

HOUSE BILL 90

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2002 Regular Session
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(PRE-FILED)

By: **Chairman, Environmental Matters Committee and Chairman, Ways and Means Committee (Departmental - Natural Resources)**

Requested: October 19, 2001

Introduced and read first time: January 9, 2002

Assigned to: Environmental Matters and Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Forest Conservation Management Agreements**

3 FOR the purpose of clarifying the conditions for assigning or transferring a Forest
4 Conservation and Management Agreement; and generally relating to Forest
5 Conservation and Management Agreements.

6 BY repealing and reenacting, with amendments,
7 Article - Tax - Property
8 Section 8-211
9 Annotated Code of Maryland
10 (2001 Replacement Volume and 2001 Supplement)

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

13 **Article - Tax - Property**

14 8-211.

15 (a) (1) In this section, the following words have the meanings indicated.

16 (2) "Agreement" means an agreement made under subsection (c) of this
17 section.

18 (3) "Program" means the forest conservation and management program.

19 (b) The Department of Natural Resources shall establish the program to:

20 (1) encourage the preservation or development of land for productive
21 woodland purposes;

22 (2) increase the income of persons in the State from the sale of timber;

23 (3) prevent flooding of land and the loss of the State's soil;

1 (4) provide wooded areas for the use and enjoyment of all individuals in
2 the State; and

3 (5) promote the welfare and assets of the State.

4 (c) The owner of at least 5 contiguous acres of land may make an agreement
5 with the Department of Natural Resources to place the land in the program.

6 (d) A memorandum of the agreement shall be recorded in each county where
7 the land is located under §§ 3-102 and 3-103 of the Real Property Article. The
8 woodland owner shall pay for recording the memorandum.

9 (e) The owner of land that is subject to an agreement shall notify the
10 supervisor of the county where the land is located that the land is subject to an
11 agreement.

12 (f) (1) Except for an agreement made on or before July 1, 1984, an
13 agreement shall be for at least 15 years.

14 (2) Consecutive agreements shall be deemed a single agreement from
15 the date of the original agreement.

16 (g) An agreement may be assigned and transferred to a buyer of all or part of
17 the land that is subject to the agreement, if:

18 (1) the buyer assumes the obligation of the agreement;

19 (2) the agreement is transferred to the buyer BY THE LANDOWNER OR
20 THE LANDOWNER'S SUCCESSORS, HEIRS, OR ASSIGNS; and

21 (3) property tax on an assessment under subsection (i) of this section is
22 not due.

23 (h) Except as provided in subsection (i) of this section, the value of woodland
24 for assessment purposes in effect at the beginning of an agreement may not be
25 increased for the period covered by the agreement.

26 (i) (1) Woodland shall be reassessed when:

27 (i) an agreement ends and is not renewed as provided in subsection
28 (f)(2) of this section;

29 (ii) timber is harvested, unless harvested according to the plan
30 approved by the Department of Natural Resources;

31 (iii) land subject to an agreement is conveyed to a new owner except
32 as provided in subsection (g) of this section; or

33 (iv) an agreement is ended by the Department of Natural Resources
34 at the request of the owner or because the owner has not complied with the
35 agreement.

1 (2) If only part of the land subject to an agreement is conveyed or only
2 part of the timber is harvested, the reassessment shall be only for the part of land
3 conveyed or the part of land on which the timber is harvested.

4 (j) If the assessment under subsection (i)(1)(ii) through (iv) of this section is
5 greater than the value used to determine the assessment under subsection (h) of this
6 section, the difference between the 2 valuations is computed in approximately equal
7 annual steps that cover the number of taxable years between the 2 valuations, and
8 the agreement holder owes property tax for each taxable year payable at the property
9 tax rates applicable for each taxable year.

10 (k) (1) Subject to the provisions of this subsection and any pertinent local
11 laws, a woodland owner who has 50 or more contiguous acres subject to an agreement
12 may subdivide the property and transfer to a child of the owner a building lot for the
13 purposes of constructing a dwelling unit on the lot without liability for prior taxable
14 years under subsection (j) of this section.

15 (2) A building lot transferred under this subsection may not exceed:

16 (i) 1 acre; or

17 (ii) if local law or regulations adopted by the Department of the
18 Environment require that the minimum size of a building lot exceed 1 acre, the
19 minimum size required under local law or regulations adopted by the Department of
20 the Environment.

21 (3) A woodland owner may not transfer under this subsection more than
22 one building lot for every 10 acres subject to the agreement or more than one building
23 lot to each child of the owner.

24 (4) (i) A woodland owner shall apply to the Department of Natural
25 Resources for a modification of an agreement under this subsection.

26 (ii) On approval by the Department of Natural Resources, the
27 woodland owner shall notify the supervisor of the county where the land is located.

28 (iii) The supervisor shall reassess that portion of the property
29 removed from the program and establish the property as a separate account in the
30 assessment records of the county.

31 (5) A modification of an agreement under this subsection shall be
32 recorded in each county where the building lot is located under §§ 3-102 and 3-103 of
33 the Real Property Article. The woodland owner shall pay for recording the
34 modification.

35 (6) A modification of an agreement under this subsection is not subject to
36 a penalty under subsection (l) of this section.

1 (l) An agreement holder shall pay the Department of Natural Resources a
2 penalty of \$100 if an agreement is terminated as a result of noncompliance or at the
3 request of the owner.

4 (m) (1) Land that is removed from an agreement by eminent domain or other
5 involuntary proceeding is not subject to:

6 (i) reassessment under subsection (i) of this section; or

7 (ii) penalty under subsection (l) of this section.

8 (2) If only part of the land subject to an agreement is removed by
9 eminent domain or other involuntary procedure the supervisor shall:

10 (i) apportion the assessment and enter the removed part as a
11 separate assessment on the tax roll; and

12 (ii) adjust the assessment of the land that remains under the
13 agreement to reflect the change.

14 (n) This section does not affect any benefit charge or other special charge that
15 applies to woodland.

16 (o) This section does not apply to the valuation or assessment of
17 improvements or agricultural, mineral, or other nonforest values on land that is
18 subject to an agreement.

19 (p) The Department of Natural Resources may set reasonable fees for the
20 development of management plans, original agreements, and conducting inspections.
21 The fees shall be designed to cover the administrative costs of conducting the
22 program.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
24 effect October 1, 2002.