

Selected Legislation Before the 2010 Maryland General Assembly

June 1, 2010

General Comment and Caveat

This document highlights some of the bills in the 2010 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.

Legislation that failed, was withdrawn or received no action – House of Delegates:

1. House Bill (“HB”) 42 – Real Estate Appraisers – Knowledge of Value of Real Estate – Prohibited (Del. Conaway) – Withdrawn – The bill would have prohibited specified real estate appraisers from providing real estate appraisal services under specified circumstances in which the specified real estate appraisers know the asking price or the selling price of the real estate being appraised; provided that a person who violates the Act is guilty of a misdemeanor; and established penalties.
2. HB 109 – Residential Property Tax Disclaimer Act (Del. Ali) – Passed the House, no action in the Senate Budget & Taxation (“B&T”) Committee – This bill would have required that a specified form developed by the State Real Estate Commission contain a specified notice regarding property taxes. (The form would have alerted the buyer that the real property tax bill for the purchased property may be different from the amount of the bill the seller has paid.)
3. HB 204– Task Force to Review Property Tax Assessment Procedure and the Assessment Appeals Process (Del. Norman, etc.) (Cross filed Senate Bill (“SB”) 458) – No action in House Ways & Means (“W&M”) Committee – The bill would have established a Task Force to Review Property Tax Assessment Procedure and the Assessment Appeals Process; established the composition of the Task Force; required the Governor to designate the chair of the Task Force; provided for the staffing for the Task Force; prohibited a member of the Task Force from receiving specified compensation; required that the Task Force issue a report by January 1, 2011; and provided for the termination of the Act.
4. HB 237 – Environment – On-Site Sewage Disposal Systems – Funding Availability (Del. McConkey, etc.) – Withdrawn – The bill would have made specified prohibitions on the installation or replacement of specified on-site sewage disposal systems in specified areas subject to the availability of specified funds; made the Act an emergency measure; etc.

5. HB 347 – Malicious Destruction - Property of Another – Definition and Foreclosure Notices (Del. Serafini) – Passed the House, no action in the Senate Judicial Proceedings (“JPR”) Committee – The bill would have defined "property of another" for purposes of the prohibition against malicious destruction of property; required that specified notices sent to occupants of residential property in foreclosure contain a specified paragraph informing the occupants of the criminal sanctions for malicious destruction of property; etc.

6. **HB 422 – Department of the Environment – Lead Paint Renovation Training – Regulatory Authority (Del. McIntosh at the request of the Maryland Department of the Environment (“MDE”)) – No action in the House Environmental Matters (“ENV”) Committee – The bill would have authorized the Department of the Environment to adopt specified regulations regarding specified renovation activities resulting in the disturbance of paint in a building built before 1978; authorized the Department to exempt activities and buildings from regulation; and defined specified terms.**

7. HB 455 – Task Force to Study the Residential Property Foreclosure Process (Del. McConkey, etc.) – Unfavorable in the House ENV Committee – The bill would have established the Task Force to Study the Residential Property Foreclosure Process; provided for the membership of the Task Force and the designation of the chair; provided for the duties of the Task Force, including the duty to recommend legislative, regulatory, and judicial procedural changes to streamline the foreclosure process while protecting the interests of all parties; required the Task Force to report to the Governor and the General Assembly on or before December 1, 2011; etc.

8. HB 508 – Real Property – Residential Leases – Interest On Security Deposits (Del. Walker, etc.) – Unfavorable in the House ENV Committee – The bill would have altered the interest rate paid on a residential tenant's security deposit to 1 percentage point below the Federal Reserve Board's discount rate as of January 1 of each year; etc.

9. HB 538 – Property Tax – Annual Reassessment (Del. James, etc.) – No action in the House W&M Committee – The bill would have altered the triennial assessment cycle for real property for property tax purposes to an annual assessment cycle; required the State Department of Assessments and Taxation to review real property assessments each year; applied the Act to taxable years beginning after June 30, 2011; etc.

10. HB 557 – Prince George’s County – Rent Stabilization – Residential Rental Units for the Elderly – PG 421-10 (Prince George’s County Delegation) – Withdrawn – The bill would have authorized the governing body of Prince George's County to provide, by law, for rent stabilization for rental units for the elderly in Prince George's County; and specified provisions of law for which the governing body of Prince George's County may provide.

11. HB 669 – Landlord and Tenant – Renter’s Insurance (Del. Weir, etc.) – Withdrawn – The bill would have authorized a landlord to require a tenant to maintain specified liability and property coverage as a condition of tenancy during the term of the lease agreement; required that a written lease include specified information in a specified format; authorized the landlord to obtain the insurance policy and require the tenant to pay the premium in a specified manner; required the landlord to inform a prospective tenant that the tenant may obtain specified insurance coverage separately; etc.

