

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE
Revised

House Bill 699

(Delegate Stull, *et al.*)

Environmental Matters

Education, Health, and Environmental Affairs

Agriculture - Preservation of Historic Structures

This bill creates a new Barn Preservation Fund to provide grants to preserve historic barns and agricultural structures.

The bill takes effect July 1, 2006.

Fiscal Summary

State Effect: General fund expenditures could increase by up to \$300,000 in FY 2007 and subsequent years to capitalize the new Barn Preservation Fund (corresponding increase in special fund revenues and expenditures).

(in dollars)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
SF Revenue	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
GF Expenditure	300,000	300,000	300,000	300,000	300,000
SF Expenditure	300,000	300,000	300,000	300,000	300,000
Net Effect	(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: If money is allocated to the Barn Preservation Fund, local communities could receive grants to preserve historic agricultural buildings.

Small Business Effect: Potential meaningful to the extent any farm owners receive grants under the bill.

Analysis

Bill Summary: The bill establishes a new, 10-member Maryland Advisory Committee on Historic Agricultural Structure Preservation composed of five ex-officio State officials and five Governor-appointed members representing environmental groups, farm organizations, and active farmers. The committee members will not receive compensation for their service, but they are entitled to reimbursement for their expenses.

The committee will make recommendations to the Board of Public Works for the disbursement of grants from the Barn Preservation Fund to preserve historic barns and agricultural structures. The fund will be in the Maryland Department of Planning (MDP), but it is not a continuing or nonlapsing fund and may not invest and reinvest its funds in the same manner as other State funds. It will consist of money appropriated to it in the State budget and any other contributions provided to the fund. Any unencumbered monies remaining in the fund at the end of each fiscal year will revert to the State general fund. Grants awarded by the fund are to be recorded in county land records.

The bill specifies the types of structures eligible for grants from the fund, and requires repayment of a grant if the recipient dismantles, removes, or substantially alters a structure within 10 years of receiving a grant for its preservation. It also requires the committee to submit annual reports to the Governor and the General Assembly regarding the fund's status and activities.

Current Law: There is no existing State fund dedicated to preserving only agricultural buildings. The Maryland Historical Trust administers a Historic Preservation Grant Fund to make grants that restore and preserve historic structures throughout the State.

Background: In fiscal 2005, the Historic Preservation Grant Fund awarded approximately \$1.1 million in grants to preserve historic structures.

State Effect: MDP estimates that the Barn Preservation Fund would require approximately \$300,000 each year to begin to address the demand for barn preservation grants. As the bill does not specify a revenue source for the new fund, it is assumed that the general fund would provide the necessary monies. Special fund revenues and expenditures would increase correspondingly. It is assumed that all monies in the fund would be awarded each year rather than revert to the general fund.

MDP indicates that it would need a new Grade 16 position to administer the Barn Preservation Fund and coordinate the activities of the advisory committee. However, the agency's personnel records indicate that the Office of Preservation Services currently has

a Grade 16 position that has been vacant since April 2004. That position can be filled to perform any such duties.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Planning, Board of Public Works, Maryland Department of Agriculture, Department of Legislative Services

Fiscal Note History: First Reader - February 27, 2006
mll/ljm Revised - House Third Reader - March 31, 2006
Revised – Enrolled Bill - April 25, 2006

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