

SGCPC Letter in Favor - HB0081.pdf

Uploaded by: Angelo Otterbein

Position: FAV



January 21, 2025

Angelo Otterbein
President
Sparks-Glencoe Community Planning Council
PO Box 937
Sparks, MD 21152

Re: HB0081: Real Property condemnation, compensation for farm & Agricultural land

The Sparks Glencoe Community Planning Council (SGCPC) is a non-profit, volunteer organization dedicated to preserving and protecting the rural character of northern Baltimore County by encouraging land preservation, and by protecting the reservoir watershed system that lies within the organization's boundaries. Through newsletters, public meetings, and hearings, the SGCPC has over 400 members and seeks to inform and educate both the public and the government about the necessity of:

- conserving farmland and green infrastructure,
- preserving clean drinking water in our reservoirs,
- and keeping growth in accord with the level of public services available in the area.

We strongly support *HB0081: Real Property condemnation, compensation for farm & Agricultural land*, sponsored by Del. Mangione, Del. Guyton, and 10 others as it would provide a more equitable and appropriate valuation standard, protecting against undervalued appraisals.

We appreciate you taking our input into consideration.

Sincerely,

A handwritten signature in black ink, appearing to be "A. Otterbein", written in a cursive style.

Angelo Otterbein
President
Sparks-Glencoe Community Planning Council

HB0081.pdf

Uploaded by: Cortney Davis

Position: FAV

Cortney Davis
69 W. Green St
Westminster, MD 21157
Cortneydavis28@gmail.com
443-605-5397
1/21/25

Testimony in support of HB0081 - Real Property - Condemnation - Compensation for Farm and Agricultural Property (Protect Maryland Farm Lands Act)

To: Economic Matters Committee

From: Cortney Davis

Dear Chair C.T. Wilson, Vice Chair Brian M. Crosby, and Members of the Economic Matters Committee,

My name is Cortney Davis, and I am a resident of Westminster, MD. I am writing to express my support for HB0081 - Real Property - Condemnation - Compensation for Farm and Agricultural Property (Protect Maryland Farm Lands Act).

Myself and my husband are the current owners of a portion of my husband's family farm that has been in the family for 3 generations. A piece of land that we purchased with the intent of building our forever home there. Our plans now in a complete upheaval as our farm is in the direct path of the proposed route for the Maryland Piedmont Reliability Project.

For many landowners, their property represents much more than just a piece of real estate—it's the result of years of hard work, investment, and connection to the land. A family who has farmed the same soil for generations or carefully nurtured their land often sees it as part of their identity, a heritage passed down through the family. When they are offered compensation that doesn't reflect the true value of their property, it is deeply insulting. It's not just about money; it's about the years of effort that have gone into cultivating and caring for that land.

The emotional toll of receiving an offer that undervalues the property can be significant. A landowner might feel as though their efforts, their history, and their legacy are being dismissed. The land is more than just a financial asset—it's a place filled with memories, decisions, and long-term commitments. When the compensation doesn't adequately reflect all of this, it can be incredibly disheartening, especially when the land is an integral part of their livelihood and sense of self.

This situation goes beyond the individual landowner. The effects ripple out to the broader community. In rural areas, farming is often the backbone of the local economy. When a landowner is forced to sell their land for less than its value, not only are they losing a financial asset, but the community can lose an essential part of its character and economy. The local workforce, the market for agricultural products, and even the way of life in these areas can suffer. Developers may buy the land, but they never carry the same long-term investment in the local community. This shift leads to fewer jobs, fewer opportunities, and a loss of the local culture tied to farming and agriculture.

Moreover, land is not just something to be bought and sold. It's something that has been cared for over time, and when a fair offer isn't made, there's little incentive for the landowner to continue stewarding it with the same care. Fair compensation would not only recognize the value of the land as an asset but also acknowledge the effort and responsibility that goes into preserving it for future generations.

