

# HOUSE BILL 1061

P1, C9, M5

5lr0753

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By: **Delegate Moon**

Introduced and read first time: February 5, 2025

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **State-Owned Property – Inventory and Disposition – Housing and Solar Energy**  
3 **Production**

4 FOR the purpose of requiring each unit of State government to submit to the Department  
5 of Planning an inventory of State-owned property used or controlled by the unit;  
6 requiring the Department to determine the suitability of each property for use or  
7 redevelopment for housing or solar energy production; requiring a unit to sell or  
8 donate certain State-owned property in a certain manner for certain uses under  
9 certain circumstances; and generally relating to the use and disposition of  
10 State-owned property.

11 BY repealing and reenacting, with amendments,  
12 Article – Housing and Community Development  
13 Section 2–203  
14 Annotated Code of Maryland  
15 (2019 Replacement Volume and 2024 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article – State Finance and Procurement  
18 Section 5–101  
19 Annotated Code of Maryland  
20 (2021 Replacement Volume and 2024 Supplement)

21 BY adding to  
22 Article – State Finance and Procurement  
23 Section 5–1001 and 5–1002 to be under the new subtitle “Subtitle 10. State-Owned  
24 Real Property”  
25 Annotated Code of Maryland  
26 (2021 Replacement Volume and 2024 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Housing and Community Development**

4 2–203.

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

6 (2) “Affordable housing” means residential property that is rented or sold  
7 to the public as low–income housing or workforce housing.

8 (3) “Area median income” has the meaning stated in § 4–1801 of this  
9 article.

10 (4) “Low–income housing” means housing that is affordable for a household  
11 with an aggregate annual income that is below 60% of the area median income.

12 (5) “Workforce housing” has the meaning stated in § 4–1801 of this article.

13 (b) (1) (i) Not later than 60 days after the notice provided under § 5–310(d)  
14 of the State Finance and Procurement Article, the Department shall, in consultation with  
15 the unit of State government that controls the property, determine if the property is  
16 suitable for use or redevelopment as affordable housing.

17 (ii) The Department may not identify a property as suitable for use  
18 or redevelopment as affordable housing if the property:

19 1. is located outside an area designated as a priority funding  
20 area under Title 5, Subtitle 7B of the State Finance and Procurement Article; or

21 2. belongs in a category of property listed in § 5–310(c)(1)(i)  
22 of the State Finance and Procurement Article.

23 (iii) When determining if a property is suitable for use or  
24 redevelopment as affordable housing, the Department shall consider whether the property:

25 1. is adequately sized for any type of residential use;

26 2. has access to public utilities;

27 3. has access to feasible ingress and egress points; and

28 4. meets any other factors determined by the Department  
29 that are necessary for the property to be used or redeveloped as affordable housing.

1           (2)     The Department shall compile and regularly update a list of properties  
2 it has determined are suitable for use or redevelopment as affordable housing.

3           (3)     For each property included in the list required under paragraph (2) of  
4 this subsection, the Department shall:

5                   (i)     give notice of the determination to:

6                           1.     the unit of State government that controls the property;  
7 and

8                           2.     the State Treasurer; and

9                   (ii)    advise the unit of State government of the requirements of  
10 subsection (c) of this section.

11           (4)     The list required under paragraph (2) of this subsection shall be made  
12 available to the public.

13           (c)     (1)     (i)     Except as provided in paragraphs (4) and (5) of this subsection,  
14 on receipt of the notice required under subsection (b)(3) of this section, the unit of State  
15 government shall, in consultation with the Department and the Department of Planning,  
16 develop a proposal to donate or sell the listed property by:

17                           1.     donating or selling the property to a nonprofit  
18 organization that contracts to use or redevelop the property, **IN WHOLE OR IN PART**, as  
19 affordable housing **OR A MIXED-USE DEVELOPMENT CONTAINING AFFORDABLE**  
20 **HOUSING**; or

21                           2.     selling the property to a buyer that contracts to use or  
22 redevelop the property as [affordable] housing **OR A MIXED-USE DEVELOPMENT**  
23 **CONTAINING HOUSING**.

