

HOUSE BILL 620

M4, Q6

8lr1833

By: **Delegates Luedtke, Anderton, Dumais, Fraser-Hidalgo, Jackson, Jameson, Kaiser, Krebs, Mautz, A. Miller, Patterson, Queen, Rose, Sample-Hughes, and Shoemaker**

Introduced and read first time: January 29, 2018

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **County Agricultural Land Preservation Programs – Recertification and**
3 **Remittance of Unexpended Funds – Extensions**

4 FOR the purpose of extending for a certain number of years the certification period for
5 certain county agricultural land preservation programs that the Department of
6 Planning and the Maryland Agricultural Land Preservation Foundation determine
7 are consistently effective in the achievement of certain goals; extending for a certain
8 number of years the length of time a county may retain certain revenue from the
9 agricultural land transfer tax for use in certain agricultural land preservation
10 programs; and generally relating to county agricultural land preservation programs.

11 BY repealing and reenacting, without amendments,
12 Article – State Finance and Procurement
13 Section 5–408(a)
14 Annotated Code of Maryland
15 (2015 Replacement Volume and 2017 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – State Finance and Procurement
18 Section 5–408(i)
19 Annotated Code of Maryland
20 (2015 Replacement Volume and 2017 Supplement)

21 BY repealing and reenacting, without amendments,
22 Article – Tax – Property
23 Section 13–306(b)
24 Annotated Code of Maryland
25 (2012 Replacement Volume and 2017 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
2 Article – Tax – Property
3 Section 13–306(c) and (d)
4 Annotated Code of Maryland
5 (2012 Replacement Volume and 2017 Supplement)

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

8 **Article – State Finance and Procurement**

9 5–408.

10 (a) There is within the Department a program for certification of effective county
11 agricultural land preservation programs.

12 (i) (1) **[A] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS**
13 **SUBSECTION, A certification OR RECERTIFICATION** under this section is effective for 3
14 years and the decision by the Department and the Foundation as to certification **OR**
15 **RECERTIFICATION** is final with no right to appeal.

16 (2) At the request of the county, the Department and the Foundation shall
17 recertify under this section a county agricultural land preservation program if:

18 (i) the county has maintained a successful program of purchase of
19 development rights or financial enhancements related to purchase of development rights
20 during the period of certification;

21 (ii) conditions in the county priority preservation area remain in
22 accordance with the requirements of § 2–518 of the Agriculture Article;

23 (iii) the county provides an update on the method, evaluation,
24 shortcomings, and future actions that the county is using or will use to achieve preservation
25 goals, as required under subsection (f)(6) through (8) of this section; and

26 (iv) the update demonstrates significant progress toward
27 achievement of preservation goals in the priority preservation area.

28 **(3) IF THE DEPARTMENT AND THE FOUNDATION DETERMINE THAT A**
29 **PROGRAM IS CONSISTENTLY EFFECTIVE IN THE ACHIEVEMENT OF PRESERVATION**
30 **GOALS, A PROGRAM RECERTIFICATION UNDER THIS SECTION IS EFFECTIVE FOR 5**
31 **YEARS.**

32 **Article – Tax – Property**

33 13–306.

1 (b) If a county is certified by the Department of Planning and the Maryland
2 Agricultural Land Preservation Foundation under § 5–408 of the State Finance and
3 Procurement Article as having established an effective county agricultural land
4 preservation program, the collector for the county shall remit to the Comptroller:

5 (1) the revenue from:

6 (i) the agricultural land transfer tax that is attributable to the
7 taxation of instruments of writing that transfer title to parcels of land that are entirely
8 woodland; and

9 (ii) the surcharge imposed under § 13–303(d) of this subtitle; and

10 (2) 25% of the balance of revenue from the agricultural land transfer tax
11 that remains after the remittance under item (1) of this subsection.

12 (c) (1) In this subsection, “development rights” means the potential for
13 improvement of a parcel of real property that is measured in dwelling units or units of
14 commercial or industrial space and that exist because of the zoning classification of the
15 parcel.

16 (2) Each county collector shall hold the remainder of the revenue in a
17 special county account for [3] 6 years to be used for an approved agricultural land
18 preservation program that meets the requirements of this subsection, including use for
19 bond annuity funds or matching funds.

20 (3) For purposes of this subsection, an approved agricultural land
21 preservation program is a program to purchase development rights, guarantee loans that
22 are collateralized by development rights or provide financial enhancements related to
23 purchase of development rights, for agricultural land that, except as provided in paragraph
24 (4) of this subsection, meets the minimum standards set by the Maryland Agricultural Land
25 Preservation Foundation under § 2–509(d) of the Agriculture Article.

26 (4) In lieu of any acreage requirement set by the Foundation under §
27 2–509(d) of the Agriculture Article, development rights purchased by or collateralizing
28 loans guaranteed by a county or financial enhancements related to purchase of
29 development rights under this subsection shall be for agricultural land of significant size
30 to promote an agricultural operation.

31 (5) (i) Subject to the limitation under subparagraph (ii) of this
32 paragraph, the funds described in paragraph (2) of this subsection may be used to pay
33 administrative expenses.

34 (ii) The costs of the administrative expenses may not exceed 10% of
35 the funds or \$30,000, whichever is the greater.

1 (6) This subsection does not prohibit any county from accepting funds from
2 private sources and using those private funds to purchase development rights, guarantee
3 loans that are collateralized by development rights, or provide financial enhancements
4 related to purchase of development rights.

5 (d) If any revenue in the special county account has not been expended or
6 committed on or before **[3] 6** years from the date of deposit into the county account, the
7 county collector shall remit that revenue to the Comptroller for deposit in the Maryland
8 Agricultural Land Preservation Fund.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
10 1, 2018.