12. HB 672 – Real Property – Residential Leases – Interest on Security Deposits (Del. Weir, etc.) – Unfavorable in the House ENV Committee –The bill would have altered, from 3 percent to the Federal Reserve discount rate as of January 1 of each year, the annual interest rate paid on a security deposit under a residential lease after the end of a tenancy; altered, to either 3 percent or the Federal Reserve discount rate, whichever is less as of January 1 of each year, the annual interest rate paid on a security deposit prior to the termination of a tenancy; altered, from 6 months to 12 months, the interval at which interest accrues on a security deposit under a residential lease; etc.

13. HB 860 – Montgomery County – Tenant Credit Check Restriction Act MC 4-10 (Montgomery County Delegation) – Passed the House, no action in the Senate Education, Health & Environmental Affairs (“EHE”) Committee – The bill would have authorized the owner or landlord of rental housing to conduct a credit check of a tenant applicant who qualifies under the federal Housing Choice Voucher Program for a 100% monthly housing assistance payment from the Housing Opportunities Commission of Montgomery County; and prohibited an owner or landlord of rental housing from rejecting a tenant applicant on specified grounds.

14. HB 917 – Elections – Campaign Finance – Prohibition of Contributions by Business Entities (Del. Carr, etc.) – No action in the House W&M Committee (Cross filed with SB 601, Sen. Raskin – No action in the Senate EHE Committee) – The bill would have prohibiting a business entity from making a contribution to a campaign finance entity; prohibited a business entity from making an expenditure to support or oppose a candidate; clarified that a business entity is not prohibited from making an expenditure to support or oppose a ballot question; and defined the term "business entity" to mean a corporation, a general or limited partnership, a limited liability corporation, or a real estate investment trust.

15. HB 961 – Environment – Yard Waste Composting – Plastic Bag Prohibition (Del. Manno, etc.) – Withdrawn – The bill would have prohibited a person from using a plastic bag for the final disposal of yard waste or natural wood waste under specified circumstances; and allowed a person to transport yard waste or natural wood waste in a plastic bag under specified circumstances.

16. HB 976 – Reduction of Lead Risk in Housing (Chair, Environmental Matters Committee at the request of MDE) – Withdrawn – The bill would have repealed provisions of law relating to specified qualified offers in connection with the liability of an owner of specified rental property; repealed a provision of law relating to a specified window replacement program; repealed obsolete provisions of law relating to the reduction of lead risk in housing; etc. (This bill would have become effective if passed only if the Court of Appeals in the pending case of Jackson v. The Dackman Co. struck down Maryland’s Lead Poisoning Prevention Program. This bill would have reinstated most portions of the Program, except it would have eliminated all property owners’ limited liability and the insurance provisions.)

17. HB 1022 – Human Relations – Sexual Orientation and Gender Identity – Antidiscrimination (Del. Carr, etc.) – No action in the House Health & Government Operations (“HGO”) Committee (Cross filed with SB 583, Sen. Madaleno, etc., No action in the Senate JPR Committee) – The bill would have prohibited discrimination based on gender identity with regard to public accommodations, housing, and employment and by specified licensed or regulated persons; prohibited discrimination based on sexual orientation or gender identity with regard to commercial leasing; altered an exception for employers relating to standards concerning dress and grooming; provided specified immunity; required State personnel actions to be made without regard to gender identity or sexual orientation; defined the term "gender identity"; etc.

18. HB 1041 – The Lead Paint Reduction Act of 2010 (Del. Waldstreicher, etc.) – Unfavorable in the House ENV Committee – The bill would have authorized specified parties (community associations) in Baltimore City, Baltimore County, Prince George’s County, and Anne Arundel County to seek monetary damages for the abatement of specified nuisances under specified circumstances including a condition related to lead paint; and repealed provisions of law that restrict other provisions of law authorizing nuisance actions from being construed to grant standing for a civil action for a condition relating to lead paint.

19. HB 1123 – Real Property – Mobile Home Parks – Resident and Park Owner Rights (Del. Holmes, etc.) – Passed the House; no action in the Senate JPR Committee – The bill would have required a mobile home park owner to maintain security deposits in specified accounts; imposed requirements for the accounts; prohibiting security deposits under mobile home park resident leases from being attached by specified creditors; imposed requirements for the return and withholding of security deposits; provided for rent escrow procedures in specified actions between a mobile home park owner and a resident; etc.

20. HB 1126 – Consumer Protection – Prizes Conditional on Purchase or Sales Promotion – Tenant Referrals (Del. Holmes) – Withdrawn – The bill would have provided that the prohibition on notifying a person of a prize, award, or anything of value conditioned on the purchase of goods

or services or participating in or submitting to a sales promotion effort does not apply to offers by a landlord or property management company of rewards or credits to a current tenant for referring an applicant for rental who becomes a tenant of the landlord or property management company within a specified period of time; required specified disclosures; etc.

