

Chapter 294

(House Bill 620)

AN ACT concerning

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

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

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

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

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

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

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

Article – State Finance and Procurement

5–408.

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

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

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

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

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

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

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

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

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

1. REVISES THE BOUNDARY OF A PRIORITY PRESERVATION AREA;

2. SUBTRACTS LAND FROM A PRIORITY PRESERVATION AREA; OR

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

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

Article – Tax – Property

13-306.

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

(1) the revenue from:

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

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

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

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

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

(3) For purposes of this subsection, an approved agricultural land preservation program is a program to purchase development rights, guarantee loans that are collateralized by development rights or provide financial enhancements related to purchase of development rights, for agricultural land that, except as provided in paragraph (4) of this subsection, meets the minimum standards set by the Maryland Agricultural Land

Preservation Foundation under § 2–509(d) of the Agriculture Article.

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

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

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

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

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

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

Approved by the Governor, April 24, 2018.