

SENATE BILL 287

C8
HB 942/25 – W&M

6lr0707
CF HB 135

By: Senator McCray

Introduced and read first time: January 21, 2026

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Tax Increment Financing – Noncontiguous Areas**

3 FOR the purpose of authorizing the governing body of a political subdivision to designate
4 certain noncontiguous areas as development districts; and generally relating to tax
5 increment financing for noncontiguous areas.

6 BY renumbering

7 Article – Economic Development
8 Section 12–201(e) through (u)
9 to be Section 12–201(f) through (v), respectively
10 Annotated Code of Maryland
11 (2024 Replacement Volume and 2025 Supplement)

12 BY repealing and reenacting, without amendments,

13 Article – Economic Development
14 Section 12–201(a)
15 Annotated Code of Maryland
16 (2024 Replacement Volume and 2025 Supplement)

17 BY adding to

18 Article – Economic Development
19 Section 12–201(e)
20 Annotated Code of Maryland
21 (2024 Replacement Volume and 2025 Supplement)

22 BY repealing and reenacting, with amendments,

23 Article – Economic Development
24 Section 12–201(i)
25 Annotated Code of Maryland
26 (2024 Replacement Volume and 2025 Supplement)
27 (As enacted by Section 1 of this Act)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
2 Article – Economic Development
3 Section 12–202 and 12–203(a)(1)
4 Annotated Code of Maryland
5 (2024 Replacement Volume and 2025 Supplement)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
7 That Section(s) 12–201(e) through (u) of Article – Economic Development of the Annotated
8 Code of Maryland be renumbered to be Section(s) 12–201(f) through (v), respectively.

9 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
10 as follows:

11 **Article – Economic Development**

12 12–201.

13 (a) In this subtitle the following words have the meanings indicated.

14 (E) **“BLIGHTED AREA” MEANS AN AREA IN WHICH A MAJORITY OF**
15 **BUILDINGS HAVE DECLINED IN PRODUCTIVITY BY REASON OF OBSOLESCENCE,**
16 **DEPRECIATION, OR OTHER CAUSES TO AN EXTENT THAT THEY NO LONGER JUSTIFY**
17 **FUNDAMENTAL REPAIRS AND ADEQUATE MAINTENANCE.**

18 (i) (1) “Development district” means a contiguous **OR NONCONTIGUOUS** area
19 designated by a resolution.

20 (2) “Development district” includes an extraordinary development district.

21 12–202.

22 (a) (1) This subtitle is self-executing.

23 (2) A political subdivision need not amend its charter to exercise the
24 powers granted by this subtitle.

25 (b) (1) **[This] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
26 **SUBSECTION, THIS** subtitle does not apply in Baltimore City.

27 (2) **THE PROVISIONS OF § 12–203(A)(1)(II) OF THIS SUBTITLE**
28 **PERTAINING TO NONCONTIGUOUS BLIGHTED AREAS APPLY IN BALTIMORE CITY.**

29 12–203.

30 (a) Before issuing bonds, the governing body of the political subdivision shall:

1 (1) by resolution:

2 (i) designate a contiguous area within its jurisdiction as a
3 development district;

4 (ii) DESIGNATE A NONCONTIGUOUS BLIGHTED AREA WITHIN
5 ITS JURISDICTION AS A DEVELOPMENT DISTRICT;

6 (III) identify an area that has been designated a sustainable
7 community; or

8 [(iii)] (IV) identify an area that has been designated a RISE zone;

9 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2026.