

HOUSE BILL 1557

P2

(6lr3599)

ENROLLED BILL

— Government, Labor, and Elections/Budget and Taxation —

Introduced by **Delegate Solomon (By Request – Joint Audit and Evaluation Committee)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Procurement – ~~Department of General Services~~ Real Estate Advisory**
3 **Committee and Property Acquisition and Lease Requirements**

4 FOR the purpose of establishing a Real Estate Advisory Committee in the Department of
5 General Services to ~~conduct a review of certain real estate transactions and make~~
6 ~~certain recommendations; requiring certain real estate transactions submitted to the~~
7 ~~Board of Public Works for approval to include certain information~~ advise the
8 Department, the Board of Public Works, and the General Assembly on certain real
9 estate matters; establishing additional requirements for the Board of Public Works
10 before approving the acquisition or lease of certain real property; providing that the
11 Board may not approve the sale, transfer, exchange, or grant of certain property under
12 certain circumstances; and generally relating to real estate transactions in State
13 government.

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.

Italics indicate opposite chamber/conference committee amendments.



1 BY adding to
 2 Article – State Finance and Procurement
 3 Section 4–417
 4 Annotated Code of Maryland
 5 (2021 Replacement Volume and 2025 Supplement)

6 *BY adding to*
 7 *Article – State Finance and Procurement*
 8 *Section 10–305(j)*
 9 *Annotated Code of Maryland*
 10 *(2021 Replacement Volume and 2025 Supplement)*

11 BY repealing and reenacting, with amendments,
 12 Article – State Finance and Procurement
 13 Section 10–305
 14 Annotated Code of Maryland
 15 (2021 Replacement Volume and 2025 Supplement)

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

18 **Article – State Finance and Procurement**

19 **4–417.**

20 (A) ~~(1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS~~
 21 ~~INDICATED.~~

22 ~~(2), “ADVISORY COMMITTEE” MEANS THE REAL ESTATE ADVISORY~~
 23 ~~COMMITTEE.~~

24 ~~(3) “BOARD” MEANS THE BOARD OF PUBLIC WORKS.~~

25 ~~(4) “REAL ESTATE TRANSACTION” MEANS A LEASE, LEASE RENEWAL,~~
 26 ~~OR PURCHASE OF PROPERTY BY THE STATE GOVERNED BY §§ 4–411 THROUGH~~
 27 ~~4–416 OF THIS SUBTITLE WITH A TOTAL EXPECTED COST GREATER THAN \$500,000~~
 28 ~~PER YEAR.~~

29 (B) THERE IS A REAL ESTATE ADVISORY COMMITTEE IN THE
 30 DEPARTMENT.

31 (C) THE PURPOSE OF THE COMMITTEE IS TO ADVISE THE DEPARTMENT,
 32 THE BOARD OF PUBLIC WORKS, AND THE GENERAL ASSEMBLY ON INDUSTRY
 33 TRENDS, DEVELOPMENTS AND MOVEMENT IN THE COMMERCIAL REAL ESTATE

1 SECTOR, AND BEST PRACTICES FOR REAL ESTATE ASSET MANAGEMENT IN THE
 2 STATE.

3 (D) THE ~~ADVISORY~~ COMMITTEE CONSISTS OF THE FOLLOWING MEMBERS:

4 (1) ~~THE SECRETARY, OR THE SECRETARY'S DESIGNEE;~~

5 ~~(2) SIX MEMBERS WITH EXPERTISE IN REAL ESTATE PURCHASES,~~
 6 ~~LEASES, AND LEASE RENEWALS:~~

7 ~~(i) TWO OF WHOM SHALL BE APPOINTED BY THE GOVERNOR;~~

8 ~~(ii) TWO OF WHOM SHALL BE APPOINTED BY THE PRESIDENT OF~~
 9 ~~THE SENATE; AND~~

10 ~~(iii) TWO OF WHOM SHALL BE APPOINTED BY THE SPEAKER OF~~
 11 ~~THE HOUSE; AND~~

12 ~~(3) AS EX OFFICIO, NONVOTING MEMBERS:~~

13 (i) ONE MEMBER OF THE SENATE OF MARYLAND, APPOINTED
 14 BY THE PRESIDENT OF THE SENATE; AND

15 (ii) ONE MEMBER OF THE HOUSE OF DELEGATES, APPOINTED
 16 BY THE SPEAKER OF THE HOUSE;

17 (2) FOUR MEMBERS APPOINTED BY THE SECRETARY;

18 (3) ONE MEMBER APPOINTED BY THE PRESIDENT OF THE SENATE;
 19 AND

20 (4) ONE MEMBER APPOINTED BY THE SPEAKER OF THE HOUSE.

