

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 342

(Chair, Education, Health, and Environmental Affairs
Committee)(By Request - Departmental - General
Services)

Education, Health, and Environmental Affairs

Judiciary

Maryland Military Department – Sale of Superfluous Armories

This departmental bill alters the process for the Military Department to dispose of armories that are superfluous to the department's needs to conform to current law regarding the disposal of excess and surplus State real property. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: No direct fiscal effect, as the bill is procedural in nature. However, the bill may allow State agencies to obtain, by transfer, armories deemed to be in excess of the needs of the Military Department.

Local Effect: No direct fiscal effect on local governments, but the bill gives State agencies, rather than local governments, the right of first refusal for superfluous armories.

Small Business Effect: The Department of General Services (DGS) has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Current Law: With the prior approval of the Board of Public Works (BPW), the Military Department may sell an armory that is superfluous to its requirements. The county or municipal corporation in which the armory is located has the right of first refusal to purchase the armory; if the county or municipality declines to purchase the property, the

Military Department must sell it in a public sale for the highest cash price obtainable. Proceeds of the sale are deposited into the Annuity Bond Fund.

In general, each unit of State government must notify the Maryland Department of Planning (MDP) in writing of any real property that is in excess of its needs. MDP must then (1) study the proper disposition of the property; (2) determine whether any unit of State or local government is interested in the property; and (3) make an appropriate recommendation to the unit that referred the property and to BPW. The Military Department is not required to follow this procedure for the disposal of armories, but the bill requires the Military Department to do so prior to making a superfluous armory available for sale. Thus, under the bill, only if no unit of State government is interested in the property can the Military Department offer it for sale, first to the local government with a right of refusal, and then to the public, as described above (and with BPW's approval).

Background: DGS advises that the statutory provisions related to the disposal of superfluous armories predate the provisions related to the disposal of excess and surplus real property by other State agencies and, therefore, supersede the later provisions. As a result, there is no provision for making superfluous armories available, by transfer, to other State agencies before making them available for sale to a local government or the public.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Department of General Services; Board of Public Works; Department of Legislative Services

Fiscal Note History: First Reader - January 13, 2021
rh/ljm Third Reader - March 29, 2021
Revised - Amendment(s) - March 29, 2021

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Maryland Military Department – Sale of Superfluous Armories

BILL NUMBER: SB 342

PREPARED BY: Ellen Robertson, Legislative Liaison

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

OR

WILL HAVE A MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS