

**Selected Legislation Before the  
2011 Maryland General Assembly**

June 7, 2011

**General Comment and Caveat**

This document highlights some of the bills in the 2011 Regular Session of the Maryland General Assembly of interest to residential rental property owners in Maryland. This document is not comprehensive and does not constitute legal advice or guidance. For the exact text of the bills, please visit the General Assembly website at <http://mlis.state.md.us>, click on Bill Information and Status and follow the directions. For a definitive interpretation of a bill or its applicability to a specific situation, please consult your personal attorney. Stylistic notes: The Delegate or Senator identified after the title of the bill is the lead sponsor. There may have been other sponsors whose names are not noted. Bills appearing in **bold type** are of special interest to the residential rental property industry.

**Legislation that failed, was withdrawn or received no action – House of Delegates:**

1. House Bill (“HB”) 177 – **Environment – On-Site Sewage Disposal Systems – Nitrogen Removal** (Del. Lafferty) (cross-filed as Senate Bill (“SB”) 160 which bill received no action in the Senate Education, Health and Environmental Affairs Committee (“EHE”)) – HB 177 received no action in the House Environmental Matters Committee (hereafter called “ENV”) – This bill would have expanded, from the Chesapeake and Atlantic Coastal Bays *Critical Area* (Critical Area) to the *watersheds* of the Chesapeake and Atlantic Coastal Bays, the current prohibition on installing an on-site sewage disposal (septic) system for a newly constructed building unless the system uses the best available nitrogen removal technology (BAT). As required under current law relating to the Critical Area, the Maryland Department of the Environment (MDE) would have been required to assist homeowners in upgrading to a septic system that utilizes BAT with money authorized for this purpose in the Bay Restoration Fund (BRF), if sufficient funds are available. A person who violated the bill’s prohibition would have been subject to existing civil and administrative penalties, which are capped at \$8,000, and enforcement mechanisms.
2. **HB 179 – Environment – Recycling – Apartment Buildings and Condominiums** (Del. Lafferty) (cross-filed as SB 111, which bill received an unfavorable report in the Senate Education, Health and Environmental Affairs Committee (“EHE”)) – **HB 179 passed the House and received an unfavorable vote in the Senate EHE Committee.** – This bill would have required the property owner or manager of an apartment building or condominium containing 10 or more units to provide for the collection and removal of recyclable materials by October 1, 2015. Beginning March 1, 2016, and by March 1 each year thereafter, the property owners or

managers would have been required to submit an annual report of recycling activities from the prior year with specified information. The bill would have established a penalty of \$50 for each day that a violation of the requirement to provide for recycling exists. Enforcement of the bill, including the authority to conduct inspections, would have been provided by a local government, and any penalties collected would have been paid to the jurisdiction that brought the enforcement action. Effective October 1, 2013, each county would have been required to address the bill's requirements in its currently required recycling plan. The bill would not have preempted any other law, rule, or ordinance that is more stringent and would not have affected local government authority to enact and enforce recycling requirements that are more stringent, including the establishment of any civil penalties.

3. **HB 235 – Human Relations – Sexual Orientation and Gender Identity – Antidiscrimination** (Del. Pena-Melnyk) – This bill passed the House and was recommitted to the Senate Judicial Proceedings Committee (“JPR”) - This bill would have prohibited discrimination based on “gender identity” in labor, employment, and housing. Also, discrimination based on “gender identity” would have been prohibited by persons licensed or regulated by the Commissioner of Financial Regulation. The bill also would have prohibited discrimination based on gender identity and sexual orientation in State personnel actions.
  
4. **Interest on Security Deposits (House and Senate bills):**
  - A. **HB 284 – Real Property – Residential Leases – Security Deposits – Interest Rates** (Del. Stocksdales) (cross-filed as SB 669, which received no action in the Senate JPR Committee) - HB 284 received an unfavorable report from the House ENV Committee. It would have reduced the annual simple interest paid on security deposits from 3% to 1%.
  - B. **HB 917 – Real Property – Residential Leases – Interest on Security Deposits** (Del. McMillan) – The amended bill passed the House but received no action in the Senate JPR Committee. As amended, this bill would have changed the annual simple interest rate paid on security deposits to the greater of (i) 1.5% or (ii) the U.S. Treasury Yield Curve Rate on the first business day of each year of the tenancy.
  - C. **SB 429 – Real Property – Residential Leases – Interest on Security Deposits** (Sen. Klausmeier) – This bill received no action in the Senate JPR Committee. The bill would have permitted the landlord to designate in a written lease that the interest rate would be either (i) 3% simple interest or (ii) 1% below the Federal Reserve Discount Rate as of January 1 of each year of the lease term. In the event the lease is silent as to the interest rate, the bill provided that the interest rate would have been 3% simple interest.
  
5. **HB 285 – Human Relations – Discrimination by a Place of Public Accommodation – Enforcement and Remedies** (Del. Pena-Melnyk) (cross-filed as SB 642 which bill was recommitted to the Senate JPR Committee) – HB 285 passed the House and received no

action in the Senate JPR Committee. This bill would have expanded the remedies available for discrimination by a place of public accommodation. The bill also would have authorized a complainant to bring a civil action alleging discrimination by a place of public accommodation under certain circumstances. In addition, the bill would have authorized specified parties to elect to have the claims asserted in a complaint alleging discrimination by a place of public accommodation determined in a civil action brought by the Maryland Commission on Human Relations (MCHR) if certain requirements are met. The bill also would have repealed a provision that prohibits an administrative law judge (ALJ) from issuing – with regard to a respondent found to have engaged in a discriminatory act other than an unlawful employment practice – an order that substantially affects the cost, level, or type of transportation services. Finally, the bill would have repealed MCHR’s authority to seek an order assessing a civil penalty for discrimination by a place of public accommodation.

- 6. HB 527 – Lead Safe Income Tax Credit (Del. Hogan) – This bill received no action in the House Ways & Means Committee (“W&M”). This bill would have created a tax credit against the State income tax for the costs incurred for qualifying lead hazard reduction projects. The Department of Housing and Community Development (DHCD) would have been required to administer the program and, in cooperation with the Maryland Department of the Environment (MDE) and the Comptroller’s Office, would have been required to adopt regulations to implement the program. DHCD would have been permitted to award a maximum of \$1.0 million in credits in each fiscal year through fiscal 2015. The bill would have taken effect July 1, 2011, and would have applied to tax years 2011 and later.**
  
- 7. HB 580 – State Government – Human Relations – Discrimination in Housing, Employment, and Places of Public Accommodation (Del. Rosenberg) (cross-filed as SB 596, which bill received no action in the Senate JPR Committee) – HB 580 received an unfavorable / withdrawn report in the House Health and Government Operations Committee (“HGO”). This bill would have extended provisions of law related to discrimination by a place of public accommodation to the website of a business entity that (1) is a place of public accommodation or provides goods, services, entertainment, recreation, or transportation to any person in the State through the Internet; and (2) had gross revenue of at least \$1.0 million in the entity’s most recently completed fiscal year. Any such website that was created and made available to the public before October 1, 2011, would have been required to have been made accessible to the blind and visually impaired by October 1, 2012; and any such website that is created or substantially revised on or after October 1, 2011, would have been required to have been made accessible to the blind and visually impaired by January 1, 2012.**
  
- 8. HB 687 – Chesapeake Bay Nitrogen Reduction Act of 2011 (Del. Bobo) (cross-filed as SB 544, which received no action in the Senate EHE Committee) – HB 687 received an unfavorable vote in the House ENV Committee. This bill would have prohibited,**

beginning April 1, 2012, a person from offering, selling, or distributing for use or sale in the State, any specialty fertilizer (commercial fertilizer distributed primarily for nonfarm use) intended for use on established lawns, grass, or turf unless the mixture contains at least 30% slow release fertilizer. Related labeling requirements would have been established for specialty fertilizers having a nitrogen content that is less than 30% slow release fertilizer. The bill would have required the Maryland Department of Agriculture (MDA) to adopt regulations to require posting of a sign regarding proper use of lawn care products at any location where specialty fertilizer is offered for sale or distributed. The bill would have required specified nonagricultural commercial fertilizer applications to be based on water quality and the actual nutrient requirements of any plant to avoid nutrient runoff. The bill also would have required the University of Maryland to undertake a specified review of its recommendations for the application of commercial fertilizer every three years and would have required specified licensed landscape contractors to provide notice of recommended fertilizer application amounts with each lawn maintenance contract.

