

SENATE BILL 1177

L2, C9

4lr3464

By: **Senator McCray (By Request – Baltimore City Administration)**

Introduced and read first time: February 19, 2024

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Housing Authority of Baltimore City – Subsidiary Entities – Tax and Special**
3 **Assessment Exemptions**

4 FOR the purpose of exempting property from taxes and special assessments of the State or
5 a political subdivision of the State if the property will be used as housing for persons
6 of eligible income and is owned by a subsidiary entity of a Baltimore Housing
7 Authority entity; and generally relating to subsidiary entities and the Housing
8 Authority of Baltimore City.

9 BY repealing and reenacting, without amendments,
10 Article – Housing and Community Development
11 Section 12–104(a)(1) and (2) and (b)(1)
12 Annotated Code of Maryland
13 (2019 Replacement Volume and 2023 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Housing and Community Development
16 Section 12–104(c)
17 Annotated Code of Maryland
18 (2019 Replacement Volume and 2023 Supplement)

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

21 **Article – Housing and Community Development**

22 12–104.

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

24 (2) “Baltimore Housing Authority entity” means an entity:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) that is controlled or wholly owned by the Housing Authority of
2 Baltimore City; or

3 (ii) in which the Housing Authority of Baltimore City or an entity
4 controlled or wholly owned by the Housing Authority of Baltimore City has an ownership
5 interest, either directly or indirectly, through one or more wholly or partially owned
6 subsidiary entities.

7 (b) (1) A nonprofit entity shall be deemed controlled by the Housing Authority
8 of Baltimore City under subsection (a)(2) of this section if:

9 (i) the nonprofit entity is established by the Housing Authority of
10 Baltimore City under § 12–502(h) of this title; and

11 (ii) the Housing Authority of Baltimore City:

12 1. has the power to appoint a majority of the board of
13 directors of the nonprofit entity; or

14 2. is the sole member of the nonprofit entity.

15 (c) (1) In this subsection, “nonprofit housing corporation” means a nonprofit
16 or charitable private corporation that provides safe and sanitary housing to persons of
17 eligible income in such a way that the corporation works essentially like an authority under
18 this Division II.

19 (2) Property is used for essential public and governmental purposes and is
20 exempt from all taxes and special assessments of the State or a political subdivision if the
21 property:

22 (i) belongs to an authority or a nonprofit housing corporation; [or]

23 (ii) is used **OR WILL BE USED** as housing for persons of eligible
24 income and is owned in whole or in part, directly or indirectly, through one or more wholly
25 or partially owned subsidiary entities of a Baltimore Housing Authority entity; [or]

26 (iii) 1. is used, or if under construction will be used, as housing
27 for persons of eligible income and is owned in whole or in part, directly or indirectly,
28 through one or more wholly or partially owned subsidiary entities of a Howard County
29 Housing Commission entity;

30 2. has improvements, or has improvements under
31 construction, located on land that is owned by:

32 A. the Howard County Housing Commission; or

1 B. an entity that is controlled or wholly owned by the Howard
2 County Housing Commission; and

3 3. has improvements, or has improvements under
4 construction, owned by an entity:

5 A. for which the Howard County Housing Commission
6 publicly solicited development partners pursuant to its procurement policies; or

7 B. that has a general partner or managing member that is
8 controlled or wholly owned by the Howard County Housing Commission; or

9 (iv) is used as housing for persons of eligible income and is owned by
10 a Montgomery County Housing Authority entity.

11 (3) In lieu of those taxes and special assessments, an authority, a nonprofit
12 housing corporation, a Baltimore Housing Authority entity, a Howard County Housing
13 Commission entity, or a Montgomery County Housing Authority entity shall pay the
14 political subdivision in which a housing project is wholly or partly located an amount, if
15 any, that may be set by mutual agreement and that does not exceed the amount of regular
16 taxes levied on similar property.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 October 1, 2024.