

HOUSE BILL 1358

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7lr3509
CF SB 542

By: **Delegates Mosby, Barron, Ali, Branch, Brooks, Conaway, Glenn, Hayes, Haynes, Korman, Lewis, McIntosh, Moon, Morales, Oaks, Queen, Rosenberg, Sanchez, Sydnor, Tarlau, and A. Washington**

Introduced and read first time: February 10, 2017

Assigned to: Environment and Transportation and Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Lead Poisoning Recovery Act**

3 FOR the purpose of establishing that this Act applies only to an action brought by a certain
4 person against a certain manufacturer of lead pigment for certain damages allegedly
5 caused by the presence of lead-based paint in a residential building; providing that
6 this Act does not apply to certain actions for certain damages arising from personal
7 injury or death or to certain actions against a person other than a manufacturer;
8 providing that a plaintiff in an action under this Act is not required to prove that a
9 specific manufacturer manufactured or produced the lead pigment used in the
10 lead-based paint alleged to have caused the plaintiff's harm; providing that a certain
11 manufacturer may be held liable for certain damages in an action under this Act
12 under certain circumstances; establishing certain defenses to an action under this
13 Act; providing for the apportionment of certain damages among certain
14 manufacturers under certain circumstances; providing that failure to join a certain
15 manufacturer in a certain action does not constitute failure to join a required party
16 for any purpose; prohibiting a counterclaim or cross-claim from being filed in an
17 action under this Act, subject to a certain exception; providing that certain provisions
18 of this Act may not be construed or interpreted to prohibit a manufacturer from
19 bringing certain claims against another manufacturer; providing that an action
20 under this Act is not exclusive and is independent of and in addition to certain other
21 rights, remedies, and causes of action; creating the Lead-Based Paint Restitution
22 Fund; providing for the uses of and expenditures from the Fund; declaring a certain
23 intent of the General Assembly; defining certain terms; providing for the application
24 of this Act; and generally relating to the liability of manufacturers for damage caused
25 by lead pigment in lead-based paint.

26 BY adding to
27 Article – Courts and Judicial Proceedings

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Section 3–2101 through 3–2107 to be under the new subtitle “Subtitle 21. Maryland Lead Poisoning Recovery Act”
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Courts and Judicial Proceedings

SUBTITLE 21. MARYLAND LEAD POISONING RECOVERY ACT.

3–2101.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
INDICATED.

(B) (1) “ABATEMENT” MEANS A SET OF MEASURES THAT ELIMINATE OR
REDUCE LEAD–BASED PAINT HAZARDS IN A RESIDENTIAL BUILDING IN
ACCORDANCE WITH STANDARDS ESTABLISHED BY THE DEPARTMENT OF THE
ENVIRONMENT.

(2) “ABATEMENT” INCLUDES:

(I) THE REMOVAL OF LEAD–BASED PAINT AND
LEAD–CONTAMINATED DUST, THE CONTAINMENT OR ENCAPSULATION OF
LEAD–BASED PAINT, THE REPLACEMENT OR DEMOLITION OF LEAD–BASED PAINTED
SURFACES OR FIXTURES, AND THE REMOVAL OR COVERING OF
LEAD–CONTAMINATED SOIL; AND

(II) PREPARATION, CLEANUP, DISPOSAL, AND POSTABATEMENT
CLEARANCE TESTING ACTIVITIES ASSOCIATED WITH THE MEASURES DESCRIBED IN
ITEM (I) OF THIS PARAGRAPH.

(C) “LEAD–BASED PAINT” MEANS LEAD–BASED PAINT AS DEFINED BY
REGULATIONS ADOPTED BY THE DEPARTMENT OF THE ENVIRONMENT.

(D) (1) “MANUFACTURER” MEANS A PERSON THAT MANUFACTURED OR
PRODUCED LEAD PIGMENT FOR SALE OR USE AS A COMPONENT OF LEAD–BASED
PAINT OR A PREDECESSOR–IN–INTEREST OF THE PERSON.

(2) “MANUFACTURER” DOES NOT INCLUDE A PERSON OR A
PREDECESSOR–IN–INTEREST OF THE PERSON THAT ONLY:

(I) SOLD LEAD PIGMENT OR LEAD-BASED PAINT AT RETAIL OR
WHOLESALE; OR

(II) APPLIED LEAD-BASED PAINT IN A RESIDENTIAL BUILDING.

3-2102.

(A) (1) THIS SUBTITLE APPLIES ONLY TO AN ACTION BROUGHT BY A UNIT
OF STATE OR LOCAL GOVERNMENT OR BY THE OWNER OF A RESIDENTIAL BUILDING
AGAINST A MANUFACTURER FOR PROPERTY DAMAGE OR CONSEQUENTIAL
ECONOMIC DAMAGE ALLEGEDLY CAUSED BY THE PRESENCE OF LEAD-BASED PAINT
IN A RESIDENTIAL BUILDING.

(2) DAMAGES THAT MAY BE CLAIMED IN AN ACTION UNDER THIS
SUBTITLE INCLUDE:

(I) DAMAGES SUSTAINED BY THE OWNER OF A RESIDENTIAL
BUILDING REQUIRED TO COMPLY WITH:

1. THE REQUIREMENTS OF TITLE 6, SUBTITLE 8 OF THE
ENVIRONMENT ARTICLE;

2. AN ABATEMENT ORDER ISSUED BY A UNIT OF THE
STATE OR A LOCAL GOVERNMENT; OR

3. A REQUIREMENT TO REPAIR LEAD-BASED PAINT
DEFECTS UNDER § 8-211 OR § 8-211.1 OF THE REAL PROPERTY ARTICLE;

(II) EXPENSES VOLUNTARILY INCURRED BY THE OWNER OF A
RESIDENTIAL BUILDING TO ABATE LEAD-BASED PAINT HAZARDS;

(III) EXPENSES INCURRED BY A UNIT OF STATE OR LOCAL
GOVERNMENT TO:

1. ENFORCE LEAD-PAINT LAWS;

2. RAISE AWARENESS ABOUT LEAD POISONING; AND

3. CONDUCT OUTREACH AND SCREENING EFFORTS
AIMED AT POPULATIONS AT RISK FOR LEAD POISONING;

(IV) THE REASONABLE FUTURE COSTS ASSOCIATED WITH THE
TESTING, REMOVAL, ABATEMENT, OR ELIMINATION OF LEAD-BASED PAINT

HAZARDS THAT EXIST IN A RESIDENTIAL BUILDING AT THE TIME AN ACTION IS
FILED; AND

(V) LOST RENT ATTRIBUTABLE TO THE PRESENCE OF
LEAD-BASED PAINT IN A RESIDENTIAL BUILDING.

(B) THIS SUBTITLE DOES NOT APPLY TO:

(1) AN ACTION AGAINST A MANUFACTURER FOR DAMAGES ARISING
FROM PERSONAL INJURY OR DEATH ALLEGEDLY CAUSED BY THE PRESENCE OF
LEAD-BASED PAINT IN A RESIDENTIAL BUILDING; OR

(2) AN ACTION AGAINST ANY PERSON OTHER THAN A
MANUFACTURER.

3-2103.

(A) (1) IN AN ACTION UNDER THIS SUBTITLE:

(I) A PLAINTIFF IS NOT REQUIRED TO PROVE THAT A SPECIFIC
MANUFACTURER MANUFACTURED OR PRODUCED THE LEAD PIGMENT CONTAINED
IN THE LEAD-BASED PAINT ALLEGED TO HAVE CAUSED THE PLAINTIFF'S HARM; AND

(II) A MANUFACTURER MAY BE HELD LIABLE FOR DAMAGES
ALLEGEDLY CAUSED BY THE PRESENCE OF LEAD-BASED PAINT IN A RESIDENTIAL
BUILDING, IF THE PLAINTIFF SHOWS THAT:

1. THE PLAINTIFF'S ALLEGED HARM WAS CAUSED BY
LEAD PIGMENT USED AS A COMPONENT OF LEAD-BASED PAINT;

2. THE MANUFACTURER MANUFACTURED OR
PRODUCED LEAD PIGMENT FOR SALE OR USE AS A COMPONENT OF LEAD-BASED
PAINT; AND

3. THE MANUFACTURER BREACHED A LEGALLY
RECOGNIZED DUTY TO THE PLAINTIFF UNDER MARYLAND LAW IN THE COURSE OF
SELLING, MANUFACTURING, PROMOTING, OR DISTRIBUTING LEAD PIGMENT.

(2) IT IS A DEFENSE TO AN ACTION UNDER THIS SUBTITLE THAT THE
MANUFACTURER DID NOT SELL, MANUFACTURE, PROMOTE, OR DISTRIBUTE LEAD
PIGMENT:

1 **(I) IN THE GEOGRAPHIC AREA WHERE THE LEAD-BASED PAINT**
2 **ALLEGED TO HAVE CAUSED THE PLAINTIFF'S HARM WAS APPLIED; OR**

3 **(II) DURING THE TIME PERIOD WHEN THE LEAD-BASED PAINT**
4 **ALLEGED TO HAVE CAUSED THE PLAINTIFF'S HARM WAS APPLIED.**

