

**Department of Legislative Services**  
Maryland General Assembly  
2003 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 131

(Delegate Stocksdale, *et al.*)

Environmental Matters

Education, Health, and Environmental Affairs

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**Carroll County - Agricultural Land Preservation - Easements - Dwelling House**

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This bill allows a landowner who originally sold an easement to the Maryland Agricultural Land Preservation Foundation (MALPF) to apply for a release of one acre free of easement restrictions for the purpose of constructing a dwelling on the land under specified conditions. This applies only if the property is located in Carroll County. A landowner must apply by September 30, 2004.

The bill terminates September 30, 2004.

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**Fiscal Summary**

**State Effect:** Potential minimal increase in special fund revenues in FY 2004 and FY 2005 related to the reimbursement by landowners for any acres released from easements pursuant to the bill.

**Local Effect:** The bill would not materially affect local government operations or finances.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** A landowner may apply for a release of one acre free of easement restrictions if: (1) the property covered by the easement contains 50 acres or more; (2) no dwelling house existed on the property at the time of sale of the easement; (3) the easement was purchased by MALPF prior to January 1, 1990; (4) the property covered by

the easement contains all the land described in the deed or deeds of record at the time of sale of the easement; (5) the landowner who originally sold the easement has not exercised the right to construct a dwelling house pursuant to current law; and (6) prior to the release the landowner pays the State for one acre at the price per acre that the State paid for the easement.

The dwelling must be for one subsequent landowner and may not be separately subdivided from the property.

**Current Law:** A landowner who sells an easement to MALPF is allowed, subject to specified conditions, to exclude as many as ten one-acre lots up to a maximum density of one lot per 20 acres for the purpose of constructing a house for the landowner or the landowner's children. The landowner is required to pay the State for any acre or portion released at the price per acre that the State paid the owner for the easement. The landowner and the child, if appropriate, must agree not to subdivide further for residential purposes any acreage allowed to be excluded from the easement. Subject to specified conditions, a subsequent landowner may: (1) construct housing for tenants fully engaged in operation of the farm; and (2) exclude from the easement restrictions one acre per each single dwelling which existed at the time of the sale of the easement. All revenues and expenditures are paid into and out of the Maryland Agricultural Land Preservation Fund.

**Background:** Agricultural preservation districts are formed when qualifying landowners sign voluntary agreements to keep their land in agricultural or woodland use for a minimum of five years. Landowners who agree to place their farms within an agricultural preservation district may sell a development rights easement on that property to MALPF. Subject to some limitations, once an easement has been sold, the property is protected from further development in perpetuity.

Subject to a specified exception, landowners who purchase land already under a MALPF easement are not allowed to construct dwellings on that land. According to MALPF, most easement and district properties in the program have one or more dwellings. Some, however, do not.

**State Fiscal Effect:** To the extent that land under a MALPF easement is released pursuant to the bill, special fund revenues would increase. The bill requires a landowner to pay the State for the acre released at the price per acre that the State paid for the easement. Based on information provided by Carroll County in 2002, five properties in Carroll County would qualify under the bill. If each property owner requested that one acre be released, as provided by the bill, the State would receive an estimated \$5,234 in reimbursements. This estimate is based on the actual easement price per acre paid to MALPF for the five qualifying properties.

Any increase in special fund revenues will likely be offset by an increase in special fund expenditures to purchase additional easements under the MALPF program, although this would not be a direct result of the bill.

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### **Additional Information**

**Prior Introductions:** A similar bill was introduced as HB 1000 of 2002. The bill passed the House with amendments and passed the Senate, but the Governor vetoed the bill. Similar legislation also was introduced as HB 434 of 2000. The bill passed the House with amendments. The Senate Economic and Environmental Affairs Committee held a hearing on the bill, but no further action was taken.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - February 3, 2003  
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