Department of Legislative Services Maryland General Assembly 2005 Session

FISCAL AND POLICY NOTE

House Bill 934 Environmental Matters (Delegates Stocksdale and Aumann)

Maryland Agricultural Land Preservation Foundation - Child Lot - Notice

This bill establishes an additional condition for the release of a lot, free of easement restrictions by the Maryland Agricultural Land Preservation Foundation (MALPF), to a landowner for the use of the landowner's child. If the lot will be used by a child for a dwelling house, the landowner must disclose to MALPF, at the time of settlement of the purchase of the easement and on a form supplied by MALPF, that the landowner will be seeking the release of a lot for that child.

Fiscal Summary

State Effect: The bill's requirements could be handled with existing resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: A landowner is not required to disclose to MALPF, at the time of settlement of the purchase of the easement and on a form supplied by the foundation, that the landowner will be seeking the release of a lot, free of easement restriction, for a child.

A child's lot may only be released if the original grantor (the person or persons who sold the agricultural land preservation easement to the State) makes a written application to the State. MALPF advises that it has always accepted a written statement of intent of the original grantor in a letter to MALPF (that is acknowledged in writing) or a will. If the original grantor dies, the written statement of intent already exists, and the lot can be released while the property is in the estate or, if the child inherits the property, after the estate settles. The intent is clear, in writing, and unambiguous.

The information about securing the eligibility of a child for a lot on the property by a written letter or a statement in a will is currently provided by several means: (1) the public fact sheets available on the MALPF web site and that are also provided to current and potential participants in hard copy at the discretion of county program administrators; (2) the easement application that is provided to potential and actual applicants; and (3) information provided to current and potential participants by county program administrators.

State Fiscal Effect: The bill is not expected to have a significant effect on State operations or finances. The bill creates another opportunity to inform and encourage the landowner to state the intent to create one or more lots on the property for children; however, MALPF notes that it could adopt this requirement as a matter of policy. The bill is not expected to create additional development, paybacks, or lot releases. As a result, the bill is not expected to affect State revenues.

The bill is not expected to have a significant operational effect on MALPF. A new form would need to be created, filed, and tracked. This process could be accomplished with MALPF's existing budgeted resources.

Additional Comments: MALPF advises that one possible unintended consequence of the bill is that some landowners would assume that the submission of this form either is the equivalent of requesting a lot release or that it could secure that right even after the property is transferred. However, lot releases would still need to be requested in writing; transferring or selling the property would still extinguish any lot eligibility that was retained when the easement was sold to the State.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Agriculture, Somerset County, Charles County, Frederick County, Department of Legislative Services

Fiscal Note History: First Reader - February 22, 2005 mam/ljm

Analysis by: Michael Sanelli

Direct Inquiries to: (410) 946-5510 (301) 970-5510