SENATE BILL 791

By: Senator Elfreth

Introduced and read first time: February 7, 2022
Assigned to: Budget and Taxation and Education, Health, and Environmental Affairs

A BILL ENTITLED

AN ACT concerning

Natural Resources – Land Conservation – Establishment of Goals and Programs
(Maryland the Beautiful Act)

FOR the purpose of establishing certain goals and programs related to land conservation;
establishing the Local Land Trust Revolving Loan Program to provide loans to
certain land trusts to purchase land for conservation purposes; establishing the Local
Land Trust Revolving Loan Fund as a special, nonlapsing fund; requiring interest
earnings of the Fund to be credited to the Fund; requiring the Governor, beginning
in a certain fiscal year, to include in the annual budget bill a certain appropriation
to the Mel Noland Woodland Incentives and Fellowship Fund; establishing the
Greenspace Equity Program to enhance the public health and livability of
underserved areas by implementing projects to preserve, create, and enhance
community greenspace; and generally relating to land conservation in the State.

BY adding to

Article – Natural Resources
New part designation “Part I. General Provisions” to immediately precede Section
3–201; Section 3–214 through 3–216 to be under the new part “Part II. Local
Land Trust Revolving Loan Program”; 5–104; and 5–9D–01 through 5–9D–04
to be under the new subtitle “Subtitle 9D. Greenspace Equity Program”
Annotated Code of Maryland
(2018 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, without amendments,
Article – Natural Resources
Section 5–307(b)
Annotated Code of Maryland
(2018 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, with amendments,
Article – Natural Resources

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
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Section 5–307(f)  
Annotated Code of Maryland  
(2018 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, without amendments,  
Article – State Finance and Procurement  
Section 6–226(a)(2)(i)  
Annotated Code of Maryland  
(2021 Replacement Volume)

BY repealing and reenacting, with amendments,  
Article – State Finance and Procurement  
Section 6–226(a)(2)(ii)144. and 145.  
Annotated Code of Maryland  
(2021 Replacement Volume)

BY adding to  
Article – State Finance and Procurement  
Section 6–226(a)(2)(ii)146.  
Annotated Code of Maryland  
(2021 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That the new part designation “Part I. General Provisions” be added to immediately  
precede Section 3–201 of Article – Natural Resources of the Annotated Code of Maryland.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
as follows:

Article – Natural Resources

3–212. RESERVED.

3–213. RESERVED.

PART II. LOCAL LAND TRUST REVOLVING LOAN PROGRAM.

3–214.

(A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS  
INDICATED.

(B) “ADVISORY COMMITTEE” MEANS THE LAND PRESERVATION RAPID  
RESPONSE ADVISORY COMMITTEE.
(C) “BOARD OF TRUSTEES” MEANS THE BOARD OF TRUSTEES OF THE MARYLAND ENVIRONMENTAL TRUST.

(D) “EXECUTIVE COMMITTEE” MEANS THE EXECUTIVE COMMITTEE OF THE MARYLAND ENVIRONMENTAL TRUST.

(E) “FUND” MEANS THE LOCAL LAND TRUST REVOLVING LOAN FUND.

(F) “PROGRAM” MEANS THE LOCAL LAND TRUST REVOLVING LOAN PROGRAM.

3–215.

(A) THERE IS A LOCAL LAND TRUST REVOLVING LOAN PROGRAM.

(B) THE PURPOSE OF THE PROGRAM IS TO:

(1) SUPPORT THE EFFORTS OF LOCAL LAND TRUSTS THAT WORK WITH STATE AND LOCAL GOVERNMENT ENTITIES AND THAT HAVE DIFFICULTY ACCESSING MONEY FROM EXISTING PROGRAM OPEN SPACE PRESERVATION PROGRAMS IN A TIMELY MANNER; AND

(2) PROVIDE REVOLVING LOANS TO LAND TRUSTS ON A ROLLING BASIS TO ASSIST THE LAND TRUSTS TO PURCHASE PROPERTY.

(C) A LAND TRUST THAT RECEIVES A PROGRAM LOAN TO PURCHASE PROPERTY IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION SHALL REPAY THE FUND:

(1) AT A RATE TO BE DETERMINED BY THE MARYLAND ENVIRONMENTAL TRUST, NOT TO EXCEED ONE POINT BELOW THE PRIME INTEREST RATE; AND

(2) AFTER THE PROPERTY IS:

(I) PLACED UNDER EASEMENT; OR

(II) TRANSFERRED TO A STATE OR LOCAL GOVERNMENT ENTITY.

(D) (1) THE PROGRAM IS ADMINISTERED BY THE MARYLAND ENVIRONMENTAL TRUST.
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(2) The Maryland Environmental Trust may authorize a nonprofit organization to manage and administer the Program on its behalf.

(E) (1) There is a Land Preservation Rapid Response Advisory Committee.

(2) The purpose of the Advisory Committee is to:

(I) Review and prioritize Program loan applications for final approval by the Executive Committee; and

(II) Make recommendations to the Executive Committee on:

1. Which projects to fund, whether in whole or in part; and

2. The funding to be allocated to each project.

(3) The Advisory Committee consists of:

(I) A representative of the Department, selected by the Secretary; and

(II) The following members, selected by the Board of Trustees:

1. A representative of the Maryland Environmental Trust that is not a member of the Executive Committee;

2. A representative of a nonprofit land conservation organization in the State;

3. A representative of a local parks and recreation department in the State; and

4. An individual with experience in loan underwriting.

3–216.

(A) There is a Local Land Trust Revolving Loan Fund.
(B) The purpose of the Fund is to finance the Local Land Trust Revolving Loan Program.

(C) The Maryland Environmental Trust shall administer the Fund.

(D) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(E) The Fund consists of:

(1) Money appropriated in the State budget to the Fund;

(2) Interest earnings; and

(3) Any other money from any other source accepted for the benefit of the Fund.

(F) In fiscal year 2024, the Governor shall include in the annual budget bill an appropriation of $10,000,000 to the Fund.

(G) The Fund may be used only to provide funding for the Local Land Trust Revolving Loan Program.

(H) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any interest earnings of the Fund shall be credited to the Fund.

(I) Expenditures from the Fund may be made only in accordance with the State budget.

(J) Money expended from the Fund for the Program is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for the Program.
(A) (1) In this section the following words have the meanings indicated.

(2) “Conserve” means to permanently protect land from development through purchase, donation, a perpetual conservation or an open space easement, or fee ownership in order to preserve the cultural, historical, ecological, or agricultural value of the land.

(3) “Smart Growth Subcabinet” means the subcabinet established under § 9–1406 of the State Government Article.

(B) (1) It is the intent of the General Assembly that:

   (i) By 2030, 30% of lands in the State are conserved; and

   (ii) By 2040, 40% of lands in the State are conserved.

(2) The conservation goals established under paragraph (1) of this subsection shall be accomplished through multiple efforts including:

   (i) Working with local communities, counties, municipalities, American Indian communities, and private landowners to conserve natural places and resources;

   (ii) Improving access to nature for all individuals in the State, including communities of color and economically disadvantaged communities;

   (iii) Sequestering carbon and greenhouse gas emissions in the lands and waters of the State;

   (iv) Increasing public incentives for private landowners to voluntarily conserve and protect areas of demonstrated conservation value and areas that have a high capacity to sequester carbon and greenhouse gas emissions;

   (v) Focusing conservation work at a large landscape scale that is biologically and ecologically meaningful;

   (vi) Preventing the extinction of native plant and animal species by recovering and restoring the species;
(VII) Stabilizing ecosystems and ecosystem services, restoring degraded ecosystems, and maintaining ecological functions; and

(VIII) Increasing economic opportunities for farmers, ranchers, fishers, and foresters.

(C) (1) In order to meet the conservation goals established under subsection (b) of this section, the Smart Growth Subcabinet, in coordination with relevant stakeholders, shall:

(I) Coordinate the actions of State agencies, local governments, and nongovernmental partners;

(II) On or before July 1, 2023, develop and publish a plan to meet the State’s conservation goals and update as needed and not less than every 5 years thereafter; and

(III) On or before December 1, 2023, and each December 1 thereafter, report to the Senate Education, Health, and Environmental Affairs Committee and the House Environment and Transportation Committee, in accordance with § 2–1257 of the State Government Article, on the State’s progress toward meeting the conservation goals.

(2) The Smart Growth Subcabinet shall make the annual report required under paragraph (1)(III) of this subsection available on its website.

5–307.

(b) There is a Mel Noland Woodland Incentives and Fellowship Fund in the Department.

(f) (1) The Fund consists of:

(i) As provided in § 13–306 of the Tax – Property Article, up to $200,000 annually of the proceeds of the tax imposed by § 13–302 of the Tax – Property Article that are attributable to the taxation of instruments of writing that transfer title to parcels of land that are entirely woodland;

(ii) Revenues collected by the Department from the payment of charges imposed for Department assistance in implementation of an approved practice;
(iii) Money distributed from the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund under § 8–2A–04 of this article;

(iv) Subject to approval by the Secretary and the Board of Public Works, a portion of the revenues derived from the forestry practices on designated lands owned and managed by the Department, that are conducted in accordance with applicable State law and regulation; and

(v) Money appropriated to the Fund under paragraph (2) of this subsection.

(2) (I) For fiscal years THROUGH 2023, the Governor shall include in the annual budget bill an appropriation of $50,000 to the Fund.

(II) FOR FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF $1,000,000 TO THE FUND.

SUBTITLE 9D. GREENSPACE EQUITY PROGRAM.

5–9D–01.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “BOARD” MEANS THE GREENSPACE EQUITY BOARD.

(C) (1) “COMMUNITY GREENSPACE” MEANS A COMMUNITY SPACE THAT ENHANCES THE PUBLIC HEALTH AND LIVABILITY OF A COMMUNITY.

(2) “COMMUNITY GREENSPACE” INCLUDES:

(I) A COMMUNITY GARDEN;

(II) A COMMUNITY GATHERING OPEN SPACE AREA;

(III) A COMMUNITY WOODLAND;

(IV) A GREEN NETWORK;

(V) A PARK;
(vi) A trail; and

(vii) An urban farm.

(D) “Eligible applicant” means:

(1) A land trust or other nongovernmental organization located or working in an underserved area where a project is proposed to be implemented; or

(2) A county or municipality.

(E) “Green network” means a system of greenspaces that are interconnected by linear corridors that facilitate the movement of people and wildlife.

(F) “Program” means the Greenspace Equity Program.

(G) (1) “Stewardship” means activities undertaken to maintain the conservation values and public use of a property.

(2) “Stewardship” does not include the operating expenses of a grant recipient.

(H) “Underserved area” has the meaning indicated in § 8–1911 of this article.

5–9D–02.

(A) There is a Greenspace Equity Program.

(B) The purpose of the Program is to enhance the public health and livability of underserved areas by implementing projects to preserve, create, and enhance community greenspace.

(C) (1) The Program is administered by the Department.

(2) In administering the Program, the Department shall:

   (I) Develop an application for the Program;

   (II) Publicize the Program;
(III) Provide technical assistance to Program applicants; and

(IV) Recommend grant awards to the Board.

(D) In carrying out the purpose established in subsection (B) of this section, the Board shall:

(1) Advise the Department on the administration of the Program; and

(2) Approve grant awards.

(E) An application submitted to the Department for the Program shall include evidence of support from the local government and the underserved community in which the project will be located.

(F) (1) Beginning in fiscal year 2024, the Department shall make grants to eligible applicants for greenspace equity projects in underserved areas.

(2) A grant received under this subsection may be used for:

(I) Land acquisition, appraisals, environmental assessments, site development, and other expenses and materials related to planning and implementing a project, including development or maintenance of the site for public use;

(II) Administrative costs in an amount not more than 3% of the total project cost, or $15,000, whichever is greater; or

(III) Stewardship of a project that previously received a grant under the Program or a project that would qualify for a grant under the Program but existed before July 1, 2023.

(3) In awarding grants under this subsection, the Department shall consider:

(I) The extent to which the project engages and is supported by residents, organizations, and businesses located in the underserved area in which the project will be located;
(II) The amount of financial or in-kind contributions for implementation of the project, if applicable; and

(III) The degree to which the project enhances the public health, livability, and community open space in the underserved area.

(4) The Department shall reserve at least 50% of the annual appropriation to the Program for grants to local land trusts and other nongovernmental organizations.

5–9D–03.

(A) There is a Greenspace Equity Board in the Department.

(B) The purpose of the Board is to administer the Greenspace Equity Program.

(C) The Board consists of the following members:

(1) The Secretary of Agriculture, or the Secretary’s designee;

(2) The Secretary of Natural Resources, or the Secretary’s designee;

(3) The Secretary of Housing and Community Development, or the Secretary’s designee;

(4) The Secretary of Planning, or the Secretary’s designee;

and

(5) Two members appointed by the Governor, who:

(I) Have experience in providing recreational and greenspace opportunities in underserved areas; and

(II) Are representative of the diversity of the State.

(D) The Secretary of Natural Resources shall serve as chair of the Board.
(E) (1) **The Department of Natural Resources shall provide staff for the Board.**

(2) **The Department of Agriculture, the Department of Housing and Community Development, and the Department of Planning may provide staff for the Board.**

5–9D–04.

**The Governor shall include in the annual budget bill the following appropriations to the Program:**

1. $3,000,000 in fiscal year 2024; and
2. $5,000,000 in fiscal year 2025 and each fiscal year thereafter.

**Article – State Finance and Procurement**

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

144. the Health Equity Resource Community Reserve Fund;
145. the Access to Counsel in Evictions Special Fund; **AND**

146. **The Local Land Trust Revolving Loan Fund.**

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2022.