2 of this Act.

SECTION 7. AND BE IT FURTHER ENACTED, That, on or before July 1, [2026] 2028, all individuals who provide on-site wastewater services in the State shall be licensed by the State Board of On-Site Wastewater Professionals.

SECTION 8. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect June 30, [2025] 2027.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act may not be interpreted to limit a mortgage company or financial institution from requiring an inspection of an on-site wastewater system as part of contract terms for the sale or transfer of real property.”;

in line 30, strike “2.” and substitute “3.”; and in line 31, strike “October” and substitute “June”.