

# HOUSE BILL 759

C8, L6  
HB 1157/04 – ENV

0lr2549

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By: **Delegates Niemann, Bronrott, Glenn, Hecht, Hucker, Ivey, Lafferty,  
Ramirez, and V. Turner**

Introduced and read first time: February 5, 2010

Assigned to: Environmental Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Political Subdivisions – Construction Projects – Demolition**

3 FOR the purpose of prohibiting a political subdivision from issuing a demolition  
4 permit unless certain requirements are met; requiring a political subdivision to  
5 enact laws or regulations that require an owner of a building or structure to  
6 arrange for a salvage period prior to the commencement of demolition of the  
7 building or structure unless certain conditions are met; requiring a political  
8 subdivision to establish certain laws or regulations; altering a certain definition;  
9 defining certain terms; and generally relating to construction projects that  
10 involve the demolition of a building or structure.

11 BY adding to

12 Article 24 – Political Subdivisions – Miscellaneous Provisions  
13 Section 24–101 and 24–102 to be under the new title “Title 24. Salvage and  
14 Deconstruction”  
15 Annotated Code of Maryland  
16 (2005 Replacement Volume and 2009 Supplement)

17 BY repealing and reenacting, with amendments,

18 Article – State Finance and Procurement  
19 Section 5A–303(a)  
20 Annotated Code of Maryland  
21 (2009 Replacement Volume)

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

24 **Article 24 – Political Subdivisions – Miscellaneous Provisions**

25 **TITLE 24. SALVAGE AND DECONSTRUCTION.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **24-101.**

2 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
3 INDICATED.

4 (B) "DECONSTRUCTION" MEANS THE NONDESTRUCTIVE DISASSEMBLY  
5 OF A COMPONENT OF A BUILDING OR STRUCTURE, INCLUDING WALLS, FLOORS,  
6 ROOFS, AND MECHANICAL AND ELECTRICAL SYSTEMS, FOR THE PURPOSE OF  
7 HARVESTING AND REUSING BUILDING MATERIALS.

8 (C) "POLITICAL SUBDIVISION" MEANS A COUNTY, BALTIMORE CITY, OR  
9 A MUNICIPAL CORPORATION.

10 (D) "SALVAGE" MEANS THE NONDESTRUCTIVE REMOVAL OF A  
11 SELECTED INDIVIDUAL COMPONENT OF A BUILDING OR STRUCTURE,  
12 INCLUDING DOORS, FIXTURES, FURNISHINGS, AND APPLIANCES, FOR THE  
13 PURPOSE OF HARVESTING AND REUSING THE BUILDING MATERIALS.

14 (E) "SALVAGE PERIOD" MEANS A PERIOD OF TIME DURING WHICH A  
15 SALVAGE OR DECONSTRUCTION CREW MAY EXAMINE A BUILDING OR  
16 STRUCTURE AND HARVEST UNWANTED MATERIALS AT NO COST TO THE OWNER  
17 OF THE BUILDING OR STRUCTURE.

18 **24-102.**

19 (A) A POLITICAL SUBDIVISION MAY NOT ISSUE A DEMOLITION PERMIT  
20 UNLESS THE REQUIREMENTS FOR OBTAINING A DEMOLITION PERMIT  
21 ESTABLISHED BY THE POLITICAL SUBDIVISION IN ACCORDANCE WITH  
22 SUBSECTION (B) OF THIS SECTION ARE MET.

23 (B) (1) A POLITICAL SUBDIVISION SHALL ENACT LAWS OR  
24 REGULATIONS THAT REQUIRE AN OWNER OF A BUILDING OR STRUCTURE TO  
25 ARRANGE FOR A SALVAGE PERIOD PRIOR TO THE COMMENCEMENT OF  
26 DEMOLITION OF THE BUILDING OR STRUCTURE UNLESS:

27 (I) THE OWNER OF THE BUILDING OR STRUCTURE HAS  
28 PURCHASED SALVAGE OR DECONSTRUCTION SERVICES THAT ARE VALUED AT  
29 AN AMOUNT EQUAL TO AT LEAST 5% OF THE TOTAL COST OF DEMOLITION; OR

30 (II) THE POLITICAL SUBDIVISION DETERMINES THAT  
31 UNSAFE CONDITIONS REQUIRE IMMEDIATE DEMOLITION OF THE BUILDING OR  
32 STRUCTURE.

1           **(2) A POLITICAL SUBDIVISION SHALL ESTABLISH LAWS OR**  
2 **REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS TITLE, INCLUDING**  
3 **LAWS AND REGULATIONS RELATING TO:**

4                   **(I) THE TIMING AND LENGTH OF SALVAGE PERIODS;**

5                   **(II) ACCESS TO THE BUILDING OR STRUCTURE FOR THE**  
6 **SALVAGE OR DECONSTRUCTION CREWS;**

7                   **(III) MINIMUM QUALIFICATIONS FOR THE SALVAGE OR**  
8 **DECONSTRUCTION CREWS; AND**

9                   **(IV) THE ASSUMPTION OF LIABILITY BY THE SALVAGE OR**  
10 **DECONSTRUCTION CREWS FOR THEIR WORK.**

11                   **Article – State Finance and Procurement**

12 5A-303.

13           (a) (1) In this section the following words have the meanings indicated.

14                   (2) “Business entity” means:

15                           (i) a person conducting or operating a trade or business in the  
16 State; or

17                           (ii) an organization operating in Maryland that is exempt from  
18 taxation under § 501(c)(3) of the Internal Revenue Code.

19                   (3) “Certified heritage area” has the meaning stated in § 13-1101 of  
20 the Financial Institutions Article.