At its core, fair compensation is about respect—respect for the land, for the hard work that has gone into it, and for the people whose lives and livelihoods are tied to it. Without that respect, landowners are left feeling their efforts are being undervalued and their futures uncertain. It's not just a financial transaction; it's a matter of fairness and acknowledgment of the deeper connection to the land that goes far beyond its market price.

I respectfully urge you to support HB0081 - Real Property - Condemnation - Compensation for Farm and Agricultural Property (Protect Maryland Farm Lands Act) and to advocate for its passage to guarantee that farmers and individuals are not taken advantage of.

Thank you for your time and attention to this important matter. If you have any questions or would like additional information, please feel free to contact me at cortneydavis28@gmail.com or 443-605-5397. I appreciate your dedication to serving our community and look forward to seeing your leadership on this issue.

Sincerely,
Cortney Davis

MD-HB81-Letter.pdf

Uploaded by: Erich Steiger

Position: FAV

Erich Steiger
21201 Heathcote Road
Freeland, MD 21053

21 Jan 2025

To Whom It May Concern,

I am writing on behalf of my family as a landowner whose agricultural and forested property, protected by a conservation easement and under an active forest management plan, is under imminent threat of condemnation for the MPRP power line project. I strongly support House Bill 81, the "Protect Maryland Farm Lands Act," and urge your support for its passage.

This bill represents a critical step toward ensuring fair compensation for landowners when their property is taken through eminent domain. The 350% valuation provision for actively used farm and agricultural lands recognizes the irreplaceable environmental, cultural, and economic value of these lands. It also provides a fairer framework for valuing property than traditional methods, which often fail to account for the long-term impact of these takings.

Our property is not just land; it is part of Maryland's agricultural heritage and a vital resource for local food production, wildlife habitat, and forest preservation. The conservation easement and forest management plan for our land was established to protect these values in perpetuity. However, the proposed MPRP power line project threatens to permanently devalue this property, irreparably damage its ecological integrity, and undermine its agricultural productivity. If the power lines are constructed, the intent of the conservation easement and forest management plan will be compromised, and the property's worth—both economic and intrinsic—will be greatly diminished.

Maryland's farms and forests are foundational to its identity and economy. They provide open space, preserve biodiversity, and contribute to the well-being of our communities. House Bill 81 ensures that these vital resources are valued appropriately and that landowners receive equitable compensation when their land is taken for public projects.

I appreciate your attention to this urgent matter and your support for protecting Maryland's agricultural and forested lands.

Sincerely,
Erich Steiger

MD General Assembly 2025 Bills.pdf

Uploaded by: Jeffrey Beeson

Position: FAV

Jeffrey & Nicole Beeson
14528 Peddicord Road
Mount Airy, MD 21771
bikebasher@yahoo.com
443-745-8916m
1/21/2025

Dear Chair(s),

Our sincerest apology as I just discovered how to provide testimony with only a few minutes before the 6pm deadline. But this is hugely important to our family and we'll do our best.

Testimony in Support of Bills:

SB0189 Eminent Domain – Agricultural and Conservation Easements – Prohibited Taking

HB0270 Data Center Impact Analysis and Report

**HB0081 Real Property - Condemnation - Compensation for Farm and Agricultural Property
(Protect Maryland Farm Lands Act)**

All of these Bills are critical to our family in hopes our State Legislature can influence the PSC to halt the Maryland Piedmont Reliability Project (MPRP). Our home is on 60 acres in Mount Airy, MD (Frederick County), 18 of which is leased to farmers, 3 acres for our home and the rest is beautiful forest with hiking trails. The MPRP backhaul transmission lines will cut right through our property and will change our lives forever here if they are permitted through eminent domain. We strongly support passage of all of these bills to "pause" this process and invite dialogue...is this right for Maryland, for the many people who have invested their lives in this beautiful state?