24                   (ii)    **1.**     If, after reasonable effort, the unit is unable to identify a  
25 suitable nonprofit organization or buyer in accordance with subparagraph (i) of this  
26 paragraph, **EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH**,  
27 the unit shall develop a proposal to sell the property at auction.

28                           **2.**     **IF, AFTER REASONABLE EFFORT, THE UNIT IS UNABLE**  
29 **TO IDENTIFY A SUITABLE NONPROFIT ORGANIZATION OR BUYER IN ACCORDANCE**  
30 **WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH AND IF THE DEPARTMENT OF**  
31 **PLANNING HAS DETERMINED THAT THE PROPERTY IS SUITABLE FOR USE FOR**  
32 **SOLAR ENERGY PRODUCTION UNDER § 5-1002 OF THE STATE FINANCE AND**  
33 **PROCUREMENT ARTICLE, THE UNIT SHALL DEVELOP A PROPOSAL TO FIRST**  
34 **ATTEMPT TO LEASE THE PROPERTY FOR SOLAR ENERGY PRODUCTION AND IF THE**  
35 **UNIT IS UNABLE TO LEASE THE PROPERTY, THEN SELL THE PROPERTY AT AUCTION.**

1 (iii) A proposal developed under this paragraph shall be submitted to  
2 the Board of Public Works for consideration in accordance with § 10–305 of the State  
3 Finance and Procurement Article.

4 (2) The unit of State government shall consider the proposed period of  
5 affordability, the number of affordable housing units created, and the viability of an offer  
6 when evaluating offers from multiple nonprofit organizations or buyers under this  
7 subsection.

8 (3) When a property is donated or sold in accordance with a proposal  
9 developed under this subsection, the unit shall give notice of the disposition to the  
10 Department.

11 (4) A unit may not propose to donate or sell a property under this  
12 subsection if the donation or sale would:

13 (i) violate any covenant or applicable federal law; or

14 (ii) in the opinion of the State Treasurer, adversely affect the  
15 tax-exempt status of an outstanding State bond, the proceeds of which were allocated to  
16 purchase or improve the property.

17 (5) Nothing in this subsection shall be construed to supersede the right of  
18 a person from whom real property was acquired or their successor in interest to reacquire  
19 the property under § 8–309 of the Transportation Article.

20 (d) On or before December 31, 2024, and each December 31 thereafter, the  
21 Department shall report to the General Assembly, in accordance with § 2–1257 of the State  
22 Government Article:

23 (1) the number of proposals submitted to the Board of Public Works under  
24 this section;

25 (2) the number of properties that were donated pursuant to proposals  
26 developed under this section; and

27 (3) the number of properties that were sold pursuant to proposals  
28 developed under this section.

## 29 Article – State Finance and Procurement

30 5–101.

31 (a) In this title the following words have the meanings indicated.

32 (b) “Department” means the Department of Planning.

1 (c) "Secretary" means the Secretary of Planning.

2 **SUBTITLE 10. STATE-OWNED REAL PROPERTY.**

3 **5-1001.**

4 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
5 INDICATED.

6 (B) "AFFORDABLE HOUSING" MEANS RESIDENTIAL PROPERTY THAT IS  
7 RENTED OR SOLD TO THE PUBLIC AS LOW-INCOME HOUSING OR WORKFORCE  
8 HOUSING.

9 (C) "AREA MEDIAN INCOME" HAS THE MEANING STATED IN § 4-1801 OF THE  
10 HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.

11 (D) "LOW-INCOME HOUSING" MEANS HOUSING THAT IS AFFORDABLE FOR A  
12 HOUSEHOLD WITH AN AGGREGATE ANNUAL INCOME THAT IS BELOW 60% OF THE  
13 AREA MEDIAN INCOME.

14 (E) "WORKFORCE HOUSING" HAS THE MEANING STATED IN § 4-1801 OF THE  
15 HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.