21 ~~(D)~~ (E) THE SECRETARY SHALL DESIGNATE THE CHAIR OF THE
 22 ~~ADVISORY~~ COMMITTEE.

23 ~~(E)~~ (F) THE DEPARTMENT AND THE DEPARTMENT OF LEGISLATIVE
 24 SERVICES SHALL PROVIDE STAFF FOR THE ~~ADVISORY~~ COMMITTEE.

25 ~~(F)~~ (G) A MEMBER OF THE ~~ADVISORY~~ COMMITTEE:

26 (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE
 27 ~~ADVISORY~~ COMMITTEE; BUT

1 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
2 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

3 (H) THE COMMITTEE:

4 (1) SHALL MEET AT LEAST THREE TIMES ANNUALLY; AND

5 (2) SHALL REVIEW, AT LEAST ONCE EACH YEAR, THE STATE'S
6 LONG-TERM REAL ESTATE PLANS AND GOALS.

7 ~~(G) THE ADVISORY COMMITTEE SHALL:~~

8 ~~(1) PRIOR TO ANY FORMAL ACTION ON A REAL ESTATE TRANSACTION~~
9 ~~BY A STATE AGENCY, ADVISE THE STATE AGENCY OF ANY ISSUES OF CONCERN~~
10 ~~REGARDING THE REAL ESTATE TRANSACTION;~~

11 ~~(2) ON THE SELECTION BY THE DEPARTMENT OF A LEAD OFFEROR,~~
12 ~~IMMEDIATELY BEGIN REAL ESTATE TRANSACTION REVIEW;~~

13 ~~(3) NOT LESS THAN 1 YEAR PRIOR TO THE EXPIRATION OF A LEASE OF~~
14 ~~PROPERTY UNDER ITEM (1) OF THIS SUBSECTION, VOTE TO:~~

15 ~~(I) MAKE A RECOMMENDATION AS TO WHETHER THE REAL~~
16 ~~ESTATE TRANSACTION SHOULD MOVE FORWARD FOR SUBMISSION TO THE BOARD;~~
17 ~~OR~~

18 ~~(II) MAKE A RECOMMENDATION AS TO WHETHER A REAL ESTATE~~
19 ~~TRANSACTION OR SPECIFIC PROVISIONS OF A REAL ESTATE TRANSACTION SHOULD~~
20 ~~BE REJECTED, REVISED, OR REMOVED PRIOR TO SUBMISSION TO THE BOARD FOR~~
21 ~~APPROVAL; AND~~

22 ~~(4) ADVISE THE DEPARTMENT ON THE DEPARTMENT'S LEASE~~
23 ~~PROCUREMENT PROCEDURES.~~

24 ~~(H) A REAL ESTATE TRANSACTION OR SPECIFIC PROVISIONS NOT~~
25 ~~RECOMMENDED FOR APPROVAL BY THE ADVISORY COMMITTEE UNDER~~
26 ~~SUBSECTION (G) OF THIS SECTION MAY BE RESUBMITTED TO THE ADVISORY~~
27 ~~COMMITTEE FOR ADDITIONAL REVIEW.~~

28 ~~(I) EACH STATE AGENCY THAT SUBMITS A REQUEST FOR PROPOSALS FOR~~
29 ~~A REAL ESTATE TRANSACTION TO THE ADVISORY COMMITTEE SHALL INCLUDE WITH~~
30 ~~THE AGENCY'S SUBMISSION;~~