I am a data center architect for the past 25+ years and have deployed some of the largest data centers from the initial (3) America OnLine (AOL) sites in Northern Virginia to many data centers around the world for the DoD. Marylanders should NOT have to pay the price for Virginia's lack of planning for data center alley. The big cloud providers are all recognizing that they need to collocate data centers with power sources, they are planning for small nuclear reactors and locating next to existing Nuclear facilities. Contrary to rumor, these are NOT great job creators, data centers are largely "lights out" with a small team needed to run them. We have processed vast data for decades now, in real-time for our armed services as well, what is happening is the hype to "AI" is driven purely by financial gain "the next big thing on Wall Street". The next 10 years this will evolve as all technology does...but it is not a race!

Please...slow this process down and let's not overreact to PJM/PSEG and others who are trying to scare everyone into our critical power problems. Rest assured, this is NoVa's power problem not ours, but have they ever really planned well? There are so many other solutions to bring forward. Let's start planning for how to do this the right way. Once 70 miles of forest, farms, and residential homes and dreams like ours are imposed by 140 foot tall towers with a half a million volts of electricity ringing down them, there is no turning back. This will ruin Maryland and not just for those on the direct path, for our families, our kids futures.

15 years ago, we bought a corn field. We sited our home on the top of the hill at 232 degree's SW so we could see the beautiful mountains in Frederick between vast forests from our front porch. We fly our RC airplanes, hike with our pets, and have dreams of developing our land for our kids home and possibly a Wellness Center. My wife Nicole is the CNO in the University of Maryland Medical System and our dream is to continue to give back to the community that has afforded us such gratitude for our home and property. All of this is destroyed if these power lines go forward. Our amazing view of sunset is everything to us, but it will be transmission lines humming away with huge towers blocking our dreamscape. We graciously request any member to please come visit our home, our family, our wonderful property we have poured everything into and if you can at sunset you'll understand how important this issue is to so many proud Marylanders.

We need your support. Sleepless nights are the norm, but we must believe that our leaders will use Bills like these to help save so many families. Again, I apologize for only have a few minutes to write this. We would be honored to have any further testimony and our home is welcome to your visit.

Sincerely,

Jeffrey & Nicole Beeson

HB0081_Stop MPRP_Frederick_FAV.pdf

Uploaded by: Joanne Frederick

Position: FAV

Testimony in Support of HB0081

Maryland Senate Committee on Judicial Proceedings

21 January 2025

Dear Members of the Economic Matters Committee:

I am writing on behalf of Stop MPRP, Inc. to express my strong support for HB0081, also known as the "Protect Maryland Farm Lands Act." This bill is a critical step toward ensuring fair treatment and valuation of agricultural properties in condemnation proceedings, thereby protecting Maryland's farmers and the state's agricultural heritage.

HB0081 establishes that the fair market value of actively used farm or agricultural properties subject to condemnation proceedings must be set at 350% of the highest appraisal value of the property. This ensures that the unique value of agricultural land is appropriately recognized, particularly when such properties are taken for public projects, such as the construction or maintenance of transmission lines.

This legislation is vital for the following reasons:

1. **Fair Compensation for Farmers:** By mandating a valuation at 350% of the highest appraisal, HB0081 ensures that farmers receive compensation reflective of their land's true value and importance. This measure safeguards against undervaluation that often pressures landowners to negotiate under duress.
2. **Preservation of Agricultural Lands:** The bill aligns with Maryland's broader commitment to maintaining farmland for its economic, environmental, and cultural benefits. As articulated in the Tax – Property Article §8–209, the preservation of open space and farmland contributes to food security and community well-being.
3. **Addressing Economic Pressures:** Agricultural land has inherently less monetary value due to zoning restrictions that limit its use for development. These restrictions, while critical for preserving farmland, make it difficult for farmers to receive equitable compensation when their land is condemned. HB0081 provides essential protection by ensuring that valuations reflect the unique and indispensable role of farmland.
4. **Discouraging Targeting of Agricultural Land:** By requiring a premium valuation for agricultural land in condemnation proceedings, HB0081 discourages developers from targeting these properties for easements or infrastructure projects. This provision helps protect farmland from unnecessary encroachment and preserves it for agricultural use.

