

HOUSE BILL 890

M1, M4

11r2693

By: **Delegates Kach, Lafferty, and Olszewski**

Introduced and read first time: February 11, 2011

Assigned to: Environmental Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 21, 2011

CHAPTER _____

1 AN ACT concerning

2 **Land Preservation – Land Draining to a Reservoir**

3 FOR the purpose of requiring ~~the Maryland Agricultural Land Preservation~~
4 ~~Foundation to prioritize certain grants relating to the preservation of land that~~
5 ~~drains into a reservoir in the State~~ a local governing body to consider whether
6 certain land drains into a reservoir in the State in prioritizing certain
7 applications to sell certain easements under the Maryland Agricultural Land
8 Preservation Program; adding to the list of land conservation priorities that the
9 Secretary of Natural Resources is required to consider in allocating the State's
10 share of funds under Program Open Space; and generally relating to the
11 priorities for land preservation and conservation under the Maryland
12 Agricultural Land Preservation Program and Program Open Space.

13 ~~BY repealing and reenacting, without amendments,~~
14 ~~Article – Agriculture~~
15 ~~Section 2–505(a)~~
16 ~~Annotated Code of Maryland~~
17 ~~(2007 Replacement Volume and 2010 Supplement)~~

18 BY repealing and reenacting, with amendments,
19 Article – Agriculture
20 Section ~~2–505(e)~~ 2–508
21 Annotated Code of Maryland
22 (2007 Replacement Volume and 2010 Supplement)

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.



1 BY repealing and reenacting, without amendments,
 2 Article – Natural Resources
 3 Section 5–903(a)
 4 Annotated Code of Maryland
 5 (2005 Replacement Volume and 2010 Supplement)

6 BY repealing and reenacting, with amendments,
 7 Article – Natural Resources
 8 Section 5–903(h)
 9 Annotated Code of Maryland
 10 (2005 Replacement Volume and 2010 Supplement)

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

13 **Article – Agriculture**

14 ~~2–505.~~

15 ~~(a) The Maryland Agricultural Land Preservation Fund is created and~~
 16 ~~continued for the purposes specified in this subtitle.~~

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

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

21 ~~(ii) For reasonable expenses incurred by the members of the~~
 22 ~~board of trustees of the Maryland Agricultural Land Preservation Foundation in the~~
 23 ~~performance of official duties; and~~

24 ~~(iii) For consideration in the purchase of agricultural land~~
 25 ~~preservation easements beginning with fiscal year 1979 and each fiscal year~~
 26 ~~thereafter.~~

27 ~~(2) The Maryland Agricultural Land Preservation Foundation may~~
 28 ~~provide grants to the Maryland Agricultural and Resource Based Industry~~
 29 ~~Development Corporation, subject to conditions jointly agreed upon by the Foundation~~
 30 ~~and the Corporation, to facilitate:~~

31 ~~(i) An installment purchase agreement program; or~~

32 ~~(ii) The funding of the Next Generation Farmland Acquisition~~
 33 ~~Program.~~

1 ~~(3) The Maryland Agricultural Land Preservation Foundation may~~
2 ~~provide grants to counties to facilitate:~~

3 ~~(i) The Critical Farms Program, as provided in § 2-517 of this~~
4 ~~subtitle, subject to conditions jointly agreed upon by the Foundation and the county;~~

5 ~~(ii) The purchase of easements under a county installment~~
6 ~~purchase agreement program approved by the Foundation, as provided in § 2-510.1 of~~
7 ~~this subtitle; and~~

8 ~~(iii) The payment of the principal of and interest on bonds issued~~
9 ~~by a county for the sole purpose of purchasing agricultural land preservation~~
10 ~~easements that meet the requirements of this subtitle, subject to conditions jointly~~
11 ~~agreed upon by the Foundation and the county.~~

12 ~~(4) Grants provided by the Maryland Agricultural Land Preservation~~
13 ~~Foundation may not be:~~

14 ~~(i) Used to fund county land preservation programs; or~~

15 ~~(ii) Pledged to secure county issued bonds.~~

16 ~~(5) THE MARYLAND AGRICULTURAL LAND PRESERVATION~~
17 ~~FOUNDATION SHALL PRIORITIZE GRANTS UNDER THIS SUBSECTION THAT~~
18 ~~PRESERVE LAND THAT DRAINS INTO A RESERVOIR IN THE STATE.~~

19 2-508.

20 (a) (1) For purposes of this subtitle the following words have the
21 meanings indicated.