16 **5-1002.**

17 (A) (1) ON OR BEFORE DECEMBER 31, 2027, AND EVERY 5 YEARS  
18 THEREAFTER, EACH UNIT OF STATE GOVERNMENT SHALL PROVIDE TO THE  
19 DEPARTMENT AN INVENTORY OF ALL STATE-OWNED REAL PROPERTY USED BY OR  
20 UNDER THE CONTROL OF THE UNIT.

21 (2) THE INVENTORY SHALL CONTAIN A DESCRIPTION OF EACH  
22 PROPERTY AND HOW IT IS USED BY THE UNIT.

23 (3) IN CONSULTATION WITH THE DEPARTMENT OF HOUSING AND  
24 COMMUNITY DEVELOPMENT AND THE MARYLAND ENERGY ADMINISTRATION, THE  
25 DEPARTMENT SHALL DETERMINE THE SUITABILITY OF EACH PROPERTY IN THE  
26 INVENTORY FOR USE OR REDEVELOPMENT FOR:

27 (i) 1. AFFORDABLE HOUSING, IN WHOLE OR IN PART; OR

28 2. A MIXED-USE DEVELOPMENT CONTAINING  
29 AFFORDABLE HOUSING; OR

1 (II) SOLAR ENERGY PRODUCTION.

2 (4) PROPERTY IN THE INVENTORY MAY BE DETERMINED TO BE  
3 SUITABLE FOR USE OR REDEVELOPMENT AS HOUSING ONLY IF THE PROPERTY IS  
4 LOCATED IN AN AREA ZONED FOR RESIDENTIAL OR MIXED USE.

5 (5) WHEN DETERMINING IF A PROPERTY IS SUITABLE FOR USE OR  
6 REDEVELOPMENT AS HOUSING, THE DEPARTMENT SHALL CONSIDER WHETHER THE  
7 PROPERTY:

8 (I) IS ADEQUATELY SIZED FOR ANY TYPE OF RESIDENTIAL USE;

9 (II) HAS ACCESS TO PUBLIC UTILITIES;

10 (III) HAS ACCESS TO FEASIBLE INGRESS AND EGRESS POINTS;

11 AND

12 (IV) MEETS ANY OTHER FACTORS DETERMINED BY THE  
13 DEPARTMENT THAT ARE NECESSARY FOR THE PROPERTY TO BE USED OR  
14 REDEVELOPED AS HOUSING.

15 (6) THE DEPARTMENT MAY CONSIDER THE SUITABILITY OF  
16 PROPERTY TO BE:

17 (I) LEASED FOR SOLAR ENERGY PRODUCTION; AND

18 (II) USED FOR SOLAR ENERGY PRODUCTION CONCURRENTLY  
19 WITH A SEPARATE USE OF THE PROPERTY BY THE UNIT.

20 (7) FOR EACH PROPERTY, THE DEPARTMENT SHALL SPECIFY:

21 (I) WHETHER THE PROPERTY IS APPROPRIATE FOR ONE OF  
22 THE USES SPECIFIED IN PARAGRAPH (3) OF THIS SUBSECTION; AND

23 (II) WHICH USE IS APPROPRIATE FOR EACH PROPERTY ON THE  
24 LIST, IF ANY.

25 (8) ON OR BEFORE JULY 1, 2028, AND EVERY 5 YEARS THEREAFTER,  
26 THE DEPARTMENT SHALL SEND THE INVENTORY TO THE GOVERNOR AND, IN  
27 ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL  
28 ASSEMBLY.

1           **(B) (1) NOT LATER THAN 60 DAYS AFTER THE NOTICE PROVIDED UNDER**  
2 **§ 5-310(D) OF THIS TITLE, THE DEPARTMENT, IN CONSULTATION WITH THE**  
3 **DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND THE MARYLAND**  
4 **ENERGY ADMINISTRATION, SHALL IDENTIFY WHICH RELEVANT PROPERTIES IN THE**  
5 **INVENTORY ARE SUITABLE FOR USE OR REDEVELOPMENT FOR HOUSING OR SOLAR**  
6 **ENERGY PRODUCTION.**