Maryland has long been a leader in fostering agricultural resilience and sustainability. However, it is important to note that the language of HB0081 should not serve as upper limit on the costs borne by developers. Any additional loss of revenue or income resulting from the condemnation should be considered separate and distinct from the appraised value of the property itself. This ensures that

landowners are fully compensated for all financial impacts beyond the valuation of the land, providing comprehensive protection for their interests.

The committee may also want to consider an amendment to HB0081 that increases the remuneration to 350% of lost profits due to the condemnation, in addition to the 350% of the highest appraised value of the property. This would further enhance protections for farmers and ensure they are made whole for the broader economic impacts of losing productive agricultural land.

I urge you to support HB0081 and ensure its swift passage. This legislation is a necessary step in preserving Maryland's agricultural legacy and promoting fair treatment for landowners.

Thank you for your leadership and for considering this important legislation. Please feel free to contact me if you require further insights or assistance regarding HB0081.

Respectfully,
Joanne Frederick
Stop MPRP, Inc.
PO Box 329, Parkton MD 21120
joanne.frederick@stopmprp.org
443-789-1382

HB0081 - Davis, John F.pdf

Uploaded by: John Davis

Position: FAV

John F Davis
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Westminster, MD 21157
JohnFDavis3@gmail.com
443-340-0352
1/21/25

Testimony in support of HB0081 - Real Property - Condemnation - Compensation for Farm and Agricultural Property (Protect Maryland Farm Lands Act)

To: Economic Matters Committee
From: John Davis

Dear Chair Wilson, Vice Chair Crosby, and Honorable Members of the Economic Matters Committee,

I am writing to express my strong support for House Bill 0081, which seeks to protect farmers and landowners by ensuring fair compensation in the event that eminent domain is used for infrastructure projects. As a landowner myself, I am directly affected by projects like the proposed MPRP, which seeks to build high-voltage power lines from Pennsylvania to Virginia, cutting through my property.

Eminent domain should never be used as a tool for unfairly taking land without ensuring that the compensation provided truly reflects the value that landowners have invested in their properties. While House Bill 0081 proposes compensation at 350% of the assessed land value, I firmly believe that this amount should be even greater to truly account for the long-term value of farmland and the personal, emotional, and financial toll it takes to lose part of one's livelihood.

The protection of farmers and landowners is critical not just for the economy but for the integrity of rural communities. Our land is not just a commodity; it is often our life's work and heritage. The proposed MPRP project, if approved, would have a significant and lasting impact on my property, and I know I am not alone in feeling that the compensation should be both fair and substantial.

I urge you to support HB0081 and ensure that landowners across the state are given the fair treatment they deserve in these situations. This bill will help guarantee that landowners are adequately compensated in situations where they are forced to relinquish their land for the public good, which is especially critical in projects like MPRP that could disrupt so many lives.

Thank you for your time and consideration. I sincerely hope you will approve this important bill to protect the interests of landowners throughout our state.

Sincerely,
John F Davis

25 MGPA_HB81_EmDomain350.pdf

Uploaded by: Lindsay Thompson

Position: FAV



Maryland Grain Producers Association
118 Dundee Ave, Chester, MD 21619
Lindsay.mdag@gmail.com (p) 443-262-8491
www.marylandgrain.com

Date: January 23, 2025

House Bill 81 - Real Property - Condemnation - Compensation for Farm and Agricultural Property
(Protect Maryland Farm Lands Act)

Committee: Economic Matters

MGPA Position: SUPPORT

The Maryland Grain Producers Association (MGPA) serves as the voice of grain farmers growing corn, wheat, barley and sorghum across the state. MGPA supports House Bill 81 which requires that the fair market value for agriculture lands being actively farmed be 350% of the highest appraisal value in condemnation proceedings.

