

Chapter 120

(Senate Bill 344)

AN ACT concerning

Agriculture – Cost-Sharing Program – State Cost-Sharing Funds

FOR the purpose of clarifying that State cost-sharing funds are available for projects that are being considered for State cost-sharing; increasing the percentage of eligible costs for which State cost-sharing funds may be made available for projects that prevent or control agriculturally related nonpoint source water pollution; clarifying that certain matching funds may or may not be required in order to receive State cost-sharing funds; providing for the termination of this Act; and generally relating to Maryland's cost-sharing program.

BY repealing and reenacting, without amendments,
 Article – Agriculture
 Section 8-701(a), (c), and (g)
 Annotated Code of Maryland
 (2016 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,
 Article – Agriculture
 Section 8-704(a)(1) and (2)
 Annotated Code of Maryland
 (2016 Replacement Volume and 2020 Supplement)

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

Article – Agriculture

8-701.

(a) In this subtitle the following words have the meanings indicated.

(c) “Eligible cost” means a capital expenditure for installing, purchasing, or constructing a best management practice. It does not include the cost of land or interests in land, or the costs of operating or maintaining best management practices.

(g) “Project” means a project to prevent or control agriculturally related nonpoint source water pollution by establishing best management practices on a farm.

8-704.

(a) [(1)] State [cost sharing in any] **COST-SHARING FUNDS FOR A project BEING CONSIDERED FOR STATE COST-SHARING** may be made available [for]:

(1) **FOR** up to [87.5%] **100%** of eligible costs, not to exceed a dollar amount of up to \$200,000 as determined by a regulation adopted jointly by the Secretary of Agriculture and the Secretary of the Environment[.]; **AND**

(2) [State cost-sharing funds may be made available for any project if] **IF**:

(i) The Department of Agriculture, the soil conservation district, and a person have executed an agreement which, among other things, obligates the person to:

1. Establish, construct, or install the best management practice or fixed natural filter practice in accordance with technical specifications;

2. Maintain the best management practice or fixed natural filter practice for its expected life span; and

3. Provide the required matching funds, **IF ANY**, for the project;

(ii) The Board of Public Works has given approval to the project when the proceeds of State bonds are to be used to finance the State share; and

(iii) The soil conservation district has certified to the Department that the project meets all applicable technical standards, and that all submitted invoices properly represent eligible costs.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2021. It shall remain effective for a period of 5 years and, at the end of June 30, 2026, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, April 13, 2021.