

BY: Education, Health, and Environmental Affairs Committee

AMENDMENTS TO SENATE BILL NO. 5

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Klausmeier” and substitute “Klausmeier, Garagiola, Brochin, and Munson”; strike beginning with “clarifying” in line 3 down through “assistance” in line 5 and substitute “requiring the Governor to appropriate certain funds to the Maryland Agricultural and Resource-Based Industry Development Corporation for rural business development and assistance”; strike beginning with “Maryland” in line 6 down through “Development” in line 7; in line 8, strike “requiring” and substitute “authorizing”; in line 9, after “plan;” insert “authorizing the Maryland Agricultural Land Preservation Foundation to provide grants to the Maryland Agricultural and Resource-Based Industry Development Corporation under certain circumstances;”; in line 12, strike “relating to priority preservation areas”; in line 14, after “jointly;” insert “requiring the Governor to appropriate certain additional funds for certain soil conservation districts;”; in line 15, strike “Agricultural” and substitute “Agriculture and Natural Resources”; in line 16, after “unpaid;” insert “altering the distribution of certain fees from the Bay Restoration Fund;”; strike beginning with “requiring” in line 16 down through “areas” in line 19 and substitute “altering the process for the certification of county agricultural land preservation programs to include priority preservation areas; altering certain time frames and procedural requirements for the certification and recertification of county agricultural land preservation programs”; and strike beginning with “and” in line 30 down through “circumstances” in line 31 and substitute “and the Maryland Agricultural Education and Rural Development Assistance Fund”.

On page 2, strike line 1 in its entirety; in line 4, after “Force;” insert “providing that certain provisions of the Maryland Public Ethics Law do not apply under certain circumstances to certain regulated lobbyists;”; strike beginning with “identify” in line 6 down through “farmers” in line 7 and substitute “review and evaluate certain aspects of the State tax structure and certain modifications or alternatives”; in line 7, strike “make a certain report” and substitute “submit certain reports on or before certain dates; making certain stylistic changes”; in line 16, strike “1.03(a)” and substitute “1.03”; in the same line, strike “3.05(a)(4)” and substitute “3.05(a)(6) and (b)”; in line 21, after

(Over)

“3.05(a)(1)” insert “and (4)”; after line 28, insert:

“BY repealing and reenacting, with amendments,
Article - Agriculture
Section 2-505(c) and 8-405(c)
Annotated Code of Maryland
(1999 Replacement Volume and 2005 Supplement)”;

after line 33, insert:

“BY repealing and reenacting, with amendments,
Article - Environment
Section 9-1605.2(h)
Annotated Code of Maryland
(1996 Replacement Volume and 2005 Supplement)”;

in line 34, strike “adding to” and substitute “repealing and reenacting, with amendments,”; in line 36, strike “5-409” and substitute “5-408”; and strike line 38 in its entirety and substitute:

“(2006 Replacement Volume)”.

AMENDMENT NO. 2

On page 3, in line 16, strike “may” and substitute “SHALL”; in line 17, strike “in an amount up to \$5,000,000”; in line 18, after “ASSISTANCE” insert “AS FOLLOWS:”; and after line 18, insert:

- “1. FOR FISCAL YEAR 2008, \$4,000,000; AND
2. FOR FISCAL YEARS 2009 THROUGH 2020, \$3,500,000 IN EACH FISCAL YEAR.”.

AMENDMENT NO. 3

On page 4, in line 32, strike the brackets; and in line 35, strike “; AND” and substitute a period.

On page 5, strike in their entirety lines 1 and 2; and after line 13, insert:

“(B) WHEN DEVELOPING A COMPREHENSIVE PLAN FOR A CHARTER COUNTY, A PLANNING COMMISSION MAY INCLUDE A PRIORITY PRESERVATION

AREA ELEMENT THAT IS DEVELOPED IN ACCORDANCE WITH § 2-518 OF THE AGRICULTURE ARTICLE.

