

Department of Legislative Services
 Maryland General Assembly
 2017 Session

FISCAL AND POLICY NOTE
 First Reader

Senate Bill 1195 (Senator Oaks)
 Judicial Proceedings

Environment - Reduction of Lead Risk in Housing - Blood Lead Level

This bill lowers the elevated blood lead level (EBL) (from 10 to 5 micrograms per deciliter) at which, upon receipt of specified notice that a person at risk has an EBL (1) an owner of an affected property is required to satisfy the modified risk reduction standard and (2) a local health department (LHD) is required to notify the person at risk and the owner of the affected property.

The bill applies to blood lead levels documented on or after February 24, 2018.

Fiscal Summary

State Effect: General/special fund expenditures increase by \$367,100 in FY 2018 for the Maryland Department of the Environment (MDE) to handle the significantly greater caseloads for persons at risk with EBLs under the bill’s lower threshold; future year expenditures reflect annualization and ongoing costs. The Department of Health and Mental Hygiene can handle the bill’s requirements with existing resources. Revenues are not affected.

(in dollars)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenues	\$0	\$0	\$0	\$0	\$0
GF/SF Exp.	367,100	725,200	757,500	791,500	827,600
Net Effect	(\$367,100)	(\$725,200)	(\$757,500)	(\$791,500)	(\$827,600)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: LHD expenditures increase to provide the required notice to persons at risk and support additional caseloads. In addition, expenditures may increase significantly for locally owned housing entities to comply with the modified risk reduction standard due to the bill’s lower threshold for EBLs. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Potential meaningful increase in costs, due to the bill's lower threshold for EBLs, for certain small business rental property owners to comply with the modified risk reduction standard.

Analysis

Current Law:

Notification of Elevated Blood Lead Level to Person at Risk and Owner of Rental Housing

An LHD that receives the results of a blood lead test indicating that a “person at risk” has an EBL greater than or equal to 10 micrograms per deciliter on or after February 24, 2006, must notify (1) the person at risk, or in the case of a minor, the parent of the person at risk, of the results of the test and (2) the owner of the affected property in which the person at risk resides or regularly spends at least 24 hours per week, of the results of the test. The notices must be on the forms prepared by MDE and must contain any information required by MDE.

“A person at risk” is defined as a child or a pregnant woman who resides or regularly spends at least 24 hours per week in an affected property.

The Modified Risk Reduction Standard

The owner of an affected property, defined as residential rental property built before 1978, must comply with a “modified risk reduction standard” if an EBL of 10 micrograms per deciliter or more is found in a person at risk who resides on the property, or a defect is found in a property in which a person at risk resides. Upon receiving notification, an owner must perform and pass a specified lead dust test and perform specified lead hazard reduction treatments.

A property owner may comply with the modified risk reduction standard by providing for the temporary relocation of tenants to either a lead-free dwelling unit or another dwelling unit that has satisfied the risk reduction standard for an affected property within 30 days after the receipt of a notice of EBL or a notice of defect.

Case Management for Children with Elevated Blood Lead Levels and Related Notifications

Pursuant to existing statute, the Secretary must assist local governments, if necessary, to provide case management of children with EBLs greater than or equal to 15 micrograms per deciliter.

An LHD that receives the results of a blood test for lead poisoning indicating that a child younger than age six has an EBL greater than or equal to 15 micrograms per deciliter and less than 20 micrograms per deciliter must notify the child's parents and, in the case of a child who lives in a rental dwelling unit, the owner of the rental dwelling unit.

In practice, case management, as well as an environmental investigation, is triggered when a child has an EBL greater than or equal to 10 micrograms per deciliter.

Background:

Lead Poisoning in Children

According to MDE's 2015 [*Childhood Blood Lead Surveillance in Maryland*](#) report, the most recent data available, 127,730 blood lead tests from 120,962 children 0-18 years of age were conducted in 2015. A total of 110,217 children younger than age 6 were tested out of an estimated statewide population of 535,094. This was an increase of 1,186 children tested compared to 2014. The estimated population of children 0-72 months of age increased from 2014 by a total of 7,790 children. Of the 110,217 children tested that year, 377 children (or 0.3% of those tested) younger than age 6 were identified as having a blood lead level of greater than 10 micrograms per deciliter, up from 355 in 2014. Of the 377 cases in 2015, 280 were new cases. An additional 1,789 children had blood lead levels between 5 and 9 micrograms per deciliter, down from 2,004 in 2014. Of those 1,789 cases, 1,388 were new cases. According to MDE, much of the decline in blood lead levels in recent years is the result of implementation and enforcement of Maryland's lead law.

