

# SENATE BILL 974

P2, N1, M1

2lr3023

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By: **Senator Jennings**

Introduced and read first time: February 15, 2022

Assigned to: Rules

Re-referred to: Budget and Taxation, February 25, 2022

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 18, 2022

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Department of Natural Resources' Real Property – Exchange With Private Real**  
3 **Property – ~~Requirement~~**

4 FOR the purpose of ~~requiring~~ authorizing the ~~Department of Natural Resources~~ State to  
5 exchange real property owned by the State for the use and benefit of the Department  
6 of Natural Resources with private real property under certain circumstances; and  
7 generally relating to the exchange of real property owned by the State for the use  
8 and benefit of the Department of Natural Resources.

9 BY repealing and reenacting, ~~with~~ without amendments,  
10 Article – State Finance and Procurement  
11 Section 10–305(a)  
12 Annotated Code of Maryland  
13 (2021 Replacement Volume)

14 BY repealing and reenacting, with amendments,  
15 Article – State Finance and Procurement  
16 Section 10–305(b)(1)  
17 Annotated Code of Maryland  
18 (2021 Replacement Volume)

19 BY adding to  
20 Article – State Finance and Procurement  
21 Section 10–305(j)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland  
 2 (2021 Replacement Volume)

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

5 **Article – State Finance and Procurement**

6 10–305.

7 (a) ~~(1)~~ Subject to subsections (b) and (c) of this section, any real or personal  
 8 property of the State or a unit of the State government may be sold, leased, transferred,  
 9 exchanged, granted, or otherwise disposed of:

10 ~~{(1)}~~ ~~(I)~~ to any person, to the United States or any of its units, or to any  
 11 unit of the State government, for a consideration the Board decides is adequate; or

12 ~~{(2)}~~ ~~(II)~~ to any county or municipal corporation in the State subject to any  
 13 conditions the Board imposes.

14 ~~(2) IF A PROPERTY OWNER REQUESTS TO EXCHANGE PRIVATE REAL~~  
 15 ~~PROPERTY WITH REAL PROPERTY OWNED BY THE DEPARTMENT OF NATURAL~~  
 16 ~~RESOURCES, THE DEPARTMENT OF NATURAL RESOURCES SHALL EXCHANGE ITS~~  
 17 ~~REAL PROPERTY IF:~~

18 ~~(I) THE PRIVATE REAL PROPERTY IS EQUAL TO OR LARGER~~  
 19 ~~THAN THE SIZE OF THE REAL PROPERTY OWNED BY THE DEPARTMENT OF NATURAL~~  
 20 ~~RESOURCES;~~

21 ~~(II) THE PRIVATE REAL PROPERTY IS ADJACENT TO REAL~~  
 22 ~~PROPERTY OWNED BY THE DEPARTMENT OF NATURAL RESOURCES THAT IS~~  
 23 ~~CONTIGUOUS WITH THE REAL PROPERTY THE PROPERTY OWNER IS REQUESTING~~  
 24 ~~THAT THE DEPARTMENT OF NATURAL RESOURCES EXCHANGE;~~

25 ~~(III) THE APPRAISED VALUE OF THE PRIVATE REAL PROPERTY~~  
 26 ~~IS:~~

27 ~~1. EQUAL TO OR LESS THAN \$100,000; AND~~

28 ~~2. EQUAL TO OR GREATER THAN THE APPRAISED VALUE~~  
 29 ~~OF THE REAL PROPERTY OWNED BY THE DEPARTMENT OF NATURAL RESOURCES;~~  
 30 ~~AND~~

31 ~~(IV) THE APPRAISED VALUE OF THE REAL PROPERTY OWNED BY~~  
 32 ~~THE DEPARTMENT OF NATURAL RESOURCES IS EQUAL TO OR LESS THAN \$100,000.~~

1           **(b) (1) (i)** Except as provided under subparagraph (ii) of this paragraph,  
 2 this subsection applies to the sale, transfer, grant, or exchange of:

- 3                           1. real property identified under § 5–310(c)(1) of this article;  
 4 and
- 5                           2. State-owned real or personal property, funded in  
 6 accordance with an appropriation act of the General Assembly, that has an appraised value  
 7 over \$100,000.