21. HB 1150 – Consumer Protection – Damages for Violations of the Maryland Consumer Protection Act (Del. Hecht, etc.) – No action in the House Economic Matters (“ECO”) Committee – The bill would have authorized a court to award statutory damages in an amount not less than \$500 or more than \$5,000 and treble damages under specified circumstances (for willful & knowing violations of the Act) to a person who is injured by a violation of the Maryland Consumer Protection Act.

22. **HB 1153 – Environment – Reducing Lead Risk In Housing – Lead Paint Dust Testing (Del. Oaks, etc.) – Unfavorable in the House ENV Committee – (Cross filed with SB 504 (Del. Gladden); passed the Senate Judicial Proceedings Committee but voted unfavorably by the full Senate) – The bill would have altered the requirements for property owners to satisfy specified lead risk reduction standards relating to specified changes in occupancy in specified properties; required specified lead risk reduction standards to be performed in accordance with local fire code standards; and made conforming changes. (In order for a property owner to obtain an MDE Inspection Certificate (which is a prerequisite for renting pre-1950 housing), this bill would have required the owner to perform BOTH the 10 risk reduction steps AND to successfully pass lead-contaminated dust clearance testing.)**

23. HB 1350 – Real Property Residential Property – Local Government Abandoned Property Registry (Del. Ramirez, etc.) – No action in the House ENV Committee – The bill would have authorized a county or municipal corporation to enact a local law establishing an abandoned residential property registry for specified property located in the county or municipal corporation; required a local law enacted under the Act to require a specified creditor owner to register the property, pay a registration fee, and be responsible for the maintenance and security of the property; required a local law to provide that not maintaining or securing the property is a misdemeanor subject to a specified fine; etc.

24. HB 1503 – Children’s Environmental Health Protection Act (Del. Hubbard) – No action in the House W&M Committee – The bill would have required each county board to adopt a health and safety policy that includes specified standards for specified plans; provided for the scope of the Act; required a hazardous substance removal plan, fire and life safety code repair plan, and facility and equipment violation plan to contain specified provisions; required a health, safety,

and environmental management plan to require the use of specified cleaning and maintenance products; etc.

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

1. SB 212 – Residential Property – Prohibited Restrictions on Exercise of Free Speech (Sen. Mooney) – Passed Senate Judicial Proceedings (“JPR”) Committee by voted unfavorable by the full Senate – This bill would have provided that, except under specified circumstances, homeowners in a common ownership community and residential tenants may not be prohibited from displaying noncommercial signs, posters, flags, or banners on their premises, peacefully assembling on their property or contacting their neighbors, engaging in constitutionally protected activity relating to an election or vote, or restricted from using common property based on protected beliefs, expression, or activities; etc.
2. **SB 243 – Housing – Discrimination Based on Source of Income – Prohibitions (Sen. Gladden) – Unfavorable by the JPR Committee – This bill would have altered the housing policy of the State to provide for fair housing to all citizens regardless of source of income; prohibited a person from refusing to sell or rent a dwelling to any person because of source of income; prohibited a person from discriminating against any person in the terms, conditions, or privileges of sale or rental of a dwelling because of source of income; etc.**
3. SB 545 – Assisted Housing – Protection Actions – Extended Leases for Seniors (Sen. Harrington) – No action in the Senate EHE Committee – This bill would have required an owner of an assisted project to offer a specified extended lease to a designated household if the designated household includes an individual who is at least 62 years old; etc.
4. **SB 853 – Landlord and Tenant – Stay of Eviction – Reasons for Nonpayment Beyond Tenant’s Control (Sen. Muse) – Withdrawn – This bill would have authorized a judge, in an action for repossession of residential premises for failure to pay rent, to extend the time for the surrender of the premises for up to 30 days after the trial if the employer of the tenant who is the major wage earner certifies that the tenant was laid off or furloughed for reasons beyond the tenant's control; and authorized an administrative judge of any district to stay the execution of a warrant of restitution of a residential property for up to 30 days under specified circumstances.**

5. SB 945 – Condominiums and Homeowners Associations – Governing Documents – Overriding Restrictions Against Rental of Home (Sen. Middleton) – No action in the Senate JPR Committee – This bill would have established that a provision in a specified governing document of a condominium or a homeowners association that restricts the right of a unit owner in a condominium or a homeowner in a homeowners association from renting their residential property is null and void until June 30, 2013; stated the intent of the General Assembly; provided for the termination of the Act; and made the Act an emergency measure.

6. SB 1063 – Task Force to Study Deceptive Real Estate Practices (Sen. Madaleno) – Passed the Senate; defeated in the House Economic Matters Committee – This bill would have established the Task Force to Study Unlicensed and Deceptive Real Estate Practices; provided for the composition, chair, and staffing of the Task Force; prohibited a member of the Task Force from receiving compensation but entitling a member to reimbursement of specified expenses; required the Task Force to study and make recommendations regarding fraudulent and deceptive real estate practices within Maryland; etc.

