

# HOUSE BILL 1041

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7lr1076

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By: **Delegate Rudolph**

Introduced and read first time: February 9, 2007

Assigned to: Environmental Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 2007

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Agricultural Land Preservation Fund – Foundation Grants to**  
3 **Counties**

4 FOR the purpose of authorizing the Maryland Agricultural Land Preservation  
5 Foundation to make grants for certain purposes to counties from the Maryland  
6 Agricultural Land Preservation Fund under certain circumstances; altering the  
7 purposes for which grants provided by the Foundation to the Maryland  
8 Agricultural and Resource-Based Industry Development Corporation may be  
9 used; prohibiting the counties from using the grants except under certain  
10 circumstances prohibiting certain grants provided by the Foundation from being  
11 used for certain purposes; prohibiting money in the Fund from the sale of  
12 tax-exempt general obligation bonds from being used for certain purposes; and  
13 generally relating to the Maryland Agricultural Land Preservation Foundation.

14 BY repealing and reenacting, with amendments,  
15 Article – Agriculture  
16 Section 2–505(c) and (f)  
17 Annotated Code of Maryland  
18 (1999 Replacement Volume and 2006 Supplement)

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

**Article – Agriculture**

2–505.

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

(i) For costs associated with the staffing and administration of the Maryland Agricultural Land Preservation Foundation;

(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

(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.~~

~~(3) (i) THE MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION MAY PROVIDE GRANTS TO COUNTIES TO FACILITATE THE PURCHASE OF EASEMENTS, SUBJECT TO CONDITIONS JOINTLY AGREED ON BY THE FOUNDATION AND THE COUNTY.~~

~~(ii) A COUNTY MAY ONLY USE THESE GRANTS FOR EXPENSES RELATED TO THE PURCHASE OF AGRICULTURAL LAND PRESERVATION EASEMENTS THAT:~~

1 ~~1. MEET THE REQUIREMENTS OF THIS SUBTITLE; OR~~

2 ~~2. USE A COUNTY INSTALLMENT PURCHASE~~  
3 ~~AGREEMENT PROGRAM APPROVED BY THE FOUNDATION UNDER § 2-510.1 OF~~  
4 ~~THIS SUBTITLE.~~

5 (2) THE MARYLAND AGRICULTURAL LAND PRESERVATION  
6 FOUNDATION MAY PROVIDE GRANTS TO THE MARYLAND AGRICULTURAL AND  
7 RESOURCE-BASED INDUSTRY DEVELOPMENT CORPORATION, SUBJECT TO  
8 CONDITIONS JOINTLY AGREED UPON BY THE FOUNDATION AND THE  
9 CORPORATION, TO FACILITATE:

10 (I) AN INSTALLMENT PURCHASE AGREEMENT PROGRAM;  
11 OR

12 (II) THE FUNDING OF THE NEXT GENERATION FARMLAND  
13 ACQUISITION PROGRAM.

14 (3) THE MARYLAND AGRICULTURAL LAND PRESERVATION  
15 FOUNDATION MAY PROVIDE GRANTS TO COUNTIES TO FACILITATE:

16 (I) THE CRITICAL FARMS PROGRAM, AS PROVIDED IN §  
17 2-517 OF THIS SUBTITLE, SUBJECT TO CONDITIONS JOINTLY AGREED UPON BY  
18 THE FOUNDATION AND THE COUNTY;

19 (II) THE PURCHASE OF EASEMENTS UNDER A COUNTY  
20 INSTALLMENT PURCHASE AGREEMENT PROGRAM APPROVED BY THE  
21 FOUNDATION, AS PROVIDED IN § 2-510.1 OF THIS SUBTITLE; AND

22 (III) THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON  
23 BONDS ISSUED BY A COUNTY FOR THE SOLE PURPOSE OF PURCHASING  
24 AGRICULTURAL LAND PRESERVATION EASEMENTS THAT MEET THE  
25 REQUIREMENTS OF THIS SUBTITLE, SUBJECT TO CONDITIONS JOINTLY AGREED  
26 UPON BY THE FOUNDATION AND THE COUNTY.

27 (4) GRANTS PROVIDED BY THE MARYLAND AGRICULTURAL LAND  
28 PRESERVATION FOUNDATION MAY NOT BE:

1                    (I) USED TO FUND COUNTY LAND PRESERVATION  
2 PROGRAMS; OR

3                    (II) PLEDGED TO SECURE COUNTY-ISSUED BONDS.

4            (f) Money in the Fund from the sale of tax-exempt general obligation bonds  
5 may not be used:

6                    (1) [to] TO purchase easements under:

7                    [(1)] (I) An installment purchase agreement, as provided in §  
8 2-510(k)(3) of this subtitle; [or]

9                    [(2)] (II) A schedule of installments financed with certificates of  
10 deposit, as provided in § 2-510(k)(2) of this subtitle; OR

11                    (III) THE CRITICAL FARMS PROGRAM, AS PROVIDED IN §  
12 2-517 OF THIS SUBTITLE; OR

13                    (2) FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON  
14 BONDS ISSUED BY A COUNTY IN ACCORDANCE WITH § 2-505(C) OF THIS  
15 SECTION.

16            SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 October 1, 2007.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.