According to the federal Centers for Disease Control and Prevention (CDC), there is no safe level of lead exposure, and adverse health effects exist in children at blood lead levels less than 10 micrograms per deciliter. Since 2012, CDC has urged health care providers and authorities to follow up on any young child with a level as low as 5 micrograms per deciliter. CDC is no longer using the 10 micrograms per deciliter level or referring to a "level of concern." The new reference level of 5 micrograms per deciliter represents the blood lead levels of children (ages one through five) in the highest 2.5 percentiles for blood lead levels.

Maryland 2015 Lead Targeting Plan

In October 2015, the State released the Maryland Targeting Plan for Areas at Risk for Childhood Lead Poisoning (the 2015 targeting plan). The 2015 targeting plan and accompanying proposed regulations called for blood lead testing at 12 months and 24 months of age throughout the State. Previously, only children living in certain at-risk zip codes or who were enrolled in Medicaid were targeted for testing.

Lead Poisoning Prevention Fund

Various administrative and civil penalties apply to violations of the Reduction of Lead Risk in Housing Subtitle. Any penalties collected are paid into the Lead Poisoning Prevention Fund. That fund, which is administered by MDE, also consists of any fees collected by MDE under the Reduction of Lead Risk in Housing Subtitle and monies received by grant, donation, or appropriation, or from any other source. MDE must use the fund to cover the costs of specified duties and responsibilities of MDE and the Lead Poisoning Prevention Commission.

State Expenditures: MDE’s expenditures increase by \$367,072 in fiscal 2018, which assumes a February 24, 2018 implementation date, to hire and equip five environmental compliance specialists, two advanced environmental compliance specialists, one assistant Attorney General, and two administrative specialists to handle the significantly greater caseloads for persons at risk with EBLs under the bill’s lower threshold. The estimate includes costs to purchase three vehicles that are required to conduct investigations.

MDE activities related to cases of EBLs include confirming the type of property associated with each case, sending notices to and coordinating with LHDs, conducting environmental investigations, and conducting enforcement actions when the person at risk resides in a noncompliant affected property. Although the bill does not require an environmental investigation to be conducted when an EBL of 5 micrograms per deciliter is documented, MDE assumes that such an investigation is conducted.

Positions	10
Salaries and Fringe Benefits	\$232,898
One-time Start-up Expenses	118,686
Ongoing Operating Expenses	<u>15,488</u>
Total FY 2018 MDE Expenditures	\$367,072

Some portion of MDE’s expenditures are anticipated to be covered with special funds from the Lead Poisoning Prevention Fund. However, MDE advises that the special fund likely cannot cover all of its anticipated costs; thus, general fund expenditures also increase to cover any amounts not covered with special funds.

Future year expenditures reflect full salaries with annual increases and employee turnover and ongoing operating expenses.

Local Expenditures: LHD expenditures increase to provide the required notice to persons at risk/parents and owners of affected property and to support additional caseloads. While the full extent of the increase cannot be reliably estimated at this time, MDE data from 2015 demonstrates that while 377 children were identified as having an EBL greater than

10 micrograms per deciliter, 1,789 children were identified as having EBLs between 5 and 9 micrograms per deciliter. As the number children with EBLs between 5 and 9 micrograms per deciliter in the sample captured by MDE data is nearly five times the number of children with an EBL greater than 10 micrograms per deciliter, the increase in notifications is significant.

In addition, expenditures may increase significantly for locally owned housing entities to comply with the modified risk reduction standard due to the bill's lower threshold for EBL levels.

Additional Information

Prior Introductions: HB 1331 of 2016 was referred to interim study by the House Environment and Transportation Committee. HB 1067 of 2013 received an unfavorable report from the House Environmental Matters Committee.

Cross File: HB 1625 (Delegate Ali, *et al.*) - Rules and Executive Nominations.

Information Source(s): Baltimore City; Maryland Department of the Environment; Department of Health and Mental Hygiene; Centers for Disease Control and Prevention; Department of Legislative Services

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mm/lgc

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