Taking of agricultural lands via eminent domain is very disruptive to the farming operation often taking large swaths of land out of production and easement agreements restricting access from one parcel to the other. For example, one of the proposed routes of the Maryland Piedmont Reliability Project bisected one of our members farms in half. The easement agreement prohibited the use of equipment over 12' under the lines. This would not only restrict the farmers ability to farm under the transmission lines but also prohibit them from passing equipment under the lines to access fields on the other side of the easement making it nearly impossible to effectively manage both now halves of their farm. Additionally, the devaluation of farms due to eminent domain and the resulting transmission lines makes it difficult for farmers to meet the existing obligations for loans on their property and secure necessary lines of credit to continue operating the family businesses.

The proposed route for the MPRP appears to almost target preserved agricultural lands. These properties would have lower appraised values because the development rights have already been purchased during the easement process. This legislation would both help to avoid targeting of preserved properties and also adequately compensate farmers for lost revenue, land devaluation and inconvenience of continued farming.

MGPA urges your support of House Bill 81.

Thank you,

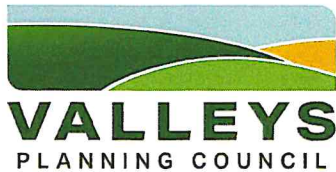
Lindsay Thompson

Executive Director

HB81.pdf

Uploaded by: Renee Hamidi

Position: FAV



thevpc.org | info@thevpc.org | 410.337.6877
118 W. Pennsylvania Avenue, Towson, Maryland 21204
P.O. Box 5402 Towson, Maryland 21285-5402

Committee: Economic Matters

Testimony on: HB81 “Real Property – Condemnation – Compensation for Farm and Agricultural Property
(Protect Maryland Farm Lands Act)”

Position: Support

Hearing Date: January 23, 2025

Valleys Planning Council, a non-profit that conserves land and resources, preserves historic character and maintains the rural feel and land uses in northwestern Baltimore County, urges a favorable report on HB81, which would value certain agricultural property taken in a condemnation proceeding to be valued at 350% of the highest appraisal value.

Today there are more than 1.9 million acres of farmland in Maryland. Fifty years ago, there were 2.95 million acres of farmland. Agricultural land is lost mostly to development. Development pressures on agricultural land are only increasing. Once agricultural land is converted to another use, it is lost forever.

Maryland cannot afford to lose agricultural land. Agriculture is the largest commercial industry in Maryland, employing hundreds of thousands of people. In FY 2023, Maryland agriculture generated more than \$3.3 billion in cash receipts for farmers.¹ Additional impact was provided by related jobs and services.

Under the best circumstances, farming is a difficult job, with narrow margins requiring that every dollar be squeezed out of every acre. Taking agricultural land through condemnation may result in entire farms becoming unviable. Landowners should be compensated for losing land that may mean the difference between making a profit and losing money, or losing the farm entirely.

Being required to pay such a high price for agricultural land will ensure that anyone using eminent domain to take that land “for a greater good” will consider other alternatives that are less detrimental to the largest commercial industry in Maryland, one that provides many jobs and feeds many Marylanders. Valleys Planning Council recommends a favorable report on HB81.

Respectfully,

Renée Hamidi, Executive Director

¹ [Maryland Department of Agriculture FY2023 Annual Report](#)

MDFB - Support -HB81 Real Property - Protect Maryl

Uploaded by: Tyler Hough

Position: FAV



Maryland Farm Bureau

3358 Davidsonville Road | Davidsonville, MD 21035
410-922-3426 | www.mdfarmbureau.com

January 21, 2025

To: House Economic Matters Committee

From: Maryland Farm Bureau, Inc.

RE: Support of HB0081 Real Property - Condemnation - Compensation for Farm and Agricultural Property (Protect Maryland Farm Lands Act)

On behalf of the nearly 8,000 member families of the Maryland Farm Bureau, I submit written testimony in support of HB0081 Real Property - Condemnation - Compensation for Farm and Agricultural Property (Protect Maryland Farm Lands Act). This proposed legislation would require the fair market value of agricultural property taken in condemnation to be valued at 350% of the highest appraisal value of the property.

