

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1274 (Prince George's County Delegation)
Environment and Transportation

Prince George's County - Land Bank Authority
PG 423-17

This bill authorizes Prince George's County to enact a law establishing the Land Bank Authority (the Authority) of Prince George's County. The bill provides for the establishment of the Authority, including a board of directors for the Authority, hiring of staff, as well as the creation of a code of ethics to be followed by members of the board and officers and employees of the Authority. The bill specifies the various powers of the Authority, including the borrowing of money, investing of money, improving real property, and raising revenue. The bill authorizes the Authority to acquire property by various means in Prince George's County, including through the foreclosure of specified property in a specified manner. The bill provides for the collection of specified delinquent taxes through liens by the Authority. The bill provides for the releasing or abating of specified tax or water and sewer liens held by the Authority. The bill also specifies the mechanism for the disposition of property acquired by a local land bank authority, and exempts property held by an authority from specified taxes under certain circumstances. The Authority must report annually to the Prince George's County Executive, the county council, and the General Assembly on the activities of the Authority.

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: None.

Local Effect: The fiscal effect on Prince George's County establishing a land bank authority depends on the guidelines that the county sets for the Authority. County revenues increase through rents, fees, and taxes collected.

Small Business Effect: None.

Analysis

Current Law: Chapter 468 of 2008 authorized Baltimore City to create a land bank authority. These provisions are currently found in Article II, Section 65 of the Charter of Baltimore City. Chapter 739 of 2010 granted similar authority to municipalities under Title 5, Subtitle 4 of the Local Government Article.

Background: Generally, local land bank authorities are public or community-owned entities that are created for the purpose of acquiring, managing, maintaining, and repurposing vacant, abandoned, and foreclosed properties. The Prince George's County Department of Permitting, Inspections, and Enforcement maintains a database of vacant properties that currently lists 3,500 properties in the county.

Local Fiscal Effect: If Prince George's County creates a land bank authority to oversee and manage the county's vacant and abandoned property, the fiscal effect will depend on the organization and financing structure set up by the county for the Authority. Presumably, a land bank authority fund for receiving revenues would need to be established to finance the acquisition and improvement of real property. The Authority would monitor the fund and coordinate the new improvements, uses, and disposition of any acquired property.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County; Comptroller's Office; Judiciary (Administrative Office of the Courts); Department of Housing and Community Development; State Department of Assessments and Taxation; Department of Legislative Services

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