Legislation that passed and was signed into law – House of Delegates:

1. HB 6 – Property Tax – Notice – 60-Day Appeal (Del. F. Turner) (Signed by Governor 5/4/10, Ch. 380) - Requiring a contract for the sale of specified real property to contain a notice that the new owner of property transferred after January 1 and before the beginning of the next taxable year may submit a written appeal as to a value or classification on or before 60 days after the transfer. Effective October 1, 2010.

2. HB 62 - Environment - Payment of Cost Differential - Nitrogen Removal Technology (Del. V. Turner, etc.) (Signed by Governor 5/4/10, Ch. 382) (Cross filed with SB 1122, Sen. Muse – No action in Senate Rules Committee) - Requiring that the Department of the Environment pay for specified costs associated with the installation of on-site sewage disposal systems utilizing nitrogen removal technology with money from the Bay Restoration Fund under specified circumstances in 2010, 2011, and 2012; and declaring that it is the intent of the General Assembly that the Department may use an economic means test to determine financial assistance awarded to homeowners for the cost difference between specified sewage disposal systems. Effective October 1, 2010.

3. HB 83 – Department of Labor, Licensing and Regulation – State Real Estate Commission – Continuing Education (Chair, Economic Matters Committee at the request of DLLR) (Signed by Governor 5/4/10, Ch. 386) - Altering the circumstances under which specified licensees of the State Real Estate Commission are required to complete a specified number of clock hours of continuing education; requiring specified licensees to complete specified requirements in specified licensing periods; clarifying the continuing education requirements for a licensee holding a license from another state; altering the criteria used by the State Real Estate Commission in selecting subject matter for continuing education courses; etc. (For licensees who are not brokers, associate brokers, branch office managers or team leaders – who have a

legal degree or real estate graduate degree – continuing education hours are cut from 10.5 to 7.5 hours to be completed in alternate licensing periods. Additional subject matter every 4 years must include at least one 3-hour course in principles of agency and agency disclosure. For the renewal of broker, branch office managers or team leaders, every four years the licensees must take one 3-hour course on broker supervision.) Effective October 1, 2010.

4. HB 103 – Real Property – Mobile Home Parks – Plans for Dislocated Residents (Del. Lafferty, etc.) (Signed by Governor 5/4/10, Ch. 259) (Cross filed with SB 235, Sen. Robey, etc., Passed and signed by Governor 5/4/10, Ch. 258) - Requiring that a copy of a written notice of termination be sent to the local governing body of a county or municipal corporation if the use of land of a mobile home park is to be changed; applying statewide the provision that, if a mobile home park owner does not submit a relocation plan with an application for a change in the land use of a park or does not comply with an approved plan, the application may not be approved until the owner complies; specifying provisions for a park with more than 38 sites; etc. Effective October 1, 2010.
5. HB 224 – Plumbing – Greywater Recycling (Del. Morhaim, etc.) (Signed by Governor 4/13/10, Ch. 137) - Prohibiting a county from adopting or enforcing provisions of a local plumbing code that prohibit a system that recycles greywater; and defining "greywater". Effective October 1, 2010.
6. HB 242 – Real Property – Mobile Home Park – Rental Agreement – Term of Payment (Del. Hixson, etc.) (Signed by Governor 5/4/10, Ch. 400) - Providing that a rental agreement for a site in a mobile home park may not require that the term of payment be an annual payment; and providing that a prospective resident may request, and a park owner may agree to, an annual payment of rent for the site. Effective October 1, 2010.
7. **HB 372 – Business Occupations and Professions – Plumbers – Lead-Free Materials (Del. Barnes, etc.) (Signed by Governor 5/4/10, Ch. 407) - Prohibiting the use of specified plumbing materials containing more than a specified amount of lead from being used in the installation or repair of plumbing intended to dispense water for human consumption; prohibiting the sale of specified plumbing materials containing more than a specified amount of lead; requiring the State Board of Plumbing to adopt regulations; and providing that the Act shall take effect on January 1, 2012. Effective January 1, 2012.**
8. HB 406 – Real Estate Licensees – Services Provided Through Teams (Chair, Economic Matters Committee, at the request of DLLR) (Signed by Governor 5/20/10, Ch. 670) - Requiring a specified team of licensed associate real estate brokers and licensed real estate salespersons that provides real estate brokerage services to designate a team leader; establishing

qualifications for the team leader; establishing specified duties of the team leader, team members, real estate broker, and branch office manager; etc. Effective October 1, 2010.