1 ~~(1) A FULL COST BENEFIT ANALYSIS COMPARING SIMILAR OR~~
2 ~~COMPARABLE PROPERTIES AND PURCHASE OPTIONS, INCLUDING A COMPARISON~~
3 ~~OF LEASE OPTIONS WITH PURCHASE OPTIONS, AND LEASE CONSOLIDATION~~
4 ~~OPTIONS;~~

5 ~~(2) AN ANALYSIS OF STATE AGENCY PARKING NEEDS AND COSTS,~~
6 ~~INCLUDING ANY RELATED CONSIDERATIONS REGARDING THE PROPERTY;~~

7 ~~(3) DOCUMENTS THAT JUSTIFY:~~

8 ~~(I) REAL ESTATE TERMS IN EXCESS OF TIME OR COST IN EXCESS~~
9 ~~OF ORDINARY AND REGULAR STATE CONTRACT TERMS;~~

10 ~~(II) RENT ESCALATION RATES IN EXCESS OF MARKET RATES;~~

11 ~~(III) CONSTRUCTION COSTS AND COSTS FOR ANY OTHER PART OF~~
12 ~~THE REAL ESTATE TRANSACTION, WITH CONSIDERATION FOR THE~~
13 ~~REASONABLENESS AND COST COMPETITIVENESS OF EACH ITEM;~~

14 ~~(IV) REMOVAL OF ANY STANDARD REAL ESTATE PROVISIONS,~~
15 ~~INCLUDING THE RIGHT TO TERMINATE THE LEASE OR TRANSACTION; AND~~

16 ~~(V) ANY ISSUES REGARDING NONCOMPETITIVE~~
17 ~~PROCUREMENTS;~~

18 ~~(4) A FULL OR SIGNIFICANT RENOVATION COST ANALYSIS, DISTINCT~~
19 ~~FROM THE OVERALL LEASE COST BENEFIT ANALYSIS, INCLUDING:~~

20 ~~(I) A JUSTIFICATION FOR NONCOMPETITIVE PROCUREMENT~~
21 ~~OF GOODS AND SERVICES;~~

22 ~~(II) A DEMONSTRATION THAT COSTS ARE NECESSARY,~~
23 ~~REASONABLE, AND APPROPRIATE; AND~~

24 ~~(III) A DEMONSTRATION THAT FULL FUNDING IS AVAILABLE FOR~~
25 ~~ALL RENOVATIONS; AND~~

26 ~~(5) LANDLORD PAYMENT DOCUMENTATION, INCLUDING:~~

27 ~~(I) TOTAL PAYMENTS TO DATE TO THE LANDLORD;~~

28 ~~(II) PRIOR LEASE PAYMENTS;~~

1 ~~(III) TAX CREDITS OR OTHER STATE BENEFITS GRANTED TO THE~~
 2 ~~LANDLORD; AND~~

3 ~~(IV) TAX CREDITS OR OTHER STATE BENEFITS FOR THE~~
 4 ~~LOCATION OF THE REAL ESTATE TRANSACTION.~~

5 ~~(J) A REAL ESTATE TRANSACTION THAT IS SUBMITTED TO THE BOARD FOR~~
 6 ~~APPROVAL SHALL INCLUDE:~~

7 ~~(1) THE ADVISORY COMMITTEE'S RECOMMENDATIONS ON A REAL~~
 8 ~~ESTATE TRANSACTION OR SPECIFIC PROVISIONS OF A REAL ESTATE TRANSACTION;~~
 9 ~~AND~~

10 ~~(2) ALL INFORMATION SPECIFIED UNDER SUBSECTION (I) OF THIS~~
 11 ~~SECTION.~~

12 ~~(K) (I) (1) ON OR BEFORE JANUARY OCTOBER 1 EACH YEAR,~~
 13 ~~BEGINNING IN 2026, THE ADVISORY COMMITTEE SHALL SUBMIT AN ANNUAL~~
 14 ~~REPORT ITS FINDINGS AND RECOMMENDATIONS TO THE GOVERNOR, THE BOARD OF~~
 15 ~~PUBLIC WORKS, THE DEPARTMENT, AND, IN ACCORDANCE WITH § 2-1257 OF THE~~
 16 ~~STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.~~