5 **(B) (1) IF MORE THAN ONE MANUFACTURER IS FOUND LIABLE IN AN**
6 **ACTION UNDER THIS SUBTITLE, THE TRIER OF FACT SHALL APPORTION THE TOTAL**
7 **AMOUNT OF DAMAGES AMONG THE LIABLE MANUFACTURERS ON THE BASIS OF EACH**
8 **MANUFACTURER'S SHARE OF THE NATIONAL MARKET FOR LEAD PIGMENT DURING**
9 **THE TIME PERIOD WHEN THE LEAD-BASED PAINT ALLEGED TO HAVE CAUSED THE**
10 **PLAINTIFF'S HARM WAS APPLIED.**

11 **(2) IF A MANUFACTURER IS BANKRUPT OR INSOLVENT, THE COURT**
12 **SHALL REAPPORTION THE DAMAGES FOR WHICH THAT MANUFACTURER IS LIABLE**
13 **AMONG THE OTHER LIABLE MANUFACTURERS AS DESCRIBED IN PARAGRAPH (1) OF**
14 **THIS SUBSECTION.**

15 **(C) FAILURE TO JOIN A SPECIFIC MANUFACTURER IN AN ACTION UNDER**
16 **THIS SUBTITLE DOES NOT CONSTITUTE FAILURE TO JOIN A REQUIRED PARTY FOR**
17 **ANY PURPOSE.**

18 **(D) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A**
19 **COUNTERCLAIM OR CROSS-CLAIM MAY NOT BE FILED IN AN ACTION BROUGHT**
20 **UNDER THIS SUBTITLE.**

21 **(E) THIS SECTION MAY NOT BE CONSTRUED OR INTERPRETED TO PROHIBIT**
22 **A MANUFACTURER FROM BRINGING CLAIMS AGAINST ANOTHER MANUFACTURER**
23 **FOR CONTRIBUTION OR INDEMNIFICATION.**

24 **3-2104.**

25 **AN ACTION UNDER THIS SUBTITLE IS NOT EXCLUSIVE AND IS INDEPENDENT**
26 **OF AND IN ADDITION TO ANY RIGHT, REMEDY, OR CAUSE OF ACTION AVAILABLE TO**
27 **ANY PERSON OR PUBLIC ENTITY TO RECOVER DAMAGES CAUSED BY LEAD-BASED**
28 **PAINT.**

29 **3-2105.**

30 **(A) THERE IS A LEAD-BASED PAINT RESTITUTION FUND.**

31 **(B) (1) THE FUND IS A CONTINUING, NONLAPSING FUND THAT IS NOT**
32 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

(2) ALL REVENUES CONSISTING OF FUNDS RECEIVED BY THE STATE FROM ANY SOURCE RESULTING, DIRECTLY OR INDIRECTLY, FROM A JUDGMENT AGAINST OR SETTLEMENT WITH A MANUFACTURER OR ANOTHER PERSON IN THE LEAD-BASED PAINT INDUSTRY RELATING TO LITIGATION, ADMINISTRATIVE PROCEEDINGS, OR ANY OTHER CLAIMS MADE OR PROSECUTED BY THE STATE TO RECOVER DAMAGES FOR VIOLATIONS OF STATE LAW SHALL BE CREDITED TO THE FUND.

(C) THE TREASURER SHALL:

(1) INVEST AND REINVEST THE FUND IN THE SAME MANNER AS OTHER STATE FUNDS; AND

(2) CREDIT ANY INVESTMENT EARNINGS TO THE FUND.

(D) EXPENDITURES FROM THE FUND SHALL BE MADE BY AN APPROPRIATION IN THE ANNUAL STATE BUDGET.

(E) (1) THE FUND SHALL BE EXPENDED SUBJECT TO ANY RESTRICTIONS ON THE USE OF THE FUND OR OTHER LIMITATIONS ON THE ALLOCATION OF THE FUND THAT ARE:

(I) EXPRESSLY PROVIDED BY STATUTE;

(II) REQUIRED AS A CONDITION OF THE ACCEPTANCE OF FUNDS; OR

(III) DETERMINED TO BE NECESSARY TO AVOID RECOUPMENT BY THE FEDERAL GOVERNMENT OF MONEY PAID TO THE FUND.

(2) DISBURSEMENTS FROM THE FUND TO PROGRAMS FUNDED BY THE STATE OR WITH FEDERAL FUNDS ADMINISTERED BY THE STATE SHALL BE USED SOLELY TO SUPPLEMENT, AND NOT TO SUPPLANT, FUNDS OTHERWISE AVAILABLE FOR THE PROGRAMS UNDER FEDERAL OR STATE LAW AS PROVIDED IN THIS SECTION.

