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Committee on Education, Energy,  
and the Environment



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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

The Honorable Delegate Korman, chair  
The Honorable Delegate Boyce, vice-chair  
Environment and Transportation Committee  
House of Delegates  
Annapolis, MD 21401

March 26th, 2024

**Testimony in Favor with Amendments of SB125: Residential Property  
Sales - Contract Disclosures - Superfund Sites**

Chair Korman, Vice-Chair Boyce, and honorable members of this committee:

Residential Property Sales - Contract Disclosures - Superfund Sites (SB125 / HB486), is meant to safeguard health equity and secure transparency to residents purchasing real property. This is one of the most significant decisions in a person's life. This act was intended to require the uniform disclosure of superfund sites in the property's immediate vicinity, and the context to comprehend that information. This committee passed the House version of this bill in a bipartisan vote.

SB125 comes to this committee in a significantly different posture. The Senate Judicial Proceedings Committee substantially amended the bill in five crucial ways.

**First**, it limited SB125 to apply only to residential property sales contracts instead of any sale of residential real property. The issue here is

that some residential real properties are sold under different types of contracts. The wording of SB125 is such that real property purchases of land that is not residential at the point of sale would be excluded from the requirement of the notice. For example, if a developer purchases an uncultivated area — even if their intent is to construct a condominium building — they would not receive the notice.

**Second**, SB125 was amended to strike the language guaranteeing signed disclosure addendum, replacing the requirement to be a simple buyer's notice. A buyer's notice is different from a disclosure addendum because it de-emphasizes exposure to superfund sites as not a "material fact." A "material fact" is information that might impact a buyer's decision to agree to a sale contract or the price of that sale, and *must* be disclosed. By alternating the language from a disclosure addendum to a buyer's notice, it relegates the impact of constant risk of superfund site exposure to merely something like an extenuating circumstance, and not a practical selling point worthy of consideration.

**Third**, there are significant problems with the buyer's notice as written. The notice merely advises the buyer to check a website to see if their home is near a superfund site. The recommended address includes a list of all EPA recognized pollution sites within the United States. The purpose here seems to be to obfuscate information the buyer may find useful in whether to buy the property.

**Fourth**, both versions of the bill have a five day right of rescission. The House version, HB486, preserves the unconditional right in order to give the buyer time to research what a superfund site is and factor it into their decision-making. In contrast, SB125 as amended, only permits a five day right of rescission up to five days after receiving the notice and **only** if the notice was received **after** the signing of the contract. Compounding this, the

amended SB125 specifically does not allow the buyer to exercise rescission based on any information in the notice or discovered as a result of the notice.

**Fifth** and finally, SB125, as amended, does not require the inclusion of the definition of a superfund site. Instead, it unnecessarily creates extra steps the buyer must go through to educate themselves.

My office, my cross-file, and stakeholders on both sides worked hard to reach a compromise agreement on when and how a buyer would be informed of nearby superfund sites. The House version represents the fruits of those efforts. Just like we do with lead paint and asbestos, everyone deserves to be informed. To ensure that residential property buyers are given a timely and transparent picture of the potential impact to their homes, I urge the committee to return a favorable report with amendments for SB125.

Sincerely,



Senator Karen Lewis Young