[(b)] (C) (1) A planning commission shall include in its comprehensive plan [all]:

(I) ALL elements required in subsection (a) of this section and the visions set forth in § 1.01 of this article; AND

(II) IF CHOSEN UNDER SUBSECTION (B) OF THIS SECTION, ITS PRIORITY PRESERVATION AREA ELEMENT.

(2) At least once every 6 years, the planning commission shall review and, if necessary, revise or amend a comprehensive plan to include [all]:

(I) ALL elements required in subsection (a) of this section and the visions set forth in § 1.01 of this article; AND

(II) IF CHOSEN UNDER SUBSECTION (B) OF THIS SECTION, ITS PRIORITY PRESERVATION AREA ELEMENT.

(3) If the comprehensive plan for each geographic section or division is reviewed and, if necessary, revised or amended at least once every 6 years, the planning commission may prepare comprehensive plans for one or more major geographic sections or divisions of the local jurisdiction.

[(c)] (D) (1) A planning commission shall implement the visions set forth in § 1.01 of this article through the comprehensive plan elements required under subsection (a) of this section.

(2) A local legislative body that has adopted a comprehensive plan may adopt regulations implementing the visions stated in § 1.01 of this article in a comprehensive plan.

[(d)] (E) On or before July 1, 1997, and subsequently at intervals of not more than 6 years which correspond to the comprehensive plan revision under subsection [(b)] (C) of this section, a

charter county shall ensure that the implementation of the provisions of the comprehensive plan that comply with § 1.01 of this article and subsection (a)(1)(iii) and (iv) of this section are achieved through the adoption of:

- (1) Applicable zoning ordinances and regulations;
- (2) Planned development ordinances and regulations;
- (3) Subdivision ordinances and regulations; and
- (4) Other land use ordinances and regulations that are consistent with the comprehensive plan.”.

On page 7, in line 2, strike the brackets; in line 5, strike “; AND” and substitute a period; strike in their entirety lines 6 and 7; and after line 7, insert:

“(6) (i) The plan may include any additional elements which, in the judgment of the planning commission, will further advance the purposes of the plan.

(ii) The additional plan elements may include:

1. Community renewal elements;
2. Housing elements;
3. Flood control elements;
4. Pollution control elements;
5. Conservation elements;
6. Natural resources elements; [and]
7. The general location and extent of public utilities; AND

8. PRIORITY PRESERVATION AREAS DEVELOPED IN ACCORDANCE WITH § 2-518 OF THE AGRICULTURE ARTICLE.

(b) (1) Each local jurisdiction shall adopt and include in [their plans all] ITS PLAN:

(I) ALL of the elements required in subsection (a) of this section and all of the visions set forth in § 1.01 of this article; AND

(II) IF CHOSEN UNDER SUBSECTION (A)(6) OF THIS SECTION, A PRIORITY PRESERVATION AREA ELEMENT.

(2) At least once every 6 years, each planning commission shall review and, if necessary, revise or amend the local plan to include [all]:

(I) ALL of the elements required in subsection (a) of this section and all of the visions set forth in § 1.01 of this article; AND

(II) IF CHOSEN UNDER SUBSECTION (A)(6) OF THIS SECTION, A PRIORITY PRESERVATION AREA ELEMENT.

(3) If the plan for each geographic section or division is reviewed and, if necessary, revised or amended at least once every 6 years, the planning commission may prepare plans for one or more major geographic sections or divisions of the jurisdiction.”.

AMENDMENT NO. 4

On page 7, after line 8, insert:

“2-505.

(c) (1) The Comptroller of the Treasury may not disburse any money from the Maryland Agricultural Land Preservation Fund other than:

[(1)] (I) For costs associated with the staffing and administration of the Maryland Agricultural Land Preservation Foundation;

(Over)

[(2)] (II) For reasonable expenses incurred by the members of the board of trustees of the Maryland Agricultural Land Preservation Foundation in the performance of official duties; and

[(3)] (III) For consideration in the purchase of agricultural land preservation easements beginning with fiscal year 1979 and each fiscal year thereafter.