(F) (1) THE FUND SHALL BE USED TO FUND:

(I) THE LEAD POISONING PREVENTION PROGRAM OF THE DEPARTMENT OF THE ENVIRONMENT; AND

(II) OTHER PROGRAMS THAT SERVE THE FOLLOWING PURPOSES:

1. ELIMINATION AND PREVENTION OF LEAD POISONING;
2. PRIMARY HEALTH CARE PREVENTION, EDUCATION, SCREENING, AND TREATMENT OF LEAD POISONING;
3. PUBLIC EDUCATION TO PREVENT LEAD POISONING;
4. ENFORCEMENT OF THE LAWS REGARDING LEAD-BASED PAINT;
5. RESEARCH CONCERNING PREVENTION AND TREATMENT OF LEAD POISONING;
6. RESEARCH CONCERNING REDUCTION, REMOVAL, ABATEMENT, AND ELIMINATION OF LEAD-BASED PAINT;
7. REDUCTION, REMOVAL, ABATEMENT, AND ELIMINATION OF LEAD-BASED PAINT;
8. SPECIAL EDUCATION ADDRESSING THE NEEDS OF LEAD-POISONED CHILDREN AND ADULTS;
9. JOB TRAINING ADDRESSING THE NEEDS OF LEAD-POISONED ADULTS; AND
10. ANY OTHER PUBLIC PURPOSE RELATED TO LEAD POISONING OR LEAD-BASED PAINT.

(2) THE PROVISIONS OF THIS SUBSECTION MAY NOT BE CONSTRUED TO AFFECT THE POWERS OF THE GOVERNOR WITH RESPECT TO A REQUEST FOR AN APPROPRIATION IN THE ANNUAL BUDGET BILL.

(G) (1) AMOUNTS MAY BE EXPENDED FROM THE FUND ONLY THROUGH APPROPRIATIONS IN THE BUDGET BILL AS PROVIDED IN THIS SUBSECTION.

(2) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL APPROPRIATIONS FROM THE FUND EQUIVALENT TO THE LESSER OF \$100,000,000 OR 90% OF THE FUNDS ESTIMATED TO BE AVAILABLE TO THE FUND IN THE FISCAL YEAR FOR WHICH THE APPROPRIATIONS ARE MADE.

(3) (I) FOR EACH FISCAL YEAR FOR WHICH APPROPRIATIONS ARE MADE, AT LEAST 50% OF THE APPROPRIATIONS SHALL BE MADE FOR THOSE PURPOSES ENUMERATED IN SUBSECTION (F)(1)(I) AND (II)1 THROUGH 9 OF THIS SECTION SUBJECT TO THE REQUIREMENT OF SUBSECTION (E)(2) OF THIS SECTION.

(II) APPROPRIATIONS MADE FOR THE PURPOSES OF THE MARYLAND MEDICAL ASSISTANCE PROGRAM MAY NOT BE COUNTED AS APPROPRIATIONS SATISFYING THE REQUIREMENT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(4) FOR EACH FISCAL YEAR FOR WHICH APPROPRIATIONS ARE MADE, AT LEAST 30% OF THE APPROPRIATIONS SHALL BE MADE FOR THE PURPOSES OF THE MARYLAND MEDICAL ASSISTANCE PROGRAM.

(5) ADDITIONAL APPROPRIATIONS NOT SUBJECT TO PARAGRAPH (3) OR (4) OF THIS SUBSECTION MAY BE MADE FOR ANY LAWFUL PURPOSE.

(H) FOR EACH PROGRAM, PROJECT, OR ACTIVITY RECEIVING FUNDS APPROPRIATED UNDER SUBSECTION (G)(3) OF THIS SECTION, THE GOVERNOR SHALL:

(1) DEVELOP APPROPRIATE STATEMENTS OF VISION, MISSION, KEY GOALS, KEY OBJECTIVES, AND KEY PERFORMANCE INDICATORS AND REPORT THESE STATEMENTS IN A DISCRETE PART OF THE STATE BUDGET SUBMISSION, WHICH SHALL ALSO PROVIDE DATA FOR KEY PERFORMANCE INDICATORS; AND

(2) REPORT ANNUALLY, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY NO LATER THAN OCTOBER 1 ON:

(I) TOTAL FUNDS EXPENDED, BY PROGRAM AND SUBDIVISION, IN THE PRIOR FISCAL YEAR FROM THE FUND ESTABLISHED UNDER THIS SECTION; AND

(II) THE SPECIFIC OUTCOMES OR PUBLIC BENEFITS RESULTING FROM THAT EXPENDITURE.

3-2106.

THE GENERAL ASSEMBLY DECLARES THAT:

(1) THE PURPOSE OF THIS SUBTITLE IS REMEDIAL AND ESSENTIAL TO THE PUBLIC INTEREST; AND

1 **(2) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THIS**
2 **SUBTITLE BE LIBERALLY CONSTRUED BY THE COURTS.**

3 **3-2107.**

4 **THIS SUBTITLE MAY BE CITED AS THE MARYLAND LEAD POISONING**
5 **RECOVERY ACT.**

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
7 apply only prospectively and may not be applied or interpreted to have any effect on or
8 application to any case filed before the effective date of this Act.

9 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2017.