17 ~~(2) THE REPORT SHALL INCLUDE:~~

18 ~~(I) A LIST OF ALL CURRENT REAL ESTATE TRANSACTIONS BY~~
 19 ~~THE STATE GOVERNED BY §§ 4-318 THROUGH 4-321 OF THIS TITLE AND §§ 4-411~~
 20 ~~THROUGH 4-416 OF THIS SUBTITLE, INCLUDING THE TERM OF DURATION AND~~
 21 ~~COSTS ASSOCIATED WITH EACH REAL ESTATE TRANSACTION;~~

22 ~~(II) THE TOTAL NUMBER OF STATE AGENCIES THAT SUBMITTED~~
 23 ~~REQUESTS FOR PROPOSALS FOR REAL ESTATE TRANSACTIONS TO THE ADVISORY~~
 24 ~~COMMITTEE;~~

25 ~~(III) THE FINAL DISPOSITION OF EACH REQUEST FOR~~
 26 ~~PROPOSALS FOR A REAL ESTATE TRANSACTION;~~

27 ~~(IV) THE SUBSEQUENT ACTION TAKEN BY THE AGENCY~~
 28 ~~FOLLOWING FINAL DISPOSITION OF EACH REQUEST FOR PROPOSALS FOR A REAL~~
 29 ~~ESTATE TRANSACTION; AND~~

~~(v) FOLLOWING BOARD APPROVAL, THE STATUS OF REAL ESTATE TRANSACTIONS PUBLISHED IN eMARYLAND MARKETPLACE, LISTING WHETHER THE REAL ESTATE TRANSACTION PUBLICATION WAS ON TIME OR LATE.~~

~~(3) THE DEPARTMENT SHALL PUBLISH ALL DATA REQUIRED IN THE ANNUAL REPORT UNDER THIS SUBSECTION ON THE DEPARTMENT'S WEBSITE OR ON A PUBLICLY ACCESSIBLE ONLINE DASHBOARD FOR PUBLIC REVIEW.~~

~~(l) NOTHING IN THIS SECTION MAY BE CONSTRUED TO PROHIBIT A STATE AGENCY FROM SUBMITTING OR LIMIT THE AUTHORITY OF A STATE AGENCY TO SUBMIT A REAL ESTATE TRANSACTION TO THE BOARD FOR APPROVAL.~~

10-305.

(a) 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.

(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;

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

3. an exchange by the Department of Natural Resources under § 1-109(e)(3) of the Natural Resources Article.

1 (2) The Board may not approve the sale, transfer, exchange, or grant of
2 property until:

3 (i) the Department of General Services or the Department of
4 Natural Resources under Title 1, Subtitle 1 of the Natural Resources Article has submitted
5 to the Board two independent appraisals of the property that:

6 1. with regard to real property, consider the value of any
7 restrictive covenant that may be placed on the property; and

8 2. may not be publicly disclosed if the property is to be sold
9 at auction;

10 (ii) the following information has been submitted, by electronic mail
11 or facsimile and by certified mail, to the Senate Budget and Taxation Committee, the House
12 Appropriations Committee, and, for property that meets both criteria of paragraph (1)(i) of
13 this subsection, the Legislative Policy Committee:

14 1. a description of the property; and

15 2. if applicable, any justification for not selling, transferring,
16 exchanging, or granting the property in a manner that generates the highest return for the
17 State;

18 (iii) 45 days have elapsed since:

19 1. the information required by item (ii) of this paragraph was
20 received by the appropriate committees; and

21 2. the Board declared the property surplus; and

22 (iv) except for property sold under paragraph (4) of this subsection,
23 for property that meets both criteria under paragraph (1)(i) of this subsection and for which
24 the Board intends to approve a fee simple sale, transfer, exchange, or grant, the General
25 Assembly has approved the proposed disposition as provided under paragraph (3) of this
26 subsection.

27 (3) (i) Within 45 days after receiving the information submitted under
28 paragraph (2) of this subsection, the Legislative Policy Committee shall:

29 1. review the information and the public record created by
30 the Department of Planning for the property; and

31 2. A. approve the proposed disposition of the surplus
32 property and refer the property back to the Board for final disposition; or

1 B. refer the proposed disposition of the property to the full
2 General Assembly and notify the Board of the referral.

3 (ii) If the Legislative Policy Committee fails to take any action under
4 subparagraph (i)2 of this paragraph within the specified time period, the proposed
5 disposition shall be deemed approved by the Committee.

6 (iii) 1. If the proposed disposition of the surplus property is
7 referred by the Legislative Policy Committee to the full General Assembly, the proposed
8 disposition may not be approved by the Board unless it is approved by the passage of
9 legislation during the next legislative session of the General Assembly.

10 2. In any legislation passed in accordance with
11 subsubparagraph 1 of this subparagraph, the General Assembly may approve the proposed
12 disposition with or without conditions.

13 (4) If the Board has declared the property surplus, the Board shall sell the
14 property to the federal government, a local government, or a unit of federal or local
15 government for \$1.00, if:

16 (i) the government or unit has indicated its interest in acquiring the
17 land; and

18 (ii) a restrictive covenant is placed on the deed of transfer, in
19 accordance with § 5-906(e)(7) and (8) of the Natural Resources Article, that requires the
20 property to be maintained in a use that is consistent with its use at the time of transfer.

21 (5) Any revenues derived from the sale, transfer, exchange, or grant of
22 property identified under paragraph (1)(i)1 of this subsection shall be deposited in the
23 Advance Option and Purchase Fund under § 5-904(b) of the Natural Resources Article.

24 (6) If the Board has declared the property surplus, the Board shall donate
25 or sell the property determined by the Department of Housing and Community
26 Development to be suitable for use or redevelopment as affordable housing in accordance
27 with a proposal developed under § 2-203 of the Housing and Community Development
28 Article.

29 (c) (1) This subsection does not apply to:

30 (i) property that will be acquired with Program Open Space funds
31 under Title 5, Subtitle 9 of the Natural Resources Article;

32 (ii) property that will be acquired with Rural Legacy Program funds
33 under Title 5, Subtitle 9A of the Natural Resources Article;

34 (iii) property that will be acquired with Local Land Preservation
35 Program funds under Title 5, Subtitle 9B of the Natural Resources Article;

1 (iv) property that will be acquired with Community Parks and
2 Playgrounds Program funds under Title 5, Subtitle 9C of the Natural Resources Article;

3 (v) property that will be acquired with funds from the Heritage
4 Conservation Fund under Title 5, Subtitle 15 of the Natural Resources Article;

5 (vi) property that will be acquired with funds from the Forest and
6 Park Reserve Fund established under § 5–212 of the Natural Resources Article;

7 (vii) property that will be acquired with federal grant funds made
8 available to the Department of Natural Resources for open space, recreation, or
9 conservation purposes;

10 (viii) property that will be acquired by the Maryland Environmental
11 Trust;

12 (ix) a Maryland Agricultural Land Preservation Foundation
13 easement acquired under § 2–504 of the Agriculture Article;

14 (x) federally owned military property;

15 (xi) property that will be acquired by the Maryland Aviation
16 Administration; or

17 (xii) property that will be acquired by the Maryland Port
18 Administration.

19 (2) The Board may not approve the acquisition of real property with an
20 appraised value of at least \$500,000 OR A NEW LEASE, OR THE EXECUTION OF A
21 RENEWAL OPTION OF 10 YEARS OR MORE, OF REAL PROPERTY THAT WILL BE USED
22 BY THE STATE THAT REQUIRES THE STATE TO MAKE PAYMENTS TOTALING AT LEAST
23 ~~\$500,000~~ \$1,000,000 ANNUALLY unless the Board has provided to the Legislative Policy
24 Committee:

25 (i) a justification for the planned acquisition OR LEASE THAT
26 INCLUDES JUSTIFICATION FOR:

27 1. REAL ESTATE TERMS OF TIME OR COST IN EXCESS OF
28 ORDINARY AND REGULAR STATE CONTRACT TERMS;

