



Real Estate Laws
Taking Effect October 1st, 2019
Maryland REALTORS®

AFFORDABLE HOUSING AND TAXES

HB 406 – Wetlands and Waterways Program – State-Owned Lakes – Structural Shoreline Stabilization

STATUS: PASSED – Effective October 1, 2019

Specifies that the application fee for a structural shoreline stabilization project on or adjacent to a State-owned lake may not exceed \$250. The bill also requires the Department of Environment, in conjunction with the Department of Natural Resources, to identify up to three structural stabilization practices that may be implemented.

REAL ESTATE BROKERAGE AND CONTRACTS

HB 22 – Occupational Licenses or Certificates – Application Determinations – Use of Criminal History

STATUS: PASSED – Effective October 1, 2019

States that an occupational license may not be denied to an applicant based solely on the applicant's prior conviction if: at least 7 years has passed between completing all requirements of that conviction (including probation); and the applicant has not committed any other crime beyond a minor traffic violation.

HB 123 – Real Estate Salespersons and Brokers – Provision of Real Estate Brokerage Services Through a Team – Use of “and Associates”

STATUS: PASSED – Effective October 1, 2019

Authorizes real estate teams to advertise using the term “and associates.”

HB 222 – Real Property – Residential Real Estate Transactions – Escrow Agents

STATUS: PASSED – Effective October 1, 2019

Requires certain persons holding escrow money (including title companies and attorneys) to have a written agreement with the buyer and seller. The agreement must include the following information: the amount of trust money offered and the date the escrow agent received it; the fact the escrow agent will notify the parties if there is no money backing the check; and the conditions under which the escrow agent may release the money. The current Escrow Agreement Form offered the Maryland REALTORS® and the Maryland Land Title Association complies with the law. The bill does not apply to real estate companies who already have requirements under law.

HB 557/SB 509 – Property Tax – In Rem Foreclosure and Sale – Vacant and Abandoned Property

STATUS: PASSED – Effective October 1, 2019

Creates an expedited tax sale process (judicial in rem) for vacant property or property that is unfit for human habitation.

HB 1228/SB 807 – State Real Estate Commission – Real Estate Brokerage Relationships, Continuing Education, and Disclosures

STATUS: PASSED – Effective October 1, 2019

Requires that information learned by a licensee in anticipation of forming a brokerage relationship is confidential and may not be disclosed without the written consent of the individual. The bill also seeks to combine three definitions of brokerage relationship under the law into two definitions. Finally, the bill clarifies a definition of dual agency.

HB 1386/SB 852 – Department of Labor, Licensing, and Regulation – Veterans and Military Service Members and Spouses – Occupational Licenses

STATUS: PASSED – Effective October 1, 2019

Clarifies that when a licensing body, such as the Real Estate Commission, issues an expedited license for a service member, veteran or military spouse, that it should do so within 60 days after receiving a completed application. The different licensing bodies must also post direction on how to apply for the license.

SB 25 – Real Property – Conservation Easements, Covenants, Restrictions, and Conditions – Recording Notice

STATUS: PASSED – Effective October 1, 2019

Clarifies that certain state agencies may file a notice of easement to ensure it falls within the time limits of title searches conducted on a property. The bill would affect agricultural easements, environmental trust easements, historical preservation easements, and natural resource easements among others.

SB 26 – State Department of Assessments and Taxations – Expedited Document Processing

STATUS: PASSED – Effective October 1, 2019

Authorizes the State Department of Assessments and Taxation to create additional fee levels when charging for expedited document requests. The bill is intended to provide additional levels of expedited service that will not cost as much as the current “same-day” expedited service.

SB 678 – State Government – Notarial Acts and Notaries Public

STATUS: PASSED – Effective October 1, 2020

Permits remote and electronic notarization by Maryland notaries. The bill increases standards for notaries, including taking a course to become a notary or renew notary credentials. The bill gives the Maryland Secretary of State two years to implement the bill requirements.

LAND-USE, PROPERTY RIGHTS, AND THE ENVIRONMENT

HB 190 – Environment – Failing On-Site Sewage Disposal System – Definition

STATUS: PASSED – Effective October 1, 2019

Establishes a more uniform definition of a “failing” septic system, including whether the unit is backing up in the house, leaking, or generally increasing the chance of direct contact between people and sewage.

HB 1233 – Environment – Reduction of Lead Risk in Housing – Elevated Blood Lead Levels and Environmental Investigations (Maryland Healthy Children Act)

STATUS: PASSED – Effective October 1, 2019

Lowers the trigger level under the state lead paint prevention laws from 10 micrograms per deciliter (ug/dl) to the blood lead reference level established by the United States Centers for Disease Control and Prevention. That rate is currently 5 ug/dl. Directs the Maryland Department of Environment to establish an environmental investigation protocol for determining lead risks that would also be applied to rental property subject to the Lead Poisoning Prevention Program.