9. HB 408 – State Commission on Real Estate Appraisers and Home Inspectors – Administrative Sanctions – Civil Penalty (Chair, Economic Matters Committee, at the request of DLLR) (Signed by Governor 4/13/10, Ch. 153) - Authorizing the State Commission of Real Estate Appraisers and Home Inspectors to consider specified factors before granting, denying, renewing, suspending, or revoking a home inspector license or reprimanding a licensee when the applicant or licensee has been convicted of a specified crime; and authorizing the imposition of a civil penalty against a licensed home inspector under specified circumstances. Effective October 1, 2010.

10. **HB 472 - Real Property - Residential Property Foreclosure Procedures - Foreclosure Mediation (Del. Niemann, etc.) (Signed by Governor 5/20/10, Ch. 485) (Cross filed SB 276, no action in Senate JPR Committee) - Requiring an order to docket or complaint to foreclose on residential property to be accompanied by an additional filing fee, a specified final or preliminary loss mitigation affidavit, and, if applicable, a specified request for foreclosure mediation; altering the information required to be included in a specified notice form; requiring the secured party to file a specified final loss mitigation affidavit and send to the mortgagor or grantor a copy of the affidavit and a request for foreclosure mediation form; etc. Effective July 1, 2010.**

11. HB 484 – Property Tax – Semiannual Payment Schedule – Small Business Property (Del. Elliott, etc.) (Signed by Governor 5/20/10, Ch. 680) - Requiring the governing body of a county or the governing body of a municipal corporation to provide a semiannual payment schedule for State, county, municipal corporation, and special taxing district property taxes on small business property with a property tax bill of \$50,000 or less; applying the Act to taxable years beginning after June 30, 2011; etc. Effective October 1, 2010, applicable to all taxable years after June 30, 2011.

12. HB 475 – Smart, Green, and Growing – The Sustainable Communities Act of 2010 (Speaker, by request of the Administration) (Signed 5/20/10, Ch. 487) (Cross filed as SB 285, no action in the Senate Budget & Tax Committee) – This 67-page bill covers a large variety of issues related to sustainable communities, as set forth in the bill’s purpose clause, set forth in the Appendix to this Legislative Summary. Of significance to our industry is the re-establishment of the Heritage Structure Rehabilitation Tax Credit Program as the Sustainable Communities Tax Credit Program, extending the program’s termination date through fiscal 2014 and altering eligibility requirements. The value of the tax credit is now dependent on the type of rehabilitation undertaken and is equal to (as a percentage of qualified rehabilitation expenditures): (1) 20%

for the rehabilitation of a single-family, owner-occupied residence; (2) 20% for the rehabilitation of a certified historic structure (increased to 25% if certain energy efficient standards are met); and (3) 10% for the rehabilitation of a qualified rehabilitated structure. There are dollar limits to the value of the tax credit, varying with commercial vs. non-commercial rehabilitations. The rehabilitation must be substantial, defined to mean that rehab expenses over a 24-month period must exceed (1) \$5,000 for a single-family owner-occupied residence; (2) the greater of 50% of the adjusted basis of the property or \$25,000 for a qualified rehabilitated structure located in a Main Street Maryland Community; or (3) the greater of the adjusted basis of the property or \$25,000 for all other properties. A "qualified rehabilitated structure" is a building other than a single-family owner-occupied residence that is located in (1) a commercial area designated by January 1, 2010, either by the Secretary of Housing & Community Development as a Main Street Maryland Community or by the Mayor of Baltimore City as a Main Street, or (2) beginning in fiscal 2012, a sustainable community. The rehabilitation must retain specified minimum percentages of internal and external walls and internal framework during the rehabilitation. The Maryland Historical Trust can award an unlimited amount of residential credits for applications received through June 30, 2014. Effective June 1, 2010.

13. HB 566 - Prince George's County - Community Association Property Management Services - Registration - PG 419-10 (Prince George's County Delegation) (Signed by Governor 5/4/10, Ch. 421) - Requiring, in Prince George's County, that the Office of Community Relations establish a registry of entities providing specified community association management services for condominiums, homeowners associations, or cooperative housing corporations located in the county; requiring the entities to register annually with the Office and pay a specified fee; requiring specified information to be included in the registration; authorizing the Office to collect a \$100 annual registration fee; etc. Effective October 1, 2010.

14. HB 590 - Recordation Taxes and State and County Transfer Taxes - Debt Forgiven in "Short Sale" (Del. Ross, etc.) (Signed by Governor 5/20/10, Ch. 590) (Cross filed with SB 657, Sen. DeGrange, etc. Signed by Governor 5/20/10, Ch. 589) - Clarifying that for the purposes of recordation taxes and the State and county transfer taxes, the consideration payable for an instrument of writing to which the tax applies includes only the amount paid or delivered in return for the sale of the property and does not include the amount of any debt forgiven or no longer secured by a mortgage or deed of trust; and making the Act an emergency measure. Effective May 20, 2010.

