

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

Senate Bill 355 (Senator Middleton)(Joint Subcommittee on Program Open Space and Agricultural Land Preservation and Senator McCabe)  
Budget and Taxation

---

**Agricultural Land Preservation - Easements Held By County Agricultural Land Preservation Programs - Condemnation Payments**

---

This bill provides that if a State or county agency acquires land by condemnation which is under an agricultural preservation easement held by a county agricultural land preservation program, the condemning authority must pay:

- the landowner the value of the land minus the amount paid for the easement; and
- the county agricultural land preservation program the amount paid for the easement.

---

**Fiscal Summary**

**State Effect:** None. Overall expenditures would not be affected.

**Local Effect:** Potential indeterminate increase in revenues; potential indeterminate decrease in expenditures.

**Small Business Effect:** Potential minimal negative impact on small businesses (mostly farmers) as discussed below.

---

**Fiscal Analysis**

**Background:** Currently, the Maryland Agricultural Land Preservation Foundation receives repayment for easements on condemned properties. Several counties now have agricultural easement programs of their own; this bill allows them to be repaid for these easements in the same manner.

**Local Effect:** Condemnation of land that holds an agricultural easement is rare. Currently,

there are no provisions for local agricultural land preservation programs to reclaim amounts paid for easements if it were to happen. If the county is the condemning authority, then overall local expenditures would decrease. The county would pay the landowner the value of the land minus the original easement amount; the easement amount would then be paid into the local agricultural land preservation program (a reallocation of funds). If the State is the condemning authority, then local revenues would increase due to the payment of the easement amount to the local program.

**Small Business Effect:** Currently, when a State or county agency condemns land under a county agricultural land preservation easement, the landowner receives the full amount to which the landowner would be entitled as if the land was not under easement (fair market price). Pursuant to this legislation, the landowner would receive the fair market price less any amount paid to the landowner by a county agricultural land preservation program. Accordingly, this would reduce the amount of money received by farmers from land condemned for public purposes.

---

**Information Source(s):** Maryland Department of Agriculture, Carroll County, Department of Fiscal Services

**Fiscal Note History:** First Reader - February 24, 1997  
brd

---

Analysis by: Hiram L. Burch, Jr.  
Reviewed by: John Rixey  
(410) 841-3710  
(301) 858-3710

Direct Inquiries to:  
John Rixey, Coordinating Analyst