

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.



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

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

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

Article – Economic Development

12–201.

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

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

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

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

12–202.

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

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

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

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

12–203.

(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.