(2) (I) THE MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION MAY PROVIDE GRANTS TO THE MARYLAND AGRICULTURAL AND RESOURCE-BASED INDUSTRY DEVELOPMENT CORPORATION TO FACILITATE THE PURCHASE OF EASEMENTS, SUBJECT TO CONDITIONS JOINTLY AGREED UPON BY THE FOUNDATION AND THE CORPORATION.

(II) THE CORPORATION MAY ONLY USE THESE GRANTS FOR EXPENSES RELATED TO:

1. FACILITATING THE PURCHASE OF EASEMENTS UNDER THE CRITICAL FARMS OR INSTALLMENT PURCHASE AGREEMENT PROGRAMS, OR

2. THE NEXT GENERATION FARMLAND ACQUISITION PROGRAM.”;

in line 11, strike “SHALL” and substitute “MAY”; and in line 29, strike “AREAS OF”.

AMENDMENT NO. 5

On page 8, in lines 5 and 28, in each instance, strike “5-409” and substitute “5-408”; and after line 9, insert:

“8-405.

(c) (1) [For fiscal year 2000 and each fiscal year thereafter, the] THE Governor shall include in the annual budget bill an amount sufficient to employ not less than 110 field personnel in the soil conservation districts under this title.

(2) THE APPROPRIATION FOR THE 24 SOIL CONSERVATION DISTRICTS SHALL BE AS FOLLOWS:

(I) IN FISCAL YEAR 2008, \$9,200,000;

(II) IN FISCAL YEAR 2009, \$9,500,000;

(III) IN FISCAL YEAR 2010, \$9,500,000; AND

(IV) IN FISCAL YEAR 2011 AND EACH FISCAL YEAR THEREAFTER, \$10,000,000.”.

AMENDMENT NO. 6

On page 8, in lines 12 and 14, in each instance, strike “AGRICULTURAL” and substitute “AGRICULTURE AND NATURAL RESOURCES”; in line 18, after “SEMESTER” insert “, WHERE APPROPRIATE,”; strike beginning with “HANDS-ON” in line 18 down through “STATE;” in line 19 and substitute “WORK EXPERIENCE RELEVANT TO THEIR MAJOR, INCLUDING ON-FARM EXPERIENCE FOR STUDENTS INTERESTED IN CAREERS RELATED TO PRODUCTION OF AGRICULTURE; AND”; strike beginning with “PROVIDE” in line 20 down through “(3)” in line 21; in line 21, after “AGRICULTURE” insert “AND NATURAL RESOURCES”; strike beginning with “THE” in line 22 down through “(D)” in line 23; in line 25, strike “CONSULT WITH” and substitute “INFORM”; in line 26, after “AGRICULTURE” insert “ON THE UNIVERSITY’S PLAN”; and after line 26, insert:

“(D) THE MARYLAND AGRICULTURAL COMMISSION SHALL WORK THROUGH ITS MEMBERS REPRESENTING SPECIFIC SECTORS OF AGRICULTURE AND NATURAL RESOURCES TO PROMOTE, AND WHERE POSSIBLE, TO ESTABLISH INTERNSHIPS WITH FARMS AND BUSINESSES IN THEIR RESPECTIVE SECTORS.”.

AMENDMENT NO. 7

On page 8, before line 27, insert:

(Over)

“Article - Environment

9-1605.2.

(h) (1) With regard to the funds collected under subsection (b)(1)(i), from users of an onsite sewage disposal system or holding tank that receive a water bill, (ii), and (iii) of this section, beginning in fiscal year 2006, the Comptroller shall:

(i) Establish a separate account within the Bay Restoration Fund; and

(ii) Disburse the funds as provided under paragraph (2) of this subsection.