9. HB 718 – Real Property – Commercial Buildings – Disclosures (Del. McIntosh) (cross-filed as SB 261, which received no action in the Senate JPR Committee) – HB 718 received no action in the House ENV Committee. This bill would have required an owner or operator of a privately owned commercial building with over 10,000 interior square feet, beginning January 1, 2013, to disclose specified information regarding the building’s energy performance to a prospective buyer and lessee of more than 2,000 square feet. A purchaser or lessee who does not receive a disclosure statement on or before entering into a contract for sale or lease would have been given the unconditional right to rescind the contract at any time before receipt of the statement or within five days after receipt of the statement. A purchaser or lessee would have also been entitled to the immediate return of any deposit. The purchaser or lessee’s right would have terminated if not exercised within 60 days after taking possession of the property.
  
10. HB 719 – Residential Property Sales – Disclosure of Utility Consumption (Del. McIntosh) (cross-filed as SB 606, which received an unfavorable vote in the Senate JPR Committee) – HB 719 received no action in the House ENV Committee. This bill would have required a vendor, at the time of listing or advertising a single-family residential property for sale, to provide to prospective purchasers copies of specified utility bills or utility cost and usage history for the 12-month period immediately preceding the date of listing. The bill also would have required the vendor to update that information every six months that the property is listed or otherwise advertised. If the vendor did not occupy the property for the full 12-month period prior to the sale, the vendor would have been required to provide the information for the part of the 12-month period that the vendor occupied the property. The bill would have applied to single-family residential property improved by four or fewer dwelling units and would not have applied to the initial sale of a residential property that has never been occupied. The bill would have only been applied prospectively and would not have applied to any listing for the sale of single-family residential property posted before October 1, 2011.

- 11. HB 902 – Human Relations – Housing Discrimination – Source of Income (Del. Lafferty) (cross-filed as SB 643 which received no action in the Senate JPR Committee) - HB 902 received an unfavorable report in the House ENV Committee. This bill would have prohibited discriminatory practices in the sale or rental of a dwelling because of a person’s source of income including but not limited to any government or private assistance, grant, loan, or rental assistance program, including low-income assistance certificates and vouchers.**
12. HB 1337 – Real Property – Residential Property Owner by Bank or Investment Company – Required Maintenance (Del. Holmes) – This bill received an unfavorable vote in the House ENV Committee. This bill would have required a mortgage lender that lists real estate owned (REO) property on its accounting books as an asset to (1) secure the property so the property is not accessible to unauthorized individuals; and (2) maintain the property by keeping the property free from dead vegetation and an accumulation of discarded items that give the appearance of the property being vacant and not meeting neighborhood standards. The bill would have authorized a county or municipal corporation to enact a local law that requires a mortgage lender to register any REO property with the county or municipal corporation and be responsible for the security and maintenance of the property. The county or municipal corporation would have been permitted to enact a local law that subjects a mortgage lender to a civil penalty for failure to register or failure to secure and maintain the property. A mortgage lender would have been authorized to contract with a property preservation company for the security and maintenance of an REO property; however, the mortgage lender would have been responsible if the company fails to secure and maintain the REO property.
- 13. HB 1352 – Local School Boards – Authority to Impose a Property Tax (Del. Hixson) - This bill received no action in the House W&M Committee. This bill would have authorized local boards of education to impose a property tax to fund public school operations and expenses. The public school property tax would have been required to have been collected in the same manner that the State and county property taxes are collected. County governments would have been required to reduce their property tax rates to offset the amount of revenues budgeted for the local boards of education for the prior fiscal year. The local boards of education would have been permitted to issue bonds for public school construction and capital improvement projects. The bill would have taken effect October 1, 2011, and would have applied to all fiscal years beginning after June 30, 2012.**

Legislation that failed, was withdrawn or received no action – Senate:

