

**HB 2550 B STAFF MEASURE SUMMARY**  
**Senate Committee On Housing and Development**

**Carrier:** Sen. Jama

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**Action Date:** 05/25/21  
**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)  
**Vote:** 4-1-0-0  
**Yeas:** 4 - Anderson, Golden, Jama, Patterson  
**Nays:** 1 - Linthicum  
**Fiscal:** No fiscal impact  
**Revenue:** No revenue impact  
**Prepared By:** Devin Edwards, LPRO Analyst  
**Meeting Dates:** 5/4, 5/25

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**WHAT THE MEASURE DOES:**

Requires seller’s agent in real property transactions to reject non-customary communications to avoid selection of buyer based on race, color, religion, sex, sexual orientation, national origin, marital status, or familial status.

**ISSUES DISCUSSED:**

- Enforcement of anti-discrimination laws
- Regulation of "love letters" in real estate transactions
- Litigation risk
- Implicit bias
- Redlining
- Racial disparities in homeownership

**EFFECT OF AMENDMENT:**

Replaces requirement for seller's agent to redact or withhold prohibited communications, with requirement to reject them. Removes "as necessary" from seller's obligation to communicate with buyer solely through customary documents in real estate transactions.

**BACKGROUND:**

The federal Fair Housing Act prohibits discrimination in housing-related transactions based on a person’s race, color, national origin, religion, sex, familial status, or physical or mental disability. State and local governments may also prohibit housing discrimination but only in ways that add to or strengthen federal prohibitions; Oregon for example, also prohibits discrimination based on sexual orientation and source of income. In the course of negotiations between buyers and sellers of real property, a number of regulated documents and required disclosures are exchanged, but there is nothing to prohibit a buyer from reaching out directly to communicate with a seller outside of this exchange. Buyers often want to connect with sellers, or provide more information than is required, in an effort to distinguish themselves from other buyers, particularly when the market to purchase a home is very competitive.

House Bill 2550 B requires agents for sellers in real property transactions to reject non-customary communications to avoid the potential for unlawful selection of a buyer based on race, color, religion, sex, sexual orientation, national origin, marital status, or familial status.