

# HOUSE BILL 620

M4, Q6

8lr1833

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

Introduced and read first time: January 29, 2018

Assigned to: Environment and Transportation

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Committee Report: Favorable

House action: Adopted

Read second time: February 27, 2018

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## 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; extending for a certain  
8 number of years the length of time a county may retain certain revenue from the  
9 agricultural land transfer tax for use in certain agricultural land preservation  
10 programs; and generally relating to county agricultural land preservation programs.

11 BY repealing and reenacting, without amendments,  
12 Article – State Finance and Procurement  
13 Section 5–408(a)  
14 Annotated Code of Maryland  
15 (2015 Replacement Volume and 2017 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – State Finance and Procurement  
18 Section 5–408(i)  
19 Annotated Code of Maryland  
20 (2015 Replacement Volume and 2017 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.



1 BY repealing and reenacting, without amendments,  
2 Article – Tax – Property  
3 Section 13–306(b)  
4 Annotated Code of Maryland  
5 (2012 Replacement Volume and 2017 Supplement)

6 BY repealing and reenacting, with amendments,  
7 Article – Tax – Property  
8 Section 13–306(c) and (d)  
9 Annotated Code of Maryland  
10 (2012 Replacement Volume and 2017 Supplement)

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

13 **Article – State Finance and Procurement**

14 5–408.

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

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

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

23 (i) the county has maintained a successful program of purchase of  
24 development rights or financial enhancements related to purchase of development rights  
25 during the period of certification;

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

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

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

33 **(3) IF THE DEPARTMENT AND THE FOUNDATION DETERMINE THAT A**  
34 **PROGRAM IS CONSISTENTLY EFFECTIVE IN THE ACHIEVEMENT OF PRESERVATION**

1 GOALS, A PROGRAM RECERTIFICATION UNDER THIS SECTION IS EFFECTIVE FOR 5  
2 YEARS.

3 Article – Tax – Property

4 13–306.

5 (b) If a county is certified by the Department of Planning and the Maryland  
6 Agricultural Land Preservation Foundation under § 5–408 of the State Finance and  
7 Procurement Article as having established an effective county agricultural land  
8 preservation program, the collector for the county shall remit to the Comptroller:

9 (1) the revenue from:

10 (i) the agricultural land transfer tax that is attributable to the  
11 taxation of instruments of writing that transfer title to parcels of land that are entirely  
12 woodland; and

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

14 (2) 25% of the balance of revenue from the agricultural land transfer tax  
15 that remains after the remittance under item (1) of this subsection.

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

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

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

30 (4) In lieu of any acreage requirement set by the Foundation under §  
31 2–509(d) of the Agriculture Article, development rights purchased by or collateralizing  
32 loans guaranteed by a county or financial enhancements related to purchase of  
33 development rights under this subsection shall be for agricultural land of significant size  
34 to promote an agricultural operation.

35 (5) (i) Subject to the limitation under subparagraph (ii) of this

1 paragraph, the funds described in paragraph (2) of this subsection may be used to pay  
2 administrative expenses.

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

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

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

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
14 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.