SENATE BILL 974

P2, N1, M1

By: Senator Jennings
Introduced and read first time: February 15, 2022
Assigned to: Rules
Re–referred to: Budget and Taxation, February 25, 2022
Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 18, 2022

CHAPTER ______

AN ACT concerning

Department of Natural Resources’ Real Property – Exchange With Private Real Property – Requirement

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

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

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

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

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.
SENATE BILL 974

Annotated Code of Maryland
(2021 Replacement Volume)

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

Article – State Finance and Procurement

10–305.

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

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

(2) to any county or municipal corporation in the State subject to any
conditions the Board imposes.

(2) If a property owner requests to exchange private real
property with real property owned by the Department of Natural
Resources, the Department of Natural Resources shall exchange its
real property if:

(i) The private real property is equal to or larger
than the size of the real property owned by the Department of Natural
Resources;

(ii) The private real property is adjacent to real
property owned by the Department of Natural Resources that is
contiguous with the real property the property owner is requesting
that the Department of Natural Resources exchange;

(iii) The appraised value of the private real property
is:

1. equal to or less than $100,000; and

2. equal to or greater than the appraised value
of the real property owned by the Department of Natural Resources;
and

(iv) The appraised value of the real property owned by
the Department of Natural Resources is equal to or less than $100,000.
(b) (1) (i) Except as provided under subparagraph (ii) of this paragraph, this subsection applies to the sale, transfer, grant, or exchange of:

1. real property identified under § 5–310(c)(1) of this article; and

2. State–owned real or personal property, funded in accordance with an appropriation act of the General Assembly, that has an appraised value over $100,000.

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

1. leasing the property; [or]

2. the sale, transfer, grant, or exchange of a corrective or access easement on the property; OR

3. AN EXCHANGE UNDER SUBSECTION (J) OF THIS SECTION.

(j) (1) Subject to paragraph (2) of this subsection, if an owner of real property requests to exchange the owner’s real property with real property owned by the State for the use and benefit of the Department of Natural Resources, the State may exchange its real property for the owner’s real property if:

(i) the real property owned by the State does not exceed 2 acres in size; and

(ii) the owner requesting the exchange pays all costs associated with the exchange of the real property, including boundary relocation, surveying, engineering, legal fees, and recordation costs.

(2) (1) The Board may not approve an exchange under this subsection unless:

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

   A. A DESCRIPTION OF THE PROPERTY TO BE EXchanged; and

   B. THE JUSTIFICATION FOR THE EXCHANGE; AND
2. **THE LEGISLATIVE POLICY COMMITTEE REVIEWS THE INFORMATION SUBMITTED BY THE DEPARTMENT OF NATURAL RESOURCES UNDER THIS SUBPARAGRAPH AND:**

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

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

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

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

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

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

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

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

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