14. SB 304 – Renewable Energy Surcharge – Retail Residential Electric Customers (Sen. Manno) – This bill received an unfavorable vote from the Senate Finance Committee (“FIN”). This bill would have established a Maryland Renewable Energy Benefit Fund administered by the Maryland Energy Administration (MEA) to promote energy efficiency and the development and deployment of renewable energy generation technology in the State. As a source of revenue for the fund, the bill would have established a \$0.013 per kilowatt-hour (kWh) surcharge on electricity consumption by a residential retail electricity customer that exceeds 1,000 kWh in a month. The surcharge would have been added to customer bills by each electric company; however, a \$0.01 per kWh rebate would have been provided on customers’ electric bills that are subject to the surcharge if the customer purchases electricity generated from a Tier 1 renewable source. The bill specifies how revenue from the surcharge would have been allocated.
15. SB 530 – Residential Real Property Sales – Property Tax Disclaimer (Sen. Peters) – This bill received an unfavorable report from the Senate JPR Committee. This bill would have required the disclosure and disclaimer form, used in the sale of single-family residential real property, to contain the following statement: “Due to a variety of Maryland property tax credit programs, the buyer’s property tax bill may be significantly different than the tax bill paid previously by the seller of the property. Buyers should contact the local government for an estimate of their property tax obligation.” The bill would have taken effect July 1, 2011.
16. SB 647 – Real Property – Age 55 and Older – Residential Leases (Sen. Ramirez) – This bill received an unfavorable report in the Senate JPR Committee. This bill would have required a landlord of a residential dwelling structure to offer a 36-month lease if the structure is (1) offered for rent only to occupants age 55 years and older; (2) composed of at least five individual dwelling units; and (3) constructed or improved with funding, in whole or in part, received from the State. Moreover, the bill would have limited applicability to structures funded with State monies to those for which contracts are entered into and funding is received on or after October 1, 2011. The 36-month lease would have been required to be offered to any individual who applies for a lease on or after October 1, 2011, as well as to any current tenant to whom a renewal lease is offered.
17. SB 648 – Renewable Energy Surcharge – Retail Electric Customers (Sen. Ramirez) (cross-filed as HB 662, which bill received an unfavorable report in the House Economic Matters Committee (“ECO”)) - SB 648 received an unfavorable report from the Senate FIN Committee. This bill would have established a renewable energy surcharge on electricity consumption by a retail electric customer of any rate class that exceeds the average by 25% in a given month by members of the same rate class with specified exceptions. The Public Service Commission (PSC) would have been required,

by regulation, to establish the amount of the surcharge, and electric companies would have been required to add the full amount of the surcharge to customers' bills. Customers that purchase electricity from a Tier 1 renewable source would have received a rebate in an amount determined by PSC. Revenues from the surcharge would have been deposited into the Maryland Strategic Energy Investment Fund (SEIF) and accounted for separately in the fund. The bill specifies how proceeds from the surcharge would have been required to be allocated. The bill would have terminated September 30, 2021.

18. **SB 649 – Real Property – Dwellings in Communities for Individuals Age 55 or Older – Air-Conditioning Systems** (Sen. Ramirez) – This bill passed the Senate but was re-referred to the House ENV Committee where there was no action on the bill. This bill would have required a landlord of a residential dwelling structure to install a properly functioning air-conditioning system capable of maintaining 78 degrees Fahrenheit throughout each individual unit if the structure (1) is offered for rent only to occupants age 55 years and older; (2) is composed of at least five individual dwelling units; and (3) involves the addition or alteration of any heating, ventilation, or air-conditioning system that is wholly or partially funded by the State. The air-conditioning system would have had to have been in compliance with the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE), National Fire Protection Association (NFPA) codes and all State and local codes. The bill would have applied only to those structures constructed or improved with funding, in whole or part, received from the State for which contracts are entered into and State funding is received on or after October 1, 2011.
19. **SB 762 – Property Tax Assessments – Physical Inspection of Property** (Sen. Brinkley) – This bill received no action in the Senate Budget & Tax Committee (“B&T”). This bill would have repealed the requirement that the State Department of Assessments and Taxation (SDAT) value all real property based on an exterior physical inspection of the real property. Instead, the bill would have required SDAT to value real property based on a review of each property in each three-year cycle. The review by SDAT would have had to include a physical inspection of a property if (1) the value of improvements to the property is being initially established; (2) the value of substantially completed improvements is being established; (3) the property is the subject of a recent sale; (4) the property owner requests a physical inspection as part of an active appeal; or (5) the department determines that a physical inspection is appropriate. The bill would have taken effect June 1, 2011.
20. **SB 978 – Prince George’s County – Landlord and Tenant – Reclaiming Property After Repossession** (Sen. Muse) - **This bill received no action in the Senate JPR Committee. This bill would have authorized a landlord who prevails in an action for possession of a property in Prince George’s County to repossess the premises after four days if the tenant fails to comply with the requirements of the order within the four days. A tenant would have been given the right to reclaim any personal property left in the premises within three full days after the date of the**

**repossession. During the period of the tenant's right to reclaim personal property, the landlord would have been allowed to: (1) leave the tenant's personal property in the premises after changing the locks and securing the premises; (2) move the tenant's personal property to a secure storage area under the landlord's control within a reasonable distance of the premises; or (3) move the tenant's personal property to a public warehouse. The bill detailed other proposed rights and responsibilities of landlord and tenant.**

21. SB 996 – Sales and Use Tax – Machinery and Equipment – Energy Star Windows and Doors (Sen. DeGrange) – This bill passed the Senate and received no action in the House W&M Committee. This bill would have exempted from the State sales and use tax the sale of machinery or equipment used directly and predominantly to produce Energy Star windows or Energy Star entry doors for residential real property or electricity, fuel, and other utilities used to operate that machinery or equipment. The bill would have taken effect July 1, 2011.

Legislation that passed and was signed into law - Bills originating in the House of Delegates:

22. HB 57 – Environment – Bay Restoration Fund – Authorized Uses (Del. Costa) – (cross-filed as SB 539 which passed both houses and was signed by the Governor on May 19, 2011, Ch. 492) - HB 57 passed both houses and was signed by the Governor on May 19, 2011, Ch. 493. This bill expands the uses of the Septics Account of the Bay Restoration Fund (BRF) to include providing grants or loans for connecting a property served by an on-site sewage disposal (septic) system to an existing municipal wastewater facility achieving enhanced nutrient removal (ENR) level treatment. The grants or loans may be for up to the cost that would be currently authorized for repairing or replacing a failing septic system with one that uses best available technology (BAT) for nitrogen removal. Funding may only be provided if specified conditions are met. The bill will take effect on October 1, 2011.
23. HB 637 – Limited Liability Company Act (Del. Feldman) (cross-filed as SB 790, which passed the Senate but received no action in the House Rules committee) – HB 637 passed both houses and was signed by the Governor on May 19, 2011, Ch. 597. This is a long, complicated bill dealing with the intricacies of limited liability company law including: freedom of contract and enforceability of operating agreements; operating agreements in general; amending an operating agreement; enforcement, execution and the binding effect of an operating agreement; consent of members of the LLC to allow the LLC to act; LLC membership, both generally and for assignees; assignment of LLC interest; assignor liability and member rights; and creditors and attachment of interests in an LLC. The bill as amended will become effective on June 1, 2011.
24. HB 621 – Fire Safety – High Rise Buildings - Mobility Impaired Individuals (Del. Haynes) – **The bill passed both houses and was signed by the Governor on May 19, 2011, Ch. 596. This bill requires, for fire safety purposes, the owner of a**

residential high-rise building with rental units to give reasonable written notice annually to all residents of a “mobility impaired” resident’s right to request a rental unit on the first five floors of the building if one should become available. “Mobility impaired” means unable to carry objects or to move or travel without the use of an assistive device or service animal. This bill will become effective October 1, 2011.

25. **HB 670 – Real Property – Retaliatory Actions – Landlords and Mobile Home Park Owners (Del. Frush) (cross-filed as SB 620, which was signed by the Governor on May 10, 2011, Ch. 264.) – HB 670 as amended was signed by the Governor on May 10, 2011, Ch. 265. This bill extensively revises the law protecting tenants from retaliatory actions by the property owner. It eliminates the current law’s requirement that tenants must demonstrate that the property owner’s actions were motivated solely by retaliatory motives. It grants tenants the right to raise a defense in an action for possession of the property as well as to assert an affirmative action for violation of the statute, granting the tenant damages of no more than 3 months rent plus costs and attorneys fees. In addition to the current prohibited actions ((1) bringing or threatening to bring an action for possession; and (2) arbitrarily increasing the rent or decreasing the services), the law adds the new prohibited action of refusing to renew a periodic tenancy (that is, a tenancy that ends in a date certain), IF the tenant can establish that the prohibited action was (1) because the tenant or tenant’s agent provided written or actual notice of a good faith complaint (to the landlord or to a public agency) about an alleged violation of the lease, a violation of the law, or a condition on the premises that is a substantial threat to the health or safety of the occupants; or (2) because the tenant or the tenant’s agent filed a lawsuit against the property owner or threatened or participated in a lawsuit against the property owner; or (3) because the tenant has participated in a tenant organization. The court has the power to assess the damages against the tenant not to exceed 3 months’ rent if it finds that the tenant’s assertion of retaliatory action was in bad faith or without substantial justification. The court may grant the tenant relief provided the tenant is current in his or her rent, unless the rent is in escrow and as long as (in a case involving refusal to renew a periodic tenancy) the tenant has not received against him more than 3 judgments of possession in the 12-month period preceding the filing of the retaliatory action claim (for rent paid by the month). An action by a property owner may not be deemed to be retaliatory for purposes of this law if the alleged retaliatory action occurs more than 6 months after a tenant’s protected action has occurred. Other tenant and property owner rights and responsibilities are set forth in the law. This bill becomes effective October 1, 2011.**

