

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1367

(Delegate Rosenberg, *et al.*)

Environment and Transportation

Judicial Proceedings

Lead Testing and Inspections - Falsifying Information - Penalty

This bill establishes a civil penalty of up to \$50,000 for the falsification of information submitted in a verified report of the result of lead-contaminated dust testing or visual inspection provided to the Maryland Department of the Environment (MDE) pursuant to Title 6, Subtitle 8 of the Environment Article (Reduction of Lead Risk in Housing).

Fiscal Summary

State Effect: Potential minimal increase in special fund revenues beginning in FY 2026 due to any civil penalties assessed under the bill. While the bill may deter the falsification of verified reports and, therefore, encourage compliance with the Reduction of Lead Risk in Housing requirements, the bill is not anticipated to have a direct, material effect on State expenditures.

Local Effect: The bill is not anticipated to have a direct, material effect on local government operations or finances.

Small Business Effect: None, assuming accredited lead paint inspectors do not falsify information on verified reports. To the extent any such entities do so, however, they are subject to the bill's civil penalty.

Analysis

Current Law:

Overview of Maryland's Lead Poisoning Prevention Program

Chapter 114 of 1994 established the Lead Poisoning Prevention Program within MDE. The program serves as the coordinating agency of statewide efforts to eliminate childhood lead

poisoning. Under Title 6, Subtitle 8 of the Environment Article (Reduction of Lead Risk in Housing), MDE assures compliance with mandatory requirements for lead risk reduction in rental units built before 1978; maintains a statewide listing of registered and inspected units; and provides blood lead surveillance through a registry of test results of all children tested in Maryland. The Lead Poisoning Prevention Program also oversees case management follow-up by local health departments for children with elevated blood lead levels; certifies and enforces performance standards for inspectors and contractors working in lead hazard reduction; and performs environmental investigations for lead poisoned children. Finally, the program provides oversight for community education to parents, tenants, rental property owners, homeowners, and health care providers to enhance their role in lead poisoning prevention.

Registration of Affected Properties

Owners of “affected property” in the State are required to register their properties with MDE. An “affected property” means (1) a property constructed before 1978 that contains at least one rental unit or (2) any residential rental property for which the owner elects to comply with the Reduction of Lead Risk in Housing subtitle. “Affected property” includes an individual rental dwelling unit within a multifamily rental dwelling. “Affected property” does not include (1) affected property owned or operated by a unit of federal, State, or local government, or any public, quasi-public, or municipality, if the affected property is subject to lead standards that are equal to, or more stringent than, the risk reduction standard established in the Reduction of Lead Risk in Housing subtitle or (2) affected property which is certified to be lead-free, in accordance with specified conditions.

Risk Reduction Standard

The owner of an affected property must satisfy the risk reduction standard at the initial and each subsequent change of occupancy by passing the test for lead-contaminated dust. At each change in occupancy, an owner of affected property must have the property inspected to verify that the risk reduction standard has been satisfied. An accredited lead paint visual inspector or lead paint risk assessor must conduct the inspection and issue a certificate, either passing or failing, for every inspection performed.

Accredited Lead Paint Inspectors and Verified Reports

Any person performing lead-contaminated dust testing or conducting other inspections required pursuant to the Reduction of Lead Risk in Housing subtitle must (1) be accredited by MDE; (2) not be related to the property owner; and (3) submit a verified report of the results of a lead-contaminated dust testing or visual inspection to MDE, the property owner, and the tenant (if any) of the affected property.

A verified report submitted to MDE that certifies compliance for an affected property with the risk reduction standard must be conclusive proof that the owner is in compliance with

the risk reduction standard for the affected property during the effective period of the certification unless there is (1) proof of actual fraud as to the affected property; (2) proof that the work performed in the affected property was not performed by or under the supervision of properly accredited personnel; or (3) proof that the owner failed to respond to a complain regarding the affected property, as specified.

Enforcement of the Reduction of Lead Risk in Housing Subtitle

In addition to any other remedies provided, and in addition to being subject to an injunctive action, a person who violates any provision of the Reduction of Lead Risk in Housing subtitle is subject to a civil penalty of up to \$25,000. Each day a violation occurs is a separate violation. In addition to any other remedies available, MDE is also authorized to impose an administrative penalty of up to \$500 per day (not exceeding \$100,000 total) for any violation of the subtitle. Each day a violation occurs is a separate violation.

Additional penalties apply for specified violations of the Reduction of Lead Risk in Housing subtitle. Among other things, if an accredited supervisor falsely verifies that work was performed on an affected property, the owner of the affected property who employs the supervisor and who has actual knowledge of the false verification is subject to a civil penalty of up to \$30,000.

All penalties imposed under the Reduction of Lead Risk in Housing subtitle are paid into the Lead Poisoning Prevention Fund.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Baltimore City; Prince George's County; Judiciary (Administrative Office of the Courts); Maryland Department of the Environment; Department of Legislative Services

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km/lgc
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