

Larry Hogan, Governor Boyd K. Rutherford, Lt. Governor

Ben Grumbles, Secretary Horacio Tablada, Deputy Secretary

March 04, 2020

The Honorable Kumar P. Barve, Chair Environment and Transportation Committee House Office Building, Room 251 Annapolis, Maryland 21401

Re: House Bill 1540- Environment - Mold Inspections - Standards, Reporting, and Penalties

Dear Chairman Barve and Members of the Committee:

The Maryland Department of the Environment (MDE or the Department) has reviewed *House Bill 1540-Environment – Mold Inspections – Standards, Reporting, and Penalties* and would like to provide some information and express some concerns on this bill.

HB 1540 creates a new mold subtitle in the Environment Article. The new subtitle establishes policy and procedures for the inspection and remediation of mold and mold hazards in five types of buildings: public and private school facilities, licensed child care centers, nursing homes, assisted living facilities for the elderly, and rental dwellings.

The bill requires the Department to consult with other state agencies to adopt regulations, on or before June 1, 2022, establishing uniform standards for mold assessment and remediation. These regulations must address the following specific conditions: standards for habitable dampness, inspection protocols to identify and evaluate mold, mold remediation standards, practices to eliminate the risk of mold hazards, annual mold inspections conducted by local jurisdictions, a process to certify third-party inspectors, tenant notification of all mold inspection results, and annual reporting of all mold inspection results to the Department. Additionally, HB 1540 requires the Department to submit an annual indoor air quality report to the Governor and General Assembly on all mold inspection results. The bill requires inspections of several types of building uses; however, only landlords of rental units are required to notify tenants or prospective tenants of inspection results.

HB 1540 would have a substantial impact on the Department of the Environment. The bill requires the Department to develop a process for third-party inspectors to conduct inspections, establish a methodology for MDE to verify that an inspector is qualified, and develop a registry that lists verified third-party inspectors. Developing a registry for certified mold inspectors would involve developing requirements for registration and a database for housing registration information. Overseeing the performance of the registered inspectors and tracking whether they keep current with any registration requirements would also be needed activities, which would entail considerable effort and resources. MDE estimates that the covered properties under this bill would approach 500,000. With that, a new program with a minimum of 25 additional employees would be needed to implement the requirements of HB 1540. These new positions would include a Program Manager, three Section Heads, an

Chairman Kumar P. Barve Page 2

Administrative Support position, and twenty Environmental Compliance Specialists.

The bill requires each of the 24 counties and over 150 municipalities in the State to submit an annual report to the Department on their status of mold inspections. It is unclear from the bill what (if any) action the Department is supposed to take in regard to these reports. Presumably MDE would base any enforcement action upon them. The Department estimates that taking any enforcement action under this bill would require hiring two Assistant Attorney Generals (AAGs), and one paralegal in addition to the required compliance staff listed above.

Thank you for your consideration. We will continue to monitor *House Bill 1540- Environment – Mold Inspections – Standards, Reporting, and Penalties* during the Committee's deliberations, and I am available to answer any questions you may have. Please feel free to contact me at 410-260-6301 or by e-mail at tyler.abbott@maryland.gov.

Sincerely,

Tyler Abbott

cc: The Honorable Shaneka Henson

George "Tad" Aburn, Director, Air and Radiation Administration