22 (2) “Total amount to be allotted” means the amount, as certified by the
23 Comptroller, which remains in the Maryland Agricultural Land Preservation Fund at
24 the beginning of the fiscal year after payment of all expenses of the Foundation and
25 the board of trustees during the previous fiscal year as specified in § 2-505(c)(1) and
26 (2) of this subtitle, and after subtraction of funds committed for payment as
27 consideration for easements purchased during previous fiscal years, and after
28 subtraction of any money remaining in the Fund as a result of a transfer of local
29 Program Open Space funds made pursuant to § 5-903 of the Natural Resources
30 Article.

31 (3) “General purchases of easements” means purchases of agricultural
32 land preservation easements under this subtitle in which the governing body of the
33 county in which the land is located is not required to make a contribution to the
34 Maryland Agricultural Land Preservation Fund.

1 (4) “Matching purchases of easements” means purchases of
2 agricultural land preservation easements under this subtitle in which the governing
3 body of the county in which the land is located is required to make a contribution to
4 the Maryland Agricultural Land Preservation Fund of an amount equal to at least 40
5 percent of the value of the easement for each such purchase.

6 (5) “Allotted purchases” means general or matching purchases made
7 pursuant to offers to buy tendered by the Foundation on or before January 31 of any
8 fiscal year.

9 (6) “County” means any county containing productive agricultural
10 land which is being actively farmed and which meets the criteria for land for which
11 easements may be purchased.

12 (7) “Eligible county” means a county as defined in paragraph (6) of
13 this subsection which has secured approval from the Foundation for a local
14 agricultural land preservation program.

15 (b) Beginning with fiscal year 1979, and in each fiscal year thereafter, the
16 Foundation shall determine the maximum amount which may be expended for allotted
17 purchases of easements on land located within each county. The maximum amount
18 which may be expended for allotted purchases of easements in any county in any fiscal
19 year shall be:

20 (1) An amount, to be used for general allotted purchases, equal to one
21 twenty-third of one half of the total amount to be allotted; and

22 (2) An amount, to be used for matching allotted purchases, which shall
23 be computed for each eligible county by dividing one half of the total amount to be
24 allotted equally among those counties having an approved program. The maximum
25 amount available from the Foundation for the Foundation’s share in matching allotted
26 purchases may not exceed \$2,000,000 in any county in any fiscal year.

27 (c) If the Foundation receives acceptances of offers to buy in insufficient
28 numbers to expend the total amount to be allotted for allotted purchases, the
29 Foundation, to the extent feasible, shall tender additional offers to buy in sufficient
30 numbers to expend the total amount to be allotted. Any such additional offers to buy
31 shall be tendered:

32 (1) To landowners who have applied to sell easements on land which
33 was otherwise acceptable, but who had not received an offer to buy solely because of
34 limitations on the amount of money to be spent for allotted purchases;

35 (2) To applicants on a statewide basis as provided by the priority
36 ranking system established under § 2-510(e) of this subtitle; and

1 each fiscal year may be transferred by an appropriation in the State budget to the
2 Rural Legacy Program under Subtitle 9A of this title.

3 2. In each fiscal year, up to \$2 million of the funds
4 transferred under this subparagraph to the Rural Legacy Program may be used to
5 purchase zero coupon bonds for easements.

6 3. Sums allocated to the Rural Legacy Program may not
7 revert to the General Fund of the State.

8 (iv) The Department may acquire real property under
9 subparagraph (i)1A of this paragraph based on an offer by the State that is less than
10 the lowest approved appraisal for the property.

11 (v) For each of fiscal years 2010 and 2011, \$1,217,000 of the
12 State's share of funds available under subparagraph (i)1A of this paragraph may be
13 appropriated in the budgets of the Department, the Department of General Services,
14 and the Department of Planning for expenses necessary to administer this Program.

15 (h) In allocating the State's share of funds under this section, the Secretary
16 shall consider the following land conservation priorities, notwithstanding other
17 priorities specified in this title:

18 (1) Conserving working landscapes, as defined in § 5-101 of this title;
19 [and]

20 (2) Protecting and restoring forests from threats, including
21 catastrophic wildfires, hurricanes, windstorms, snow or ice storms, flooding, drought,
22 invasive species, insect or disease outbreak, and development; **AND**

23 **(3) CONSERVING LAND THAT DRAINS INTO A RESERVOIR IN THE**
24 **STATE.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2011.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.