15. HB 605 - Real Property - Wrongful Detainer (Del. Dumais) (Signed by Governor 5/20/10, Ch. 559) (Cross filed with SB 443, Sen. Raskin, Signed by Governor 5/20/10, Ch. 558) - Under Title 8 (Landlord & Tenant), Section 8-402.4 of the Real Property Article of the Annotated Code of Maryland, a wrongful detainer action may be brought against a defendant holding possession of a property without the legal right of possession (such as a squatter). This bill transfers the wrongful detainer provisions of law to Title 14 of the Real Property Article and specifically excludes the wrongful detainer remedy from circumstances where the defendant holds possession under a court order, where the plaintiff has a remedy under the Landlord Tenant provisions of Title 8 (such as against a holdover tenant), or where there are other exclusive means to recover possession to the property by statute or rule. Effective October 1, 2010.

16. HB 711 – Real Property – Tenants in Foreclosure – Conforming to Federal Law (Del. Healey, etc.) (Signed by Governor 5/20/10, Ch. 588) (Cross filed with SB 654, Signed by Governor 5/20/10, Ch. 587) - Providing that an immediate successor in interest who has acquired legal title to residential property under a foreclosure shall assume the interest subject to the provision of a notice to vacate and the rights of a bona fide tenant; establishing the circumstances under which a lease or tenancy shall be considered bona fide; altering the contents of notices required to be sent to occupants of residential property in foreclosure; etc. Effective June 1, 2010.
17. HB 818 – Criminal Law – Trespass on Posted Property and Wanton Trespass on Private Property – Penalties (Del. Dumais, etc.) (Signed by Governor 5/4/10, Ch. 335) - Increasing the penalties for specified subsequent violations of the crime of trespass on posted property; and increasing the penalties for specified subsequent violations of the crime of wanton trespass on private property. Effective October 1, 2010.
18. **HB 1011 - Juvenile Law – Lead Testing – Authorized (Del. Carter, etc.) (Signed by Governor 5/4/10, Ch. 451) - Authorizing the juvenile court to order a child to undergo blood lead level testing after a petition has been filed but before an adjudication; authorizing a court exercising criminal jurisdiction in a case involving a child to order the child to undergo blood level testing before trial; and requiring a copy of the blood lead level test results to be provided to the child, the child's parent or guardian, the child's counsel, and the State's Attorney. Effective October 1, 2010.**
19. HB 1138 - Residential Multiple Occupancy Buildings - Master Meters - Heating, Ventilation, and Air Conditioning Services (Del. Davis) (Signed by Governor 5/4/10, Ch. 315) (Cross filed with SB 538, Sen. Garagiola, etc., Signed by Governor 5/4/10, Ch. 314) - Authorizing the Public Service Commission to authorize the use of a specified master meter for heating, ventilation, and air conditioning services in specified residential multiple occupancy buildings without requiring individual metering or submetering for heating, ventilation, and air conditioning services under specified circumstances; authorizing the Commission to review specified information before authorizing the use of a master meter; etc. Effective July 1, 2010, with sunset provision on June 30, 2013.
20. HB 1298 – Real Property – Transfer Fees – Prohibition (Del. Glenn, etc.) (Signed by Governor 5/4/10, Ch. 333) (Cross filed with SB 666, Sen. Muse, Signed by Governor 5/4/10, Ch. 332) - Prohibiting a person who conveys a fee simple interest in real property from recording a covenant against the title for the real property for the payment of a transfer fee; establishing that a covenant that requires the payment of a transfer fee for the conveyance of a fee simple interest in real property is void; providing specified exemptions to the prohibition in the Act; defining the term "transfer fee"; applying the Act prospectively; and making the Act an emergency measure. Effective May 4, 2010.