8                           **(ii)** This subsection does not apply to the following dispositions of  
 9 property identified in subparagraph (i) of this paragraph:

- 10                           1. leasing the property; [or]
- 11                           2. the sale, transfer, grant, or exchange of a corrective or  
 12 access easement on the property; OR
- 13                           3. AN EXCHANGE UNDER SUBSECTION (J) OF THIS  
 14 SECTION.

15           **(J) (1)** SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IF AN OWNER  
 16 OF REAL PROPERTY REQUESTS TO EXCHANGE THE OWNER’S REAL PROPERTY WITH  
 17 REAL PROPERTY OWNED BY THE STATE FOR THE USE AND BENEFIT OF THE  
 18 DEPARTMENT OF NATURAL RESOURCES, THE STATE MAY EXCHANGE ITS REAL  
 19 PROPERTY FOR THE OWNER’S REAL PROPERTY IF:

20                           **(I)** THE REAL PROPERTY OWNED BY THE STATE DOES NOT  
 21 EXCEED 2 ACRES IN SIZE; AND

22                           **(II)** THE OWNER REQUESTING THE EXCHANGE PAYS ALL COSTS  
 23 ASSOCIATED WITH THE EXCHANGE OF THE REAL PROPERTY, INCLUDING BOUNDARY  
 24 RELOCATION, SURVEYING, ENGINEERING, LEGAL FEES, AND RECORDATION COSTS.

25                           **(2) (1)** THE BOARD MAY NOT APPROVE AN EXCHANGE UNDER THIS  
 26 SUBSECTION UNLESS:

27                           1. THE DEPARTMENT OF NATURAL RESOURCES  
 28 SUBMITS TO THE LEGISLATIVE POLICY COMMITTEE:

29                           A. A DESCRIPTION OF THE PROPERTY TO BE  
 30 EXCHANGED; AND

31                           B. THE JUSTIFICATION FOR THE EXCHANGE; AND

1                   **2. THE LEGISLATIVE POLICY COMMITTEE REVIEWS THE**  
2 **INFORMATION SUBMITTED BY THE DEPARTMENT OF NATURAL RESOURCES UNDER**  
3 **THIS SUBPARAGRAPH AND:**

4                   **A. APPROVES THE PROPOSED EXCHANGE AND REFERS**  
5 **THE PROPERTY BACK TO THE BOARD FOR FINAL DISPOSITION; OR**

6                   **B. REFERS THE PROPOSED EXCHANGE TO THE FULL**  
7 **GENERAL ASSEMBLY AND NOTIFIES THE BOARD OF THE REFERRAL.**

8                   **(II) IF THE LEGISLATIVE POLICY COMMITTEE FAILS TO TAKE**  
9 **ANY ACTION UNDER SUBPARAGRAPH (I)2 OF THIS PARAGRAPH WITHIN 45 DAYS**  
10 **AFTER RECEIVING THE INFORMATION SUBMITTED UNDER SUBPARAGRAPH (I)1 OF**  
11 **THIS PARAGRAPH, THE PROPOSED EXCHANGE SHALL BE DEEMED:**

12                   **1. APPROVED BY THE COMMITTEE; AND**

13                   **2. REFERRED TO THE BOARD FOR FINAL DISPOSITION.**

14                   **(III) 1. IF THE LEGISLATIVE POLICY COMMITTEE REFERS**  
15 **THE PROPOSED EXCHANGE OF REAL PROPERTY TO THE FULL GENERAL ASSEMBLY,**  
16 **THE PROPOSED EXCHANGE MAY NOT BE APPROVED BY THE BOARD UNLESS IT IS**  
17 **APPROVED BY THE PASSAGE OF LEGISLATION DURING THE NEXT LEGISLATIVE**  
18 **SESSION OF THE GENERAL ASSEMBLY.**

19                   **2. IN ANY LEGISLATION PASSED IN ACCORDANCE WITH**  
20 **THIS SUBPARAGRAPH, THE GENERAL ASSEMBLY MAY APPROVE THE PROPOSED**  
21 **EXCHANGE WITH OR WITHOUT CONDITIONS.**

22                   **(3) AN EXCHANGE UNDER THIS SUBSECTION IS NOT SUBJECT TO THE**  
23 **NOTICE REQUIREMENT UNDER § 5-310(A) OF THIS ARTICLE.**

24                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
25                   October 1, 2022.