



## Senate Bill 250

**Committee: Education, Energy, and the Environment**

**Bill: Senate Bill 250 – Department of the Environment – Fees, Penalties, Funding and Regulation**

**Date: 2/11/25**

**Position: Favorable with Amendments**

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The Maryland Multi-Housing Association (MMHA) is a professional trade association established in 1996, whose members house more than 538,000 residents of the State of Maryland. MMHA’s membership consists of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities and more than 250 associate member companies who supply goods and services to the multi-housing industry.

Relevant to MMHA, Senate Bill 250 (“SB 250”) doubles the annual cost for residential rental units to register with the Maryland Department of the Environment’s (MDE) Lead Rental Registry. SB 250 increases the individual unit cost from \$30 per year to \$60 per year, which would be paid on a two-year basis. Additionally, SB 250 increases the fee by 400% for a lead free report to MDE from \$10 to \$50.

**In communication with MDE, MMHA has been provided with sponsor amendments to this legislation that would strip the relevant fee increases on the Lead Rental Registry and the lead free reports from SB250. This amendment would satisfy our concerns, and upon its adoption, MMHA would move to favorable on this legislation. It is important for MMHA to state for the record, however, why the bill as initially drafted is a concern for our membership.**

First and foremost, MMHA would like to state their support for the Lead Paint Program at MDE. MMHA members spend a significant amount of time, effort and expense in achieving compliance for the program. MMHA believes that the program is beneficial to the general health and welfare of the public.

Please note that the Lead Rental Registry fee only applies to rental properties that were built prior to 1978, which generally comprise much of Maryland’s naturally occurring affordable housing. According to Maryland’s Department of Housing and Community Development Secretary Jake Day, Maryland currently lacks 96,000 affordable housing units. **As a result, the increased fees proposed in SB 250 would specifically target naturally occurring affordable housing, effectively increasing the cost of housing for Maryland’s residents and further contributing to Maryland’s shortage of affordable housing units.**

In last year’s written testimony<sup>1</sup> offered by MDE on this legislation, the Department listed out “Guiding Principles” in their approach to deciding on the issue of fees. I would like to highlight the third principle:

<sup>1</sup> Maryland Department of the Environment. *HB 245: Department of the Environment - Fees, Penalties, Funding, and Regulation - Written Testimony*. Written by Leslie Knapp, Jr., 26 Mar. 2024.

*“Responsible Party Pays: A person who is receiving a service from MDE or who has created a problem that MDE must address should be the person who pays.”*

Based on separate information provided by MDE, properties that MDE identified with lead hazards in 2021 were 43% owner-occupied. Rental housing made up about half of that at 22%. Housing providers are willing to pay for their fair share of the program, but MMHA would encourage the committee to seek out and find a more equitable solution to long-term funding.

Given the public health implications and the continued financial stress on housing providers, MMHA encourages the General Assembly to allocate state funding in the budget to increase funding for the program without placing an additional burden on affordable housing. **Upon the adoption of MDE’s amendments to this legislation that would strip the relevant fee increases from SB250, MMHA would move to favorable on this legislation.**

Please contact Matthew Pipkin, Jr. at (443) 995-4342 or [mpipkin@mmhaonline.org](mailto:mpipkin@mmhaonline.org) with any questions.