21. **HB 1382 – Rental Housing – Protection for Victims of Domestic Violence and Sexual Assault** (Del. Glenn, etc.) (Signed by Governor 5/4/10, Ch. 319) (Cross filed with SB 554, Sen. Gladden, Signed by Governor 5/4/10, Ch. 318) - Authorizing a tenant who is a victim of domestic violence or a victim of sexual assault to terminate a residential lease under specified circumstances; requiring a specified tenant to provide specified written notice to terminate a lease to the landlord; requiring a tenant who provides specified written notice to vacate the leased premises within 30 days of providing the notice; establishing the tenant's responsibilities for rent if the tenant terminates a lease under the Act; etc.
22. **HB 1399 - Residential Mortgage Loans - Required Notice of Housing Counseling Programs and Services** (Del. Lafferty, etc.) (Signed by Governor 5/20/10, Ch. 736) – Requiring a lender, under specified circumstances, to provide to a borrower a specified written notice regarding home buyer education or housing counseling in connection with specified mortgage loans; requiring the Department of Housing and Community Development to provide and maintain specified information; prohibiting a lender from closing on a mortgage loan unless the lender has provided the borrower with the required notice; etc. Effective as follows: Section 1 of this Act shall take effect January 1, 2011, contingent on the adoption, on or before October 1, 2010, of the regulations required by Section 2(a) of this Act (regarding the form of notice, delivery, etc. concerning home buyer education and counselling). If the regulations are not adopted on or before October 1, 2010, Section 1 of this Act shall take effect 60 days after the date of adoption certified in the notice sent by the Department of Housing and Community Development to the Department of Legislative Services under Section 2(c) of this Act. Except as provided above, this Act shall take effect June 1, 2010.
23. **HB 1416 - Vehicle Laws - Parking for Individuals with Disabilities – Zoning** (Del. Frush) (Signed by Governor 5/4/10, Ch. 364) (Cross filed with SB 940, Sen. DeGrange, etc., Signed by Governor 5/4/10, Ch. 363) - Making provisions related to exceptions to local zoning ordinances for compliance with the Maryland Accessibility Code applicable to charter counties and Baltimore City; providing that a person may comply with Maryland Accessibility Code requirements governing specified disabled parking spaces by restriping the parking lot; requiring a local jurisdiction to grant an exception to relevant local zoning ordinances for restriped parking lots under specified circumstances; etc. Effective October 1, 2010.
24. **HB 1471 - Residential Real Property - Real Estate Settlements – Disclosures** (Del. Rudolph, etc.) (Signed by Governor 5/4/10, Ch. 374) (Cross filed with SB 1019, Sen. Kelley, Signed by Governor 5/4/10, Ch. 373) - Requiring a person who offers settlement services in connection with residential real estate transactions involving land in the State to comply with specified federal

disclosure requirements; altering a specified provision relating to the payment of a commission to a specified person; etc. Effective July 1, 2010.

25. HB 1514 - Real Property - Condominiums - Cancellation of Insurance (Del. Beidle, etc.) (Signed by the Governor 5/20/10, Ch. 742) - Altering the procedure for cancellation of specified property and casualty insurance that must be maintained by the council of unit owners of a condominium. Effective October 1, 2010.

Legislation that passed and was signed into law -Senate:

1. SB 118 - Courts - Jury Trials in Civil Actions - Amount in Controversy (Sen. Zirkin, etc.) (Signed by Governor 5/4/10, Ch. 225) - Increasing from \$10,000 to \$15,000 the maximum amount in controversy in a civil action in which a party may not demand a jury trial; providing for the construction and application of the Act; and making the Act contingent on the passage and ratification of a specified constitutional amendment. This law will become effective provided the Constitutional Amendment authorized by SB 119 / HB 434 is passed by a majority of voters at the general election.
2. SB 119 - Civil Jury Trials - Amount in Controversy (Constitutional Amendment) (Sen. Zirkin, etc.) (Signed by the Governor 5/4/10, Ch. 480) - Increasing from more than \$10,000 to more than \$15,000, the amount in controversy in civil proceedings in which the right to a trial by jury may be limited by legislation; and submitting the constitutional amendment to the qualified voters of the State for their adoption or rejection. This provision is proposed as an amendment to the Maryland Constitution and shall be submitted to the legal and qualified voters of this State at the next general election to be held in November, 2010 for their adoption or rejection pursuant to Article XIV of the Maryland Constitution.
3. **SB 248 - Civil Cases – Maryland Legal Services Corporation Fund (Sen. Frosh, etc.) (Signed by Governor 5/20/10, Ch. 486) (Cross filed with HB 106, Del. Dumais, etc., Passed House, No action in Senate) - Increasing the surcharge on civil cases in the circuit courts from \$25 to \$55; and increasing the surcharge on civil cases in the District Court from \$5 to \$8 in summary ejectment cases and from \$10 to \$15 in all other civil cases; requiring the executive director of the Maryland Legal Services Corporation to prepare a budget for the Corporation; requiring a specified informational budget to be submitted to the General Assembly in conjunction with the budget of the Judicial Branch of the State government; etc. Effective July 1, 2010, with sunset of June 30, 2013.**

4. **SB 224 – Real Property – Installation and Use of Clotheslines on Residential Property** (Sen. King, etc.) (Signed by Governor 5/4/10, Ch. 253) - Providing that a contract, a deed, a covenant, a restriction, an instrument, a declaration, a rule, a bylaw, a lease agreement, a rental agreement, or any other document concerning the installation or use of clotheslines on specified residential property may not prohibit a homeowner or tenant from installing or using a clothesline on specified residential property. Effective October 1, 2010.

5. SB 321 - The Delegate John Arnick Electronic Communications Traffic Safety Act of 2010 (Sen. Stone, etc.) (Signed by Governor 5/20/10, Ch. 538) - Prohibiting a driver of a motor vehicle that is in motion from using the driver's hands to use a handheld telephone except to initiate or terminate a wireless call or to turn on or off the handheld phone; providing that a violation of the Act may be enforced only as a secondary violation; establishing penalties of \$40 for a first offense and \$100 for a second offense; prohibiting a driver of a school vehicle or a holder of an instructional permit or provisional driver's license from using a handheld phone while driving; etc. Effective October 1, 2010.