26. **HB 826 – Carroll County – Abatement of Nuisances (Carroll County Senators) – (cross-filed as SB 535 which passed both houses but was vetoed by the Governor on May 19, 2011 as duplicative) – HB 826 passed both houses and was signed by the Governor on May 19, 2011, Ch. 602. The bill extends the amount of advance notice needed to be given by the Carroll County Commissioners when removing any nuisance or menace to**

the public health arising from specified circumstances from 10 days to 15 days. The bill also establishes a procedure for a property owner or occupant to appeal a violation. The bill modifies the type of land on which the commissioners may remove weeds. The bill is effective October 1, 2011.

27. HB 849 – Public Safety – Smoke Detectors and Smoke Alarms (Chair, Environmental Matters Committee) – This bill was signed by the Governor on April 12, 2011, Ch. 143. This departmental bill specifies that a person may sell or install a smoke detector, a smoke alarm, or a specialized smoke alarm for the deaf and hard of hearing only in accordance with the State Fire Prevention Code. The bill repeals a requirement that each manufacturer that commercially sells or offers for sale a smoke detection system obtain approval from the State Fire Marshal for each model. The bill also eliminates the \$25 application fee for that approval. The effective date of the bill is October 1, 2011.

28. **HB 1033 – Environment – Reducing Lead Risk in Housing – Risk Reduction Standards (Del. Oaks) (cross-filed as SB 840, which passed the Senate but had no action in the House Rules Committee) – HB 1033 passed both houses and was signed by the Governor on May 19, 2011, Ch. 610.**

**1. At change of tenancy (turnover), property owners will no longer be able to obtain an Inspection Certificate from the Maryland Dept. of the Environment (MDE) by performing the 10-step risk reduction standard and passing a Visual Inspection. Instead, all affected properties must pass lead-contaminated dust tests to obtain the Full Risk Reduction Inspection Certificate. An inspector must certify compliance, including that there is no peeling, flaking or chipping paint on the interior or exterior of the dwelling. Property owners cannot rent an affected property without a Full Risk Reduction Inspection Certificate (or a lead-free or limited lead-free certificate).**

**2. During a tenancy, when an owner receives notice of an elevated blood lead level (EBL) in a "person at risk" or a notice of defect in the dwelling, the owner must perform the Modified Risk Reduction standard. The prior law gave the owner the choice of performing a 9-step modified risk reduction standard or lead-contaminated dust tests. Under this bill, the owner must perform both the 9-step modified risk reduction standard and lead-contaminated dust tests to pass the Modified standard. Further, while the prior law allowed the tenant to sign off on the work performed (without inspection or certification by an independent inspector), the new law requires that the owner's work be inspected by (and the passage of the dust tests be verified by) an independent inspector who will file a report with MDE. The same 30-day time frame to perform the work that appears in the prior law still applies to the new requirements. There is a provision for the owner to comply with the Modified standard by moving the tenants to a nonaffected property or to a compliant affected property within 30 days after receiving the notice of the EBL or notice of defect.**

**3. New enforcement provisions are included in the bill. These allow MDE to obtain search warrants, conduct formal administrative hearings, seek injunctive relief in court, and issue fines of up to \$500 per day per violation.**

**4. An extensive study will be conducted by MDE to evaluate the processes that reduce the incidence of lead poisoning in both affected and nonaffected properties, including rental properties built between 1950 and 1978 and owner-occupied properties. MDE is required to consult with the Property Owners Association of Maryland, Inc., the Maryland Multi Housing Association, the Apartment and Office Bldg. Association, the Dept. of Housing & Community Development, the City of Baltimore, the Dept. of Health & Mental Hygiene, the Maryland Association of Realtors, the Lead Poisoning Commission, the Coalition to End Childhood Lead Poisoning and a lead abatement contractors association. Results of the study must be submitted to the General Assembly by December 31, 2011. This section goes into effect July 1, 2011**