Maryland farmers invest significant time, resources, and effort into maintaining their land as a valuable asset and a cornerstone of the state's agricultural heritage. Condemnation proceedings that undervalue farmland not only jeopardize individual farm operations but also undermine the long-term viability of Maryland's agricultural industry. HB0081 recognizes the unique and irreplaceable value of farmland by mandating fair market valuations that reflect its highest potential.

The Maryland Farm Bureau supports the inclusion of provisions that require compensation to account for the total devaluation of the farm. This includes the negative impacts, such as visual disruption and other factors, resulting from eminent domain projects. Farmers deserve to be compensated not only for the physical loss of land but also for the broader, often less tangible, effects on their operations and property values.

This legislation is vital to protect Maryland's farmland and to honor the contributions of farmers who play an essential role in feeding our communities, preserving open spaces, and supporting the state's economy. HB0081 reinforces Maryland's commitment to its farmers by ensuring fair and just compensation in eminent domain cases.



Maryland Farm Bureau

3358 Davidsonville Road | Davidsonville, MD 21035

410-922-3426 | www.mdfarmbureau.com

Maryland Farm Bureau Supports HB0081

Sincerely,

A handwritten signature in black ink, appearing to read "Tyler Hough". The signature is written over a horizontal line that extends to the left.

Tyler Hough

Director of Government Relations

Please contact Tyler Hough, though@marylandfb.org, with any questions

In support of HB0081.pdf

Uploaded by: Suzannah Moran

Position: FWA

In support of HB0081

If property owners are forced to give up their land, they absolutely should be well compensated. There may be unintended consequences to this bill as written, however. One potential unintended consequence is that, by guaranteeing owners of farms and agricultural and properties 350% of the highest appraisal value, while not similarly compensating the owners of resource conservation zoned land such as forested and other ecologically sensitive properties, the bill, if passed, may drive infrastructure development into the most ecologically sensitive properties in the state. I believe that a primary justification for the 350% multiplier is in recognition of the fact that farms/ag. land provides ongoing economic value to owners. Similarly, forested land may be managed by owners to sustainably supply fuelwood, timber, foraged and hunted food, and a wide variety of forest products and ecological services. I suggest a friendly amendment to HB 0081: include land in resource conservation zones as well. Forests, similar to agricultural land, provide ongoing economic benefit to the land owners, and thus owners should be compensated similarly for that loss of economic value.

PHI HB81 Oppose.pdf

Uploaded by: Anne Klase

Position: UNF



January 23, 2025

112 West Street
Annapolis, MD 21401

Oppose – House Bill 81: Real Property - Condemnation - Compensation for Farm and Agricultural Property (Protect Maryland Farm Lands Act)

Potomac Electric Power Company (Pepco) and Delmarva Power & Light Company (Delmarva Power) oppose **House Bill 81 - Real Property - Condemnation - Compensation for Farm and Agricultural Property (Protect Maryland Farm Lands Act)**. House Bill 81 mandates a compensation of 350% of the highest appraisal value for properties actively used for farming or agricultural purposes when acquired through condemnation for the construction or maintenance of a transmission line. The legislation applies retroactively to condemnation proceedings initiated on or after January 1, 2024.

Pepco and Delmarva Power are concerned that this legislation has the potential to impact Maryland ratepayers economically, impede progress in addressing regional resource adequacy challenges, and jeopardize the State's net-zero goals.

This legislation could result in much higher property acquisition costs for necessary energy infrastructure, increasing costs for utility ratepayers. House Bill 81 mandates that utilities and transmission owners pay these premiums, even if that appraisal is unreasonable, and ratepayers will bear the costs without regulatory intervention, even if the premiums are against the public interest.

House Bill 81 will also create challenges for the state as it continues to work to move the clean energy transformation forward. The State's ambitious decarbonization goals, as well as the exponential growth in energy demand, coupled with the retirement of generating plants, requires a significant investment in electric infrastructure to serve current and future load reliably. Major infrastructure components, including new transmission lines, