

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 511

(Senator Dyson)

Judicial Proceedings

Environmental Matters

Real Property - Sale of Property Encumbered by a Conservation Easement

This bill specifies that a purchaser has a right to rescind a contract for the sale of property encumbered by a “conservation easement” if: (1) the seller fails to give, on or before entering into the contract of sale, or within 20 days afterward, a copy of all conservation easements encumbering the property; and (2) the contract of sale fails to contain a statement with specified information about the conservation easement and the purchaser’s rights and responsibilities. Within 30 calendar days after the property is sold, the purchaser must give notice of the sale, including specified information, to the owner of the conservation easement. In satisfying these requirements, the seller and purchaser are entitled to rely on the conservation easement recorded in the land records. The bill’s requirements do not apply to a property sale in an action to foreclose a mortgage or deed of trust.

Fiscal Summary

State Effect: The bill would not materially affect governmental finances or operations.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Generally, conservation easements place restrictions on the servient estate (the land subject to the easement) that prohibit the landowner from doing specified things with the land (*e.g.*, construction of buildings, cutting down trees, etc.).

Conservation easements are entitled to be recorded in the land records. In order to bind a subsequent purchaser, the easement must be recorded.

Additional Information

Prior Introductions: None.

Cross File: HB 465 (Delegate James) – Environmental Matters.

Information Source(s): Maryland Department of Agriculture, State Department of Assessments and Taxation, Department of Business and Economic Development, Maryland Department of the Environment, Department of Natural Resources, Department of Legislative Services

Fiscal Note History: First Reader - February 27, 2007
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