

Key Requirements & Timeframes in SB165

Landlord Obligations (Rental Properties)

Effective Date: June 1, 2026 — this is when the bill would take effect if passed.

Inspection & Pumping Deadline:

- Landlords of residential properties served by an **on-site wastewater (septic) system** must ensure that the system is **inspected and pumped**:
 - **On or before July 1, 2028**, and
 - **Before each new tenant takes occupancy thereafter.**

Who Must Perform the Work:

- Inspections and pumping must be done by individuals **licensed under Title 9, Subtitle 11A of the Environment Article** to perform those specific services.

Validity Period:

- A septic inspection and pumping done to meet this requirement is **valid for 3 years**. That means a property inspected and pumped can satisfy the requirement for future use during that 3-year window, *unless earlier action is needed*.

Failed System Reporting:

- If an inspection identifies a **failing septic system**, landlords must:
 - Notify the **delegated approval authority** (typically the local health department or county delegated authority), and
 - Provide notice once the system has been **fixed**.

Requirements for Real Estate Sales (Property Transfers)

Effective for Contracts Signed Beginning: July 1, 2028

Contract Provision:

- All contracts for the sale of **residential property served by an on-site wastewater system** must include a clause requiring the **purchaser** to ensure that the system:
 - Has been **inspected** by a licensed inspector; and
 - Has been **pumped** by a licensed service person, as a **condition of sale**.

Settlement Requirements:

- **Settlement (closing) may not occur** until:
 1. Both the **inspection report** and
 2. **Pumping confirmation** have been delivered to both seller and buyer, and
 3. Each has **certified in writing** that they have **received and reviewed** those documents.

Validity Window for Sales:

- Like with rentals, an inspection and pumping done to satisfy a sale requirement is **valid for 3 years**, unless a real estate contract or mortgage condition requires otherwise.

🚫 Exceptions & When Requirements Don't Apply

The bill does **not require an inspection/pumping for certain transfers**, including:

- Transfers between **current spouses**, or between a **parent and child**, or between **siblings (whole blood)** if held in trust;
- **Refinance transactions** where ownership isn't truly changing;
- Transfers that don't involve introducing a **new party** to the property; and
- The **initial transfer** of property after construction.

Validity Period:

- A septic inspection and pumping done to meet this requirement is **valid for 5 years**. That means a property inspected and pumped can satisfy the requirement for future use during that 5-year window, *unless earlier action is needed*.

Extended Licensing & Regulatory Deadlines (Support Provisions)

SB165 also **extends deadlines** tied to the Department of the Environment and the State Board of On-Site Wastewater Professionals:

- The date by which the Department must adopt implementing **regulations** was extended to **July 1, 2027**, and
- The date by which all individuals providing septic services must be **licensed** is extended to **July 1, 2028**.