

## CHAPTER 448

(House Bill 1041)

AN ACT concerning

### **Maryland Agricultural Land Preservation Fund – Foundation Grants to Counties**

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

BY repealing and reenacting, with amendments,

Article – Agriculture

Section 2–505(c) and (f)

Annotated Code of Maryland

(1999 Replacement Volume and 2006 Supplement)

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. MEET THE REQUIREMENTS OF THIS SUBTITLE; OR~~

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

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

(I) AN INSTALLMENT PURCHASE AGREEMENT PROGRAM;  
OR

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

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

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

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

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

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

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

(II) PLEDGED TO SECURE COUNTY-ISSUED BONDS.

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

(1) [to] TO purchase easements under:

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

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

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

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

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

**Approved by the Governor, May 8, 2007.**