7           **(2) FOR EACH PROPERTY IDENTIFIED UNDER PARAGRAPH (1) OF**  
8 **THIS SUBSECTION AS SUITABLE FOR USE OR REDEVELOPMENT FOR HOUSING OR**  
9 **SOLAR ENERGY PRODUCTION, THE DEPARTMENT SHALL:**

10                   **(I) GIVE NOTICE OF THE DETERMINATION TO:**

11                           1.     **THE UNIT OF STATE GOVERNMENT THAT CONTROLS**  
12 **THE PROPERTY; AND**

13                           2.     **THE STATE TREASURER; AND**

14                   **(II) ADVISE THE UNIT OF STATE GOVERNMENT OF THE**  
15 **REQUIREMENTS OF SUBSECTION (C) OF THIS SECTION.**

16           **(3) THE LIST OF PROPERTIES IDENTIFIED UNDER PARAGRAPH (1) OF**  
17 **THIS SUBSECTION AS SUITABLE FOR USE OR REDEVELOPMENT FOR HOUSING SHALL**  
18 **BE MADE AVAILABLE TO THE PUBLIC.**

19           **(C) (1) (I) EXCEPT AS PROVIDED IN SUBSECTIONS (D) AND (E) OF THIS**  
20 **SECTION, AND ON RECEIPT OF THE NOTICE REQUIRED UNDER SUBSECTION (B)(2)**  
21 **OF THIS SECTION, THE UNIT OF STATE GOVERNMENT SHALL, IN CONSULTATION**  
22 **WITH THE DEPARTMENT, DEVELOP A PROPOSAL TO DONATE OR SELL THE**  
23 **RELEVANT PROPERTY AS FOLLOWS:**

24                           1.     **IF THE PROPERTY HAS BEEN DETERMINED TO BE**  
25 **SUITABLE FOR HOUSING, INCLUDING AFFORDABLE HOUSING, BY:**

26                                   **A. DONATING OR SELLING THE PROPERTY TO A**  
27 **NONPROFIT ORGANIZATION THAT CONTRACTS TO USE OR REDEVELOP THE**  
28 **PROPERTY IN WHOLE OR IN PART FOR HOUSING, WITH A PRIORITY FOR USE AS**  
29 **AFFORDABLE HOUSING; OR**

30                                   **B. SELLING THE PROPERTY TO A BUYER THAT**  
31 **CONTRACTS TO USE OR REDEVELOP THE PROPERTY IN WHOLE OR IN PART AS**  
32 **HOUSING, WITH A PRIORITY FOR USE AS AFFORDABLE HOUSING; OR**

1                   **2. IF THE PROPERTY HAS BEEN DETERMINED TO BE**  
2 **SUITABLE FOR SOLAR ENERGY PRODUCTION, BY SELLING THE PROPERTY TO A**  
3 **PERSON THAT CONTRACTS TO USE OR REDEVELOP THE PROPERTY FOR SOLAR**  
4 **ENERGY PRODUCTION.**

5                   **(II) IF THE PROPERTY HAS BEEN DETERMINED TO BE SUITABLE**  
6 **FOR MORE THAN ONE USE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE**  
7 **PROPERTY SHALL BE OFFERED FOR DONATION OR SALE FOR A USE LISTED IN**  
8 **SUBPARAGRAPH (I) OF THIS PARAGRAPH IN THE ORDER THAT THE USES ARE LISTED.**

9                   **(III) IF, AFTER REASONABLE EFFORT, THE UNIT IS UNABLE TO**  
10 **IDENTIFY A SUITABLE NONPROFIT ORGANIZATION OR BUYER IN ACCORDANCE WITH**  
11 **SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE UNIT SHALL DEVELOP A PROPOSAL**  
12 **TO SELL THE PROPERTY AT AUCTION.**

13                   **(IV) A PROPOSAL DEVELOPED UNDER THIS PARAGRAPH SHALL**  
14 **BE SUBMITTED TO THE BOARD OF PUBLIC WORKS FOR CONSIDERATION IN**  
15 **ACCORDANCE WITH § 10-305 OF THIS ARTICLE.**