6. SB 399 – Real Property – Abatement of Nuisance – Prostitution (Sen. Raskin, etc.) (Signed by Governor 5/4/10, Ch. 289) (Cross filed with HB 1285 – Passed the House, no action in the Senate JPR Committee) - Establishing that the use of real property for prostitution is a nuisance that may be the subject of a specified action for abatement; providing that specified relief is not available in specified actions for abatement of nuisance that alleges the use of a property for prostitution; defining the term "prostitution"; etc. Effective October 1, 2010.

7. SB 597 - Condominiums and Homeowners Associations - Common Elements and Common Areas - Implied Warranties (Sen. Rosapepe) (Signed by Governor 5/20/10, Ch. 584) - Requiring the description of the common elements in a condominium declaration that is recorded on or after October 1, 2010, to include specified improvements; providing that specified provisions of the Act do not apply to a condominium that is occupied and used solely for nonresidential purposes; altering the duration of a specified implied warranty on the common elements of a condominium; altering the duration of a specified implied warranty on the common areas of a homeowners association; etc. Effective October 1, 2010 .

Appendix

House Bill 475 – Smart, Green and Growing – The Sustainable Communities Act of 2010

Purpose Clause

FOR the purpose of stating certain findings and the intent of the General Assembly concerning sustainable communities; providing for the designation of certain areas as sustainable communities eligible for certain programs; altering the criteria to consider a sustainable community area; authorizing the Smart Growth Subcabinet to designate sustainable communities and approve sustainable community plans; abolishing certain boards; authorizing the Secretary of Housing and Community Development to administer the Community Legacy Program and to take certain actions; repealing certain authority for certain political subdivisions to approve a designated neighborhood for certain purposes under certain circumstances; requiring the Department of Transportation to consider sustainable communities during the revisions to the Consolidated Transportation Program; requiring the Department of Transportation to consult with the Smart Growth Subcabinet concerning sustainable communities; altering certain authority of the Secretary of Transportation to designate certain facilities, structures, and uses as transit-oriented development for certain purposes; authorizing the Department of Transportation to exercise certain powers with respect to sustainable communities; requiring the Secretary of Business and Economic Development to receive a recommendation of the Smart Growth Subcabinet prior to designating a BRAC Revitalization and Incentive Zone; altering the membership of the Smart Growth Subcabinet; authorizing the Smart Growth Subcabinet to work on sustainable communities, make certain recommendations, and certify certain local jurisdictions for certain purposes; reestablishing extending and altering the Maryland Heritage Structure Rehabilitation Tax Credit Program to be the Sustainable Communities Tax Credit Program; providing a certain tax credit for rehabilitation of certain properties; making certain rehabilitation projects eligible for a certain tax credit under certain circumstances; requiring the Director of the Maryland Historical Trust to adopt certain regulations; providing limits on the amount of tax credits for certain purposes; providing for an additional credit if a certain rehabilitation meets a certain high performance building standard; providing for the issuance of credit certificates for certain rehabilitations, subject to certain requirements and limitations; providing certain limits on the amount of the credit percentage of the initial credit certificates issued for any fiscal year that may be claimed issued for certain rehabilitations; authorizing the Director to charge a certain fee for certain purposes; prohibiting the Director from issuing credit certificates that exceed a certain amount; prohibiting the Director from issuing certain credit certificates before a certain date or after a certain date; establishing the Maryland Department of Planning Sustainable Communities Tax Credit Administration Fund; providing for amended tax returns under certain circumstances; authorizing the allocation of the credit in a certain manner; providing for certain determinations by the Comptroller; providing for the expiration of certain initial credit certificates under certain circumstances; establishing certain requirements for certain rehabilitation projects to be eligible for the tax credit; altering the percentage of qualified rehabilitation expenditures for which the credit is allowed for certain projects; altering the name of a certain reserve fund; authorizing the Governor to include an appropriation to a certain reserve fund for certain fiscal years; extending through a certain fiscal year certain authority for the Director to issue certain initial credit certificates; providing for altering certain reporting requirements;

providing for the recapture of the credit under certain circumstances; providing for the termination of the Sustainable Communities Tax Credit Program; requiring certain funds in the Heritage Structure Rehabilitation Tax Credit Reserve Fund to revert to the General Fund on a certain date; providing for the application of certain provisions of this Act consideration of certain community legacy areas and certain designated neighborhoods as sustainable communities under certain circumstances; requiring a sponsor of a community legacy area or a designated neighborhood to submit a certain application under certain circumstances; providing for the retroactive application of a certain provision of this Act; authorizing the Comptroller to make certain determinations and adopt certain regulations; defining certain terms; altering certain definitions; and generally relating to sustainable communities.

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