

Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE
Revised

House Bill 887

(Allegany County Delegation)

Environmental Matters

Judicial Proceedings

Real Property - Abandoned Land - Certificate of Reservation for Public Use

This bill authorizes a unit of State government to apply for a certificate of reservation for public use of “abandoned land.” Abandoned land means vacant land that has boundaries that are located within or contiguous to Green Ridge State Forest: (1) for which no property tax payment has been made within 20 years; and (2) which has not been actually possessed by a person for a continuous period of 20 years. The bill establishes a process by which a person who claims legal title to such land may file a claim with the unit of State government and may file an action for title to the land if aggrieved by the denial of a claim. The bill also establishes a process by which the unit of State government may acquire land from a claimant who has established legal title to the land.

Fiscal Summary

State Effect: The bill is not expected to significantly affect State finances. Because the Department of Natural Resources (DNR) has already conducted an exhaustive search for property owners of abandoned land, no claimants are anticipated. In addition, DNR advises that it has already performed the research necessary to support the certificates.

Local Effect: The bill would not directly affect local operations or finances.

Small Business Effect: None.

Analysis

Bill Summary: If abandoned land was patented prior to the issuance of a certificate of reservation for public use by a unit of State government, a person who claims title to such

land may file a written claim for legal title to the land with the unit of State government that reserved the land for public use. Subject to approval by the Board of Public Works, if the unit of State government finds that the claimant has legal title to the land, the unit of State government must pay the claimant fair market value for the land or notify the Commissioner of Land Patents that the land is no longer needed for public use. If the unit of State government determines that the claimant does not have legal title to the land, the unit must issue a written denial. A claimant aggrieved by the denial may file an action in circuit court to quiet title to the land. A claimant must file the claim within 20 years after the date the unit of State government obtains a certificate of reservation for public use.

A certificate of reservation for public use of abandoned land remains in effect until the unit of State government or a court determines that a person who has claimed legal title to the land has established legal title to the land.

The bill also provides that the applicant for a certificate of reservation for public use of abandoned land may submit a legal description of the land instead of a survey. In addition, specified provisions of estate law relating to escheats do not apply to any portion of a decedent's estate that comprises land subject to an application for a certificate of reservation for public use.

Current Law: A governmental body may reserve vacant land by obtaining from the Commissioner of Land Patents (State Archivist) a certificate of reservation for public use. Vacant land means land for which a patent never has been issued or for which the applicant believes that a patent never has been issued. In order to reserve vacant land for public use, a unit of State government must notify and obtain approval from the Board of Public Works. If the board approves the request, the unit must immediately apply for a certificate of reservation. The application of a governmental body takes precedence over an application of a person for a patent to all or part of the same land, and the application of a unit of State government takes precedence over the application of any other governmental body. As a condition of granting a certificate, the commissioner may order a governmental body to pay the reasonable expenses of a person whose application for a patent has been superseded.

Background: Because the definition of abandoned land is limited to land within or contiguous to Green Ridge State Forest in Allegany County, it is assumed that the only unit of State government that would apply for a certificate of reservation for public use of such land would be DNR. Small, isolated tracts of land that are not owned by the State are located entirely within and adjacent to Green Ridge State Forest. DNR advises that it has identified 1,835 acres that would be considered abandoned land under the bill. The owners of the tracts of land are unknown. The presence of those small private tracts of

land within the forest makes it difficult for DNR to manage the forest as a whole. DNR advises that although it performed an exhaustive search for landowners of abandoned land, only one landowner was identified. The landowner's heir is now discussing the sale of that land with the Department of General Services (DGS).

State Fiscal Effect: The State would only acquire land under the bill if it were determined that a claimant has legal title to the land. At that point, DNR could acquire the land or notify the Commissioner of Land Patents that the land is no longer needed for public use. Based on information provided by DNR, the cost to acquire *all* 1,835 acres of abandoned land identified to date would be approximately \$2.4 million. This estimate is based on the fair market value appraisal average of the acreage. The price per acre varies from \$800 per acre to \$3,000 per acre and is based on location, physical characteristics, improvements, and other factors. However, because DNR has already conducted a search for property owners, no claimants are anticipated. Accordingly, State expenditures for land acquisition would likely not be affected.

Because DNR advises that it has already performed the research necessary to support the certificates regarding abandoned land identified to date, any increase in workload for DNR, DGS, the State Archivist, and the Board of Public Works is expected to be minimal and absorbable within existing budgeted resources.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Natural Resources, Board of Public Works, Department of General Services, Judiciary (Administrative Office of the Courts), Allegany and Garrett counties, Department of Legislative Services

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