

# HOUSE BILL 620

M4, Q6

(8lr1833)

## ENROLLED BILL

— *Environment and Transportation/Education, Health, and Environmental Affairs* —

Introduced by **Delegates Luedtke, Anderton, Dumais, Fraser-Hidalgo, Jackson, Jameson, Kaiser, Krebs, Mautz, A. Miller, Patterson, Queen, Rose, Sample-Hughes, and Shoemaker**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

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

1 AN ACT concerning

2 **County Agricultural Land Preservation Programs – Recertification and**  
3 **Remittance of Unexpended Funds – Extensions**

4 FOR the purpose of extending for a certain number of years the certification period for  
5 certain county agricultural land preservation programs that the Department of  
6 Planning and the Maryland Agricultural Land Preservation Foundation determine  
7 are consistently effective in the achievement of certain goals; ~~providing that~~  
8 requiring the Department and the Foundation shall to review a county program  
9 recertification under certain circumstances; ~~providing that~~ authorizing the  
10 Department and the Foundation shall to revoke a county program recertification  
11 under certain circumstances; extending for a certain number of years the length of  
12 time a county may retain certain revenue from the agricultural land transfer tax for  
13 use in certain agricultural land preservation programs; and generally relating to

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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.

*Italics indicate opposite chamber/conference committee amendments.*



1 county agricultural land preservation programs.

2 BY repealing and reenacting, without amendments,  
3 Article – State Finance and Procurement  
4 Section 5–408(a)  
5 Annotated Code of Maryland  
6 (2015 Replacement Volume and 2017 Supplement)

7 BY repealing and reenacting, with amendments,  
8 Article – State Finance and Procurement  
9 Section 5–408(i)  
10 Annotated Code of Maryland  
11 (2015 Replacement Volume and 2017 Supplement)

12 BY repealing and reenacting, without amendments,  
13 Article – Tax – Property  
14 Section 13–306(b)  
15 Annotated Code of Maryland  
16 (2012 Replacement Volume and 2017 Supplement)

17 BY repealing and reenacting, with amendments,  
18 Article – Tax – Property  
19 Section 13–306(c) and (d)  
20 Annotated Code of Maryland  
21 (2012 Replacement Volume and 2017 Supplement)

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

24 **Article – State Finance and Procurement**

25 5–408.

26 (a) There is within the Department a program for certification of effective county  
27 agricultural land preservation programs.

28 (i) (1) **[A] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS**  
29 **SUBSECTION, A certification OR RECERTIFICATION** under this section is effective for 3  
30 years and the decision by the Department and the Foundation as to certification **OR**  
31 **RECERTIFICATION** is final with no right to appeal.

32 (2) At the request of the county, the Department and the Foundation shall  
33 recertify under this section a county agricultural land preservation program if:

34 (i) the county has maintained a successful program of purchase of  
35 development rights or financial enhancements related to purchase of development rights

1 during the period of certification;

2 (ii) conditions in the county priority preservation area remain in  
3 accordance with the requirements of § 2-518 of the Agriculture Article;

4 (iii) the county provides an update on the method, evaluation,  
5 shortcomings, and future actions that the county is using or will use to achieve preservation  
6 goals, as required under subsection (f)(6) through (8) of this section; and

7 (iv) the update demonstrates significant progress toward  
8 achievement of preservation goals in the priority preservation area.

9 (3) (I) IF THE DEPARTMENT AND THE FOUNDATION DETERMINE  
10 THAT A PROGRAM IS CONSISTENTLY EFFECTIVE IN THE ACHIEVEMENT OF  
11 PRESERVATION GOALS, A PROGRAM RECERTIFICATION UNDER THIS SECTION IS  
12 EFFECTIVE FOR 5 YEARS.

13 (II) THE DEPARTMENT AND THE FOUNDATION SHALL REVIEW A  
14 COUNTY PROGRAM RECERTIFICATION UNDER THIS SECTION PARAGRAPH WHEN A  
15 COUNTY:

16 1. REVISES THE BOUNDARY OF A PRIORITY  
17 PRESERVATION AREA;

18 2. SUBTRACTS LAND FROM A PRIORITY PRESERVATION  
19 AREA; OR

20 3. ADOPTS A COMPREHENSIVE REZONING ~~OR OTHER~~  
21 POLICY THAT INCREASES THE ALLOWABLE NONAGRICULTURAL LAND USES,  
22 DENSITY, OR INTENSITY OF DEVELOPMENT WITHIN A PRIORITY PRESERVATION  
23 AREA.

24 (III) THE DEPARTMENT AND THE FOUNDATION ~~SHALL~~ MAY  
25 REVOKE A COUNTY PROGRAM RECERTIFICATION UNDER THIS PARAGRAPH ON A  
26 FINDING THAT A COUNTY ACTION UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH  
27 IS INCONSISTENT WITH THE REQUIREMENTS OF § 2-518 OF THE AGRICULTURE  
28 ARTICLE.

29 Article – Tax – Property

30 13-306.

31 (b) If a county is certified by the Department of Planning and the Maryland  
32 Agricultural Land Preservation Foundation under § 5-408 of the State Finance and  
33 Procurement Article as having established an effective county agricultural land

1 preservation program, the collector for the county shall remit to the Comptroller:

2 (1) the revenue from:

3 (i) the agricultural land transfer tax that is attributable to the  
4 taxation of instruments of writing that transfer title to parcels of land that are entirely  
5 woodland; and

6 (ii) the surcharge imposed under § 13–303(d) of this subtitle; and

7 (2) 25% of the balance of revenue from the agricultural land transfer tax  
8 that remains after the remittance under item (1) of this subsection.

9 (c) (1) In this subsection, “development rights” means the potential for  
10 improvement of a parcel of real property that is measured in dwelling units or units of  
11 commercial or industrial space and that exist because of the zoning classification of the  
12 parcel.

13 (2) Each county collector shall hold the remainder of the revenue in a  
14 special county account for **[3] 6** years to be used for an approved agricultural land  
15 preservation program that meets the requirements of this subsection, including use for  
16 bond annuity funds or matching funds.

17 (3) For purposes of this subsection, an approved agricultural land  
18 preservation program is a program to purchase development rights, guarantee loans that  
19 are collateralized by development rights or provide financial enhancements related to  
20 purchase of development rights, for agricultural land that, except as provided in paragraph  
21 (4) of this subsection, meets the minimum standards set by the Maryland Agricultural Land  
22 Preservation Foundation under § 2–509(d) of the Agriculture Article.

23 (4) In lieu of any acreage requirement set by the Foundation under §  
24 2–509(d) of the Agriculture Article, development rights purchased by or collateralizing  
25 loans guaranteed by a county or financial enhancements related to purchase of  
26 development rights under this subsection shall be for agricultural land of significant size  
27 to promote an agricultural operation.

28 (5) (i) Subject to the limitation under subparagraph (ii) of this  
29 paragraph, the funds described in paragraph (2) of this subsection may be used to pay  
30 administrative expenses.

31 (ii) The costs of the administrative expenses may not exceed 10% of  
32 the funds or \$30,000, whichever is the greater.

33 (6) This subsection does not prohibit any county from accepting funds from  
34 private sources and using those private funds to purchase development rights, guarantee  
35 loans that are collateralized by development rights, or provide financial enhancements  
36 related to purchase of development rights.

1 (d) If any revenue in the special county account has not been expended or  
2 committed on or before [3] 6 years from the date of deposit into the county account, the  
3 county collector shall remit that revenue to the Comptroller for deposit in the Maryland  
4 Agricultural Land Preservation Fund.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
6 1, 2018.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.