29 2. RENT ESCALATION RATES IN EXCESS OF MARKET
30 RATES;

~~3. CONSTRUCTION COSTS AND COSTS FOR ANY OTHER PART OF THE REAL ESTATE TRANSACTION, WITH CONSIDERATION FOR THE REASONABLENESS AND COST COMPETITIVENESS OF EACH ITEM;~~

~~4. 3. REMOVAL OF ANY STANDARD REAL ESTATE PROVISIONS, INCLUDING THE RIGHT TO TERMINATE THE LEASE OR TRANSACTION; AND~~

~~5. 4. WHY THE TRANSACTION IS IN THE BEST INTEREST OF THE STATE; [and]~~

(II) A COST-BENEFIT ANALYSIS OF THE PLANNED ACQUISITION OR LEASE THAT INCLUDES, WHEN APPLICABLE, COMPARING SIMILAR OR COMPARABLE PROPERTIES AND PURCHASE OPTIONS, INCLUDING A COMPARISON OF LEASE OPTIONS WITH PURCHASE OPTIONS, LEASE CONSOLIDATION OPTIONS, AND IF RELEVANT, AN ANALYSIS OF STATE AGENCY PARKING NEEDS AND COSTS, AND TAX CREDITS OR OTHER STATE BENEFITS GRANTED TO THE LANDLORD OR FOR THE LOCATION OR REAL ESTATE TRANSACTION;

~~(III) IF APPLICABLE, A FULL OR SIGNIFICANT RENOVATION COST ANALYSIS, DISTINCT FROM THE OVERALL ACQUISITION OR LEASE COST-BENEFIT ANALYSIS, INCLUDING:~~

~~1. A JUSTIFICATION FOR NONCOMPETITIVE PROCUREMENT OF GOODS AND SERVICES; AND~~

~~2. A DEMONSTRATION THAT FULL FUNDING IS AVAILABLE FOR ALL RENOVATIONS;~~

~~(IV) IF APPLICABLE, LANDLORD PAYMENT DOCUMENTATION, INCLUDING:~~

~~1. TOTAL PAYMENTS MADE TO THE LANDLORD TO DATE;~~

~~2. PRIOR LEASE PAYMENTS;~~

~~3. TAX CREDITS OR OTHER STATE BENEFITS GRANTED TO THE LANDLORD; AND~~

~~4. TAX CREDITS OR OTHER STATE BENEFITS FOR THE LOCATION OR THE REAL ESTATE TRANSACTION; AND~~

1 [(ii)] ~~(V)~~ (IV) on request of the cochairs of the Legislative Policy
 2 Committee made within 14 days after receiving the justification under [item] ITEMS (i)
 3 THROUGH ~~(IV)~~ (III) of this paragraph;

4 ~~1.~~ [a cost-benefit analysis of the planned acquisition; and

5 2.] at least 45 days to review the information provided under
 6 this paragraph and comment on the planned acquisition before the acquisition is approved;
 7 AND

8 ~~2. ANY OTHER INFORMATION THE LEGISLATIVE POLICY~~
 9 ~~COMMITTEE MAY NEED TO COMPLETE THEIR REVIEW.~~

10 (3) If the acquisition of real property with an appraised value of at least
 11 \$500,000 from the federal government would require the State to provide ongoing
 12 maintenance of the property, the Board may not approve the acquisition until the Board
 13 has provided to the Legislative Policy Committee:

14 (i) notice that the acquisition would require the State to provide
 15 ongoing maintenance of the property; and

16 (ii) on request of the cochairs of the Legislative Policy Committee
 17 within 14 days after receiving the notice provided under item (i) of this paragraph, a study
 18 regarding the ongoing fiscal impact the acquisition would have on the State, including any
 19 environmental mitigation that may be required.

20 (d) Except as otherwise provided in this section:

21 (1) if any real or personal property disposed of under this section is not
 22 under the jurisdiction or control of any particular unit of the State government, the deed,
 23 lease, or other evidence of conveyance of the real or personal property shall be executed by
 24 the Board; and

25 (2) if any real or personal property disposed of under this section is under
 26 the jurisdiction or control of a unit of the State government, the deed, lease, or other
 27 evidence of conveyance of the real or personal property shall be executed by the highest
 28 official of the unit and by the Board.

29 (e) (1) Whenever any unit of the State government leases any State-owned
 30 property under its jurisdiction and control to any State employee, agent, or servant, or to
 31 any other individual in State service, for the purpose of permitting the individual to
 32 maintain a residence on or in the property, the lease shall be:

33 (i) executed by the unit; and

34 (ii) approved by the Secretary of General Services.

1 (2) The lease is not valid unless the Secretary of General Services approves
2 it.

3 (3) Whenever any unit of the State government leases any State-owned
4 property under its jurisdiction and control to any lessee, the lease shall include a provision
5 which prohibits the lessee from assigning or subleasing that property without the prior
6 approval of the Board of Public Works.

7 (4) (i) Whenever the State Highway Administration leases any
8 State-owned property under its jurisdiction and control to any person, the Administrator
9 of the State Highway Administration may execute the lease if:

10 1. the lease is entered into on a 30-day renewable basis; and

11 2. the duration of the tenancy does not exceed 1 year.

12 (ii) At least twice each year, the Administrator of the State Highway
13 Administration shall submit a report of the leases executed under the authority granted in
14 subparagraph (i) of this paragraph to the Board of Public Works.

15 (5) (i) Whenever the Department of Natural Resources leases any
16 State-owned property under its jurisdiction and control to any lessee, the lease shall
17 include a provision that requires the lessee to:

18 1. maintain unobstructed access to trail heads by trail users
19 and first responders; and

20 2. ensure that the trail heads remain free of obstructions at
21 all times.

22 (ii) At least once each year, the Secretary of Natural Resources shall
23 submit a report of all leases executed by the Department of Natural Resources to the
24 Department of General Services.

25 (f) (1) On the sale, lease, transfer, exchange, or other disposition of any real
26 or personal property owned or controlled by the State Retirement and Pension System or
27 the State of Maryland for the use of the Board of Trustees of the State Retirement and
28 Pension System, any conveyancing document shall be executed in the manner provided in
29 Division II of the State Personnel and Pensions Article.

30 (2) Any sale, lease, transfer, exchange or other disposition of any real or
31 personal property owned or controlled by the State Retirement and Pension System or the
32 State of Maryland for the use of the Board of Trustees of the State Retirement and Pension
33 System by a conveyancing document executed by or for the Board of Trustees of the State
34 Retirement and Pension System before October 1, 1994 in the manner provided under
35 former Article 73B is ratified and confirmed.

1 (g) All conveyances under this section shall be made in the name of the State of
 2 Maryland, acting through the executing authority provided for in this section.

3 (h) This section does not apply to any lease or other temporary transfer, grant, or
 4 disposition of State real or personal property in connection with a procurement made
 5 subject to § 11-202(3) of this article.

6 (i) The Department of Budget and Management and Department of General
 7 Services, with the approval of the Board, shall adopt regulations in accordance with Title
 8 10, Subtitle 1 of the State Government Article to implement the provisions of this section.

9 10-305.

10 (J) **THE BOARD MAY NOT APPROVE THE SALE, TRANSFER, EXCHANGE, OR**
 11 **GRANT OF A PROPERTY LOCATED BETWEEN THE EAST 21ST AND EAST 22ND BLOCKS**
 12 **OF GUILFORD AVENUE IN BALTIMORE UNLESS THE DEPARTMENT OF GENERAL**
 13 **SERVICES DEMONSTRATES TO THE BOARD THAT:**

14 (1) **THE DEPARTMENT ENGAGED THE COMMUNITY AND RELEVANT**
 15 **STAKEHOLDERS WHEN MAKING THE DECISION TO SELL, TRANSFER, EXCHANGE, OR**
 16 **GRANT THE PROPERTY; AND**

17 (2) **IF PRACTICABLE, THE DEPARTMENT PRIORITIZED THE**
 18 **COMMUNITY'S PREFERRED OUTCOME.**

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
 20 1, 2026.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.