(2) The Comptroller shall:

(i) Deposit [60%] 40% of the funds in the separate account to be used for:

1. With priority given to failing systems and holding tanks located in the Chesapeake and Atlantic Coastal Bays Critical Area, grants or loans for up to 100% of:

A. The costs attributable to upgrading an onsite sewage disposal system to the best available technology for the removal of nitrogen; or

B. The cost difference between a conventional onsite sewage disposal system and a system that utilizes the best available technology for the removal of nitrogen; and

2. The reasonable costs of the Department, not to exceed 8% of the funds deposited into the separate account, to:

A. Implement an education, outreach, and upgrade program to advise owners of onsite sewage disposal systems and holding tanks on the proper maintenance of the systems and tanks and the availability of grants and loans under item 1 of this subparagraph;

B. Review and approve the design and construction of onsite sewage disposal system or holding tank upgrades;

C. Issue grants or loans as provided under subsubparagraph 1 of this subparagraph; and

D. Provide technical support for owners of upgraded onsite sewage disposal systems or holding tanks to operate and maintain the upgraded systems; and

(ii) Transfer [40%] 60% of the funds to the Maryland Agriculture Water Quality Cost Share Program in the Department of Agriculture in order to fund cover crop activities.

(3) The Comptroller, in consultation with the Administration, may establish any other accounts and subaccounts within the Bay Restoration Fund as necessary to:

(i) Effectuate the purposes of this subtitle;

(ii) Comply with the provisions of any bond resolution;

(iii) Meet the requirements of any federal or State law or of any grant or award to the Bay Restoration Fund; and

(iv) Meet any rules or program directives established by the Secretary or the Board.”.

AMENDMENT NO. 8

On pages 8 and 9, strike in their entirety the lines beginning with line 29 on page 8 through line 7 on page 9, inclusive, and substitute:

“(a) There is within the Department a program for certification of effective county agricultural land preservation programs.

(b) A county may apply to the Department and the Maryland Agricultural Land Preservation Foundation for certification under this section only if the County Agricultural Preservation Advisory Board and the governing body of the county both:

(Over)

(1) approve the program established at the county level as being an effective approach to agricultural land preservation; and

(2) approve the county's application for certification.

(c) (1) A county may apply for certification under this section if the county has established programs to encourage participation of farmers in agricultural land preservation efforts at the county level, including purchase of development rights or financial enhancements related to purchase of development rights, outside of the State Agricultural Land Preservation Foundation.

(2) County programs shall include:

(I) any program that the Department and the Foundation:

[(i)] 1. determine is necessary for an effective county agricultural land preservation program; and

[(ii)] 2. require by regulation; AND

(II) BEGINNING IN FISCAL YEAR 2009, A PRIORITY PRESERVATION AREA ELEMENT ESTABLISHED IN ACCORDANCE WITH § 2-518 OF THE AGRICULTURE ARTICLE.

(d) (1) To apply for certification under this section, a county shall file with the Maryland Agricultural Land Preservation Foundation and the Department an application in the form that the Department and the Foundation jointly require by regulation.

(2) Within [45] 60 days after notification of an application for certification:

(i) the Foundation shall advise the Department as to whether it approves the application; and

(ii) the Department shall notify the county as to whether the county's application for certification has been approved.

(e) The Department and the Foundation may not certify a county under this section unless the Department and the Foundation determine that:

(1) the proposed county program for the purchase of development rights or financial enhancements related to the purchase of development rights is likely to be successful; [and]

(2) [either:

(i) local expenditures prior to July 1, 1990, for the purchase of development rights or financial enhancements related to the purchase of development rights have equaled or exceeded the additional funds that will be available to the county as a result of certification; or

(ii) the county has committed to spend additional local funds for the purchase of development rights or enhancements related to the purchase of development rights in an amount equal to or exceeding the amount of the additional funds that will be available as a result of certification; AND

(3) BEGINNING IN FISCAL YEAR 2009:

(I) THE COUNTY'S PRIORITY PRESERVATION AREA HAS BEEN ESTABLISHED IN ACCORDANCE WITH § 2-518 OF THE AGRICULTURE ARTICLE; AND

(II) THE COUNTY'S PRIORITY PRESERVATION AREA ELEMENT IN THE COMPREHENSIVE PLAN MEETS THE REQUIREMENTS SET FORTH IN SUBSECTION (F) OF THIS SECTION.”.