21                   (4) (i) “Certified heritage structure” means a structure that is  
22 located in the State and is:

23                                   1. listed in the National Register of Historic Places;

24                                   2. designated as a historic property under local law and  
25 determined by the Director to be eligible for listing on the National Register of Historic  
26 Places;

27                                   3. A. located in a historic district listed on the  
28 National Register of Historic Places or in a local historic district that the Director  
29 determines is eligible for listing on the National Register of Historic Places; and

1 B. certified by the Director as contributing to the  
2 significance of the district; or

3 4. located in a certified heritage area and certified by the  
4 Maryland Heritage Areas Authority as contributing to the significance of the certified  
5 heritage area.

6 (ii) “Certified heritage structure” does not include a structure  
7 that is owned by the State, a political subdivision of the State, or the federal  
8 government.

9 (5) “Certified rehabilitation” means a completed rehabilitation of a  
10 certified heritage structure that the Director certifies is a substantial rehabilitation in  
11 conformance with the rehabilitation standards of the United States Secretary of the  
12 Interior.

13 (6) “Commercial rehabilitation” means a rehabilitation of a structure  
14 other than a single-family, owner-occupied residence.

15 (7) **“DECONSTRUCTION” MEANS THE NONDESTRUCTIVE**  
16 **DISASSEMBLY OF A MAJOR ELEMENT OF A BUILDING OR STRUCTURE,**  
17 **INCLUDING WALLS, FLOORS, ROOFS, AND MECHANICAL AND ELECTRICAL**  
18 **SYSTEMS, FOR THE PURPOSE OF HARVESTING AND REUSING BUILDING**  
19 **MATERIALS.**

20 (8) “Director” means the Director of the Maryland Historical Trust.

21 [(8)] (9) “Local historic district” means a district that the governing  
22 body of a county or municipal corporation, or the Mayor and City Council of Baltimore,  
23 has designated under local law as historic.

24 [(9)] (10) “National register structure” means a structure that is:

25 (i) listed on the National Register of Historic Places; or

26 (ii) located in a historic district listed on the National Register  
27 of Historic Places and certified by the Director as contributing to the significance of  
28 the district.

29 [(10)] (11) (I) “Qualified rehabilitation expenditure” means any  
30 amount that:

31 [(i)] 1. is properly chargeable to a capital account;

32 [(ii)] 2. is expended in the rehabilitation of a structure that by  
33 the end of the calendar year in which the certified rehabilitation is completed is a  
34 certified heritage structure;

1                    [(iii)] 3.    is expended in compliance with a plan of proposed  
2 rehabilitation that has been approved by the Director; and

3                    [(iv)] 4.    is not funded, financed, or otherwise reimbursed by  
4 any:

5                    [1.] A.        State or local grant;

6                    [2.] B.        grant made from the proceeds of tax-exempt  
7 bonds issued by the State, a political subdivision of the State, or an instrumentality of  
8 the State or of a political subdivision of the State;

9                    [3.] C.        State tax credit other than the tax credit under  
10 this section; or

11                    [4.] D.        other financial assistance from the State or a  
12 political subdivision of the State, other than a loan that must be repaid at an interest  
13 rate that is greater than the interest rate on general obligation bonds issued by the  
14 State at the most recent bond sale prior to the time the loan is made.

15                    (II)    **“QUALIFIED        REHABILITATION        EXPENDITURE”**  
16 **INCLUDES AN EXPENDITURE FOR DEMOLITION OF A STRUCTURE IF:**

17                    1.    **THE BUSINESS ENTITY OR INDIVIDUAL CERTIFIES**  
18 **TO THE DIRECTOR IN AN APPLICATION FORM THAT THE BUSINESS ENTITY OR**  
19 **INDIVIDUAL HAS UNDERTAKEN AND COMPLETED SALVAGE OR**  
20 **DECONSTRUCTION OF THE STRUCTURE AND DESCRIBES ON THE APPLICATION**  
21 **FORM THE TYPES AND QUANTITIES OF MATERIALS HARVESTED FROM THE**  
22 **STRUCTURE;**

23                    2.    **THE BUSINESS ENTITY OR INDIVIDUAL PLACES A**  
24 **PUBLIC ADVERTISEMENT FOR SALVAGE OR DECONSTRUCTION SERVICES FOR**  
25 **THE STRUCTURE IN A JOURNAL OR WEBSITE APPROVED BY THE DIRECTOR AT**  
26 **LEAST 2 WEEKS BEFORE THE COMMENCEMENT OF DEMOLITION AND RECEIVES**  
27 **NO RESPONSES TO THE ADVERTISEMENT; OR**

28                    3.    **THE DIRECTOR ISSUED A WRITTEN EXPLANATION**  
29 **STATING WHY SALVAGE OR DECONSTRUCTION OF THE STRUCTURE IS NOT**  
30 **FEASIBLE.**

31                    (12) **“SALVAGE” MEANS THE NONDESTRUCTIVE REMOVAL OF A**  
32 **SELECTED INDIVIDUAL COMPONENT OF A BUILDING OR STRUCTURE,**  
33 **INCLUDING DOORS, FIXTURES, FURNISHINGS, AND APPLIANCES, FOR THE**  
34 **PURPOSE OF HARVESTING AND REUSING THE BUILDING MATERIALS.**

1                    **[(11)] (13)** “Substantial rehabilitation” means rehabilitation of a  
2 structure for which the qualified rehabilitation expenditures, during the 24-month  
3 period selected by the individual or business entity ending with or within the taxable  
4 year, exceed:

5                    (i)     for owner-occupied residential property, \$5,000; or

6                    (ii)    for all other property, the greater of:

7                                1.     the adjusted basis of the structure; or

8                                2.     \$5,000.

9                    SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
10 October 1, 2010.