**5. MDE is required to issue regulations related to the reporting requirements of dust testing laboratory results.**

**6. The changes outlined in items 1, 2 and 3 above go into effect January 1, 2012.**

29. HB 1047 – Rental Housing – Tenant Victim of Domestic Violence or Sexual Assault – Lease Payment Obligation (Del. Glenn) – This bill was signed by the Governor on April 12, 2011, Ch. 152. This bill authorizes a tenant to terminate the tenant’s *future* liability under a residential lease if the tenant provides the landlord, by first-class mail or hand delivery, with written notice of an intent to vacate the premises and documentation, as specified, of the tenant’s or legal occupant’s status as a victim of domestic violence or a victim of sexual assault. The authority to terminate the future liability under a residential lease does not extend to, or in any other way impact, the future liability of a tenant who is the *respondent* in an action that results in the issuance of a final protective order or final peace order for the benefit of the victim tenant or victim legal occupant. The bill is effective October 1, 2011.

30. HB 1254 – Environment – Reduction of Lead Risk in Housing – Registration and Fees (Chairman, Environmental Matters Committee) – This bill passed both houses and was signed by the Governor on May 19, 2011, Ch. 620. This departmental bill alters the requirement for the owner of an “affected property” to renew registration on an annual basis, such that an owner may renew according to a schedule established by regulation by the Maryland Department of the Environment (MDE). In addition, the bill allows the annual fee for an affected property to be paid according to a schedule established by MDE regulations. The bill takes effect July 1, 2011.

Legislation that passed and was signed into law -Senate:

31. SB 132 – Job Applicant Fairness Act (Sen. Pugh) (cross-filed as HB 87, which passed and was signed by the Governor on April 12, 2011, as Ch. 29) - SB 132 was signed by the Governor on April 12, 2011, Ch. 28. This bill prohibits an employer from using an individual’s credit report or credit history as a basis to deny employment to an applicant for hire, discharge an employee, or determine compensation or the terms of employment. The bill establishes certain exemptions whereby an

employer may request and use the credit report or credit history of an applicant or employee when making employment decisions. The exceptions include (but are not limited to) persons in managerial positions charged with setting the direction or control of a business or part of a business; persons with access to certain financial information under Section 14-3501 of the Commercial Law Article; persons with fiduciary responsibility for handling payments, debts and the like; persons with a business expense account or with a debit or credit card; etc. The effective date of this bill is October 1, 2012.

32. SB 516 – Foreclosed Residential Property – Tenants – Collection of Rent Payments – Prior Notice (Sen. Forehand) (cross-filed as HB 842, which was signed by the Governor on May 10, 2011, Ch. 246) – SB 516 was signed by the Governor on May 10, 2011, Ch. 245. This bill prohibits a foreclosure sale purchaser from exercising any right to collect rent payments from a bona fide tenant in possession of a residential property unless the purchaser conducts a specified reasonable inquiry concerning the occupancy of the residential property and serves on each bona fide tenant a specified notice concerning rent payments; etc. The bill will be effective on July 1, 2011 .
33. SB 658 – State Commission of Real Estate Appraisers and Home Inspectors – Special Fund and Registration and Regulation of Real Estate Appraisal Management Companies (Sen. Kelley) (cross-filed as HB 1181 which passed both houses and was signed by the Governor on May 10, 2011, Ch. 270) - SB 658 was signed by the Governor on May 10, 2011, Ch. 269. This bill establishes the State Commission of Real Estate Appraisers and Home Inspectors as a special fund entity and grants the commission the authority to set appropriate fees to approximate the costs of regulating the real estate appraisal and home inspection industries. The bill also requires appraisal management companies (AMCs) to register with the commission in order to offer appraisal management services in the State. The bill establishes various regulatory requirements pertaining to the provision of appraisal management services in the State. The bill takes effect July 1, 2011.
34. SB 751 – Environment – Dishwashing Detergent Containing Phosphorus – Penalties (Sen. Manno) – Signed by the Governor on May 10, 2011, Ch. 285. This bill establishes a penalty for knowingly selling or distributing for use or sale within the State specified household dishwashing detergents containing more than 0.5 percent phosphorus by weight. This bill is effective on October 1, 2011.