

Department of Legislative Services  
Maryland General Assembly  
1999 Session

FISCAL NOTE  
Revised

House Bill 669 (Delegates Glassman and James)

Appropriations

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**Maryland Agricultural Land Preservation Foundation - Contract Purchasers**

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This bill requires that regulations and procedures adopted by the Maryland Agricultural Land Preservation Foundation for the establishment and monitoring of agricultural districts provide that a landowner may also file a petition on behalf of a contract purchaser with the county governing body requesting the establishment of an agricultural district. The bill also provides that a contract purchaser of agricultural land located in an agricultural district may offer by written application, and with the written approval of the landowner, to sell an easement to the foundation on the entire contiguous acreage of the agricultural land. The bill requires the foundation to notify a contract purchaser whose application has been rejected on or before June 30 of each year. Finally, the bill prohibits a contract purchaser whose application was rejected from reapplying to sell an easement on the same land that was rejected for two years.

This bill takes effect October 1, 1999 and sunsets September 30, 2004.

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**Fiscal Summary**

**State Effect:** None. The bill would not materially alter State operations or finances.

**Local Effect:** None.

**Small Business Effect:** None.

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**Fiscal Analysis**

**Background:** The Maryland Agricultural Land Preservation Program was created by the General Assembly to preserve productive agricultural land and woodland which provide for the continued production of food and fiber; to limit the extent of urban development; and to protect agricultural land and woodland as open space. The Maryland Agricultural Land Preservation Foundation, with the assistance and cooperation of landowners and local governments, promotes the creation of agricultural land preservation districts and purchases development rights easements as a means of protecting agricultural land and woodland activities.

Participation in the Maryland Agricultural Land Preservation Program is voluntary on the part of landowners. To be eligible for district status, a property must have at least 100 contiguous acres with at least 50% of the total soils classified as U.S. Department of Agriculture (USDA) soil capability Class I, II, or III or woodland group one or two. Landowners also agree to maintain the land in agricultural use for a minimum of five years. Landowners who include their land within a district become eligible to receive county tax credits (if the county where the property is located has a tax credit program) and may make application to sell a development rights easement to the State. However, there is no guarantee that an offer will be made by the foundation.

The maximum price the foundation may pay for an easement is the landowner's asking price or the easement value, whichever is lower. The easement value is determined by subtracting the agricultural value from the appraised fair market value of the property. Once the development rights have been sold, the property is perpetually protected from further development, with certain rights available only to the owner who originally sold the easement.

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**Information Source(s):** Maryland Agricultural Land Preservation Foundation,  
Department of Legislative Services

**Fiscal Note History:** First Reader - March 1, 1999  
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