On page 9, in line 8, strike “(D)” and substitute “(F)”.

On page 10, in lines 8 and 11, strike “(E)” and “(D)”, respectively, and substitute “(G)” and “(F)”, respectively; and strike in their entirety lines 14 through 29, inclusive, and substitute:

(Over)

~~“(f) (H)~~ (1) A county that has been certified under this section as having established an effective county agricultural land preservation program is eligible for:

(I) the additional funds available to certified counties under § 2-508.1 of the Agriculture Article and § 13-306 of the Tax - Property Article; AND

(II) AS OF JULY 1, 2008, FUNDS PROVIDED FOR THE MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION OVER AND ABOVE THE FUNDING THE FOUNDATION RECEIVES IN ACCORDANCE WITH § 2-508.1 OF THE AGRICULTURE ARTICLE AND §§ 13-209 AND 13-306 OF THE TAX - PROPERTY ARTICLE.

(2) A county that has been certified under this section may use the additional funds available as a result of certification:

(I) for the purposes stated under § 2-508.1 of the Agriculture Article and § 13-306 of the Tax - Property Article;

(II) TO PURCHASE EASEMENTS IN ITS PRIORITY PRESERVATION AREA;

(III) FOR A CRITICAL FARMS PROGRAM APPROVED BY THE FOUNDATION;

(IV) FOR AN INSTALLMENT PURCHASE AGREEMENT PROGRAM APPROVED BY THE FOUNDATION; OR

(V) FOR THE NEXT GENERATION FARMLAND ACQUISITION PROGRAM APPROVED BY THE FOUNDATION.

~~[(g) (I)~~ (1) A certification under this section is effective for [2] 3 years and the decision by the Department and the Foundation as to certification is final with no right to appeal.

(2) At the request of the county, the Department and the Foundation shall recertify under this section a county [that] AGRICULTURAL LAND PRESERVATION PROGRAM IF:

(I) THE COUNTY has maintained a successful program of purchase of development rights or financial enhancements related to purchase of development rights during the period of certification;

(II) CONDITIONS IN THE COUNTY PRIORITY PRESERVATION AREA REMAIN IN ACCORDANCE WITH THE REQUIREMENTS OF § 2-518 OF THE AGRICULTURE ARTICLE;

(III) THE COUNTY PROVIDES AN UPDATE ON THE METHOD, EVALUATION, SHORTCOMINGS, AND FUTURE ACTIONS THAT THE COUNTY IS USING OR WILL USE TO ACHIEVE PRESERVATION GOALS, AS REQUIRED UNDER SUBSECTION (F)(6) THROUGH (8) OF THIS SECTION; AND

(IV) THE UPDATE DEMONSTRATES SIGNIFICANT PROGRESS TOWARD ACHIEVEMENT OF PRESERVATION GOALS IN THE PRIORITY PRESERVATION AREA.

[(h)] (J) The Department and the Foundation shall jointly adopt regulations for administration of the certification program.

[(i)] (K) [The] IN ACCORDANCE WITH THE REQUIREMENTS OF § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE Department and the Foundation shall report on the certification program on or before January 15 of each year to:

(1) the Governor[,];

(2) THE SECRETARY OF AGRICULTURE AND THE SECRETARY OF PLANNING;

(3) the [budget committees] SENATE BUDGET AND TAXATION COMMITTEE AND THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE; and

(Over)

(4) the House APPROPRIATIONS COMMITTEE, THE HOUSE ENVIRONMENTAL MATTERS COMMITTEE, AND THE HOUSE COMMITTEE ON WAYS AND MEANS [Committees on Ways and Means and Environmental Matters of the General Assembly, and the Department of Legislative Services].”.

AMENDMENT NO. 9

On page 11, strike beginning with “in” in line 31 down through “\$5,000,000” in line 33.

On page 12, strike in their entirety lines 1 through 5, inclusive, and substitute:

“SECTION 8. AND BE IT FURTHER ENACTED, That, to the extent that funds are available, it is the intent of the General Assembly that the Governor provide at least \$150,000 annually in general funds for the Maryland Agricultural Education and Rural Development Assistance Fund. Any funds that may be provided to the Maryland Agricultural Education and Rural Development Assistance Fund from the Rural Maryland Prosperity Investment Fund may count toward satisfying the intent of this section.”;

strike in their entirety lines 11 through 18, inclusive; in line 19, strike “11.” and substitute “10.”; and in line 27, strike “12.” and substitute “11.”.

AMENDMENT NO. 10

On page 13, in line 2, strike “and”; after line 2, insert:

“(5) one member of the University of Maryland College of Agriculture and Natural Resources, appointed by the President of the University of Maryland, College Park; and”;

in line 3, strike “(5)” and substitute “(6)”; in the same line, strike “seven” and substitute “ten”; in the same line, strike “Governor” and substitute “Secretary of Agriculture”; in line 10, strike “and”; in line 12, strike the period and substitute a semicolon; after line 12, insert:

“(viii) two representatives of the environmental community; and

(ix) one specialist in Maryland tax law.”;

in line 17, after “(e)” insert “(1)”; in lines 18 and 19, strike “(1)” and “(2)”, respectively, and substitute “(i)” and “(ii)”, respectively; after line 20, insert:

“(2) If the Secretary of Agriculture appoints a regulated lobbyist to serve as a member of the Task Force, the lobbyist:

(i) is not subject to § 15-504(d) of the State Government Article with respect to that service; and

(ii) is not subject to § 15-703(f)(3) of the State Government Article as a result of that service.”;

in line 24, strike beginning with “study” through “farming” and substitute “review and evaluate the overall State tax structure as it impacts agriculture and the feasibility of modifications or alternatives to the current structure that would enhance the profitability of farming, including recommendations regarding:

(i) a reduction or elimination of the State inheritance and estate taxes for agricultural property and enterprises;

(ii) a reduction or elimination of the capital gains tax on the sale of development rights related to agricultural property;

(iii) an increase in the amount of the employer tax exemption applied to agricultural enterprises;

(iv) a reduction or elimination of the amusement tax for agro-tourism enterprises;

(v) the creation of tax credits or exemptions applicable to the production of ethanol, biodiesel, or other bio-energy alternatives;

(vi) the various methods used by local governments to assess the value of real property used for agriculture;

(vii) the existing tax incentives related to land conservation and preservation programs in the State, including the tax credit for preservation easements under § 10-723 of the Tax - General Article; and

(viii) any other option considered appropriate by the Task Force”;

in line 25, strike “new or additional tax incentives” and substitute “modifications to the current State tax structure”; in line 27, after “State” insert “, including tax incentives for the utilization of best management practices associated with the improvement of water quality”; in line 28, after “its” insert “preliminary”; and in line 29, after “recommendations” insert “and, on or before October 1, 2007, the Task Force shall report its final findings and recommendations. The Task Force shall report both its preliminary and final findings and recommendations”.

On page 14, in line 1, strike “13.” and substitute “12.”; and in the same line, after “That” insert “on or before December 31, 2006, the Department of Planning and the Maryland Agricultural Land Preservation Foundation shall jointly adopt regulations for the administration of the certification of county priority preservation areas under § 5-408 of the State Finance and Procurement Article.”

SECTION 13. AND BE IT FURTHER ENACTED, That”.