16                   **(2) IF THE PROPERTY SHALL BE USED OR REDEVELOPED, IN WHOLE**  
17 **OR IN PART, FOR AFFORDABLE HOUSING, THE UNIT SHALL CONSIDER THE**  
18 **PROPOSED PERIOD OF AFFORDABILITY, THE NUMBER OF AFFORDABLE HOUSING**  
19 **UNITS CREATED, AND THE VIABILITY OF AN OFFER WHEN EVALUATING OFFERS**  
20 **FROM MULTIPLE NONPROFIT ORGANIZATIONS OR BUYERS UNDER PARAGRAPH**  
21 **(1)(I)1A OF THIS SUBSECTION.**

22                   **(3) WHEN A PROPERTY IS DONATED OR SOLD IN ACCORDANCE WITH**  
23 **A PROPOSAL DEVELOPED UNDER THIS SUBSECTION, THE UNIT SHALL GIVE NOTICE**  
24 **OF THE DISPOSITION TO THE DEPARTMENT.**

25                   **(D) IF THE DEPARTMENT HAS DETERMINED THAT A PROPERTY IS NOT**  
26 **SUITABLE FOR USE AS HOUSING BUT IS SUITABLE FOR USE FOR SOLAR ENERGY**  
27 **PRODUCTION, THE UNIT, IN CONSULTATION WITH THE DEPARTMENT, MAY**  
28 **CONSIDER:**

29                   **(1) LEASING THE PROPERTY FOR SOLAR ENERGY PRODUCTION; OR**

30                   **(2) USING THE PROPERTY FOR SOLAR ENERGY PRODUCTION**  
31 **CONCURRENTLY WITH A SEPARATE USE OF THE PROPERTY BY THE UNIT.**

32                   **(E) (1) A UNIT MAY NOT PROPOSE TO DONATE OR SELL A PROPERTY**  
33 **UNDER THIS SECTION IF THE DONATION OR SALE WOULD:**



1                   **(I) VIOLATE ANY COVENANT OR APPLICABLE FEDERAL LAW; OR**

2                   **(II) IN THE OPINION OF THE STATE TREASURER, ADVERSELY**  
3 **AFFECT THE TAX-EXEMPT STATUS OF AN OUTSTANDING STATE BOND, THE**  
4 **PROCEEDS OF WHICH WERE ALLOCATED TO PURCHASE OR IMPROVE THE**  
5 **PROPERTY.**

6                   **(2) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO SUPERSEDE**  
7 **THE RIGHT OF A PERSON FROM WHOM REAL PROPERTY WAS ACQUIRED OR THE**  
8 **PERSON'S SUCCESSOR IN INTEREST TO REACQUIRE THE PROPERTY UNDER § 8-309**  
9 **OF THE TRANSPORTATION ARTICLE.**

10                   **(F) ON OR BEFORE DECEMBER 31, 2025, AND EACH DECEMBER 31**  
11 **THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE GENERAL ASSEMBLY, IN**  
12 **ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE:**

13                   **(1) THE NUMBER OF PROPOSALS SUBMITTED TO THE BOARD OF**  
14 **PUBLIC WORKS UNDER SUBSECTION (C) OF THIS SECTION;**

15                   **(2) THE NUMBER OF PROPERTIES THAT WERE DONATED IN**  
16 **ACCORDANCE WITH PROPOSALS DEVELOPED UNDER SUBSECTION (C) OF THIS**  
17 **SECTION;**

18                   **(3) THE NUMBER OF PROPERTIES THAT WERE SOLD IN ACCORDANCE**  
19 **WITH PROPOSALS DEVELOPED UNDER SUBSECTION (C) OF THIS SECTION; AND**

20                   **(4) THE NUMBER OF PROPERTIES LEASED OR USED CONCURRENTLY**  
21 **WITH A UNIT UNDER SUBSECTION (D) OF THIS SECTION.**

22                   SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 31,  
23 2030:

24                   (1) at least 10,000 housing units shall be constructed on land that was  
25 owned by the State on the effective date of this Act; and

26                   (2) at least 55 megawatts of solar energy shall be produced on land that  
27 was owned by the State on the effective date of this Act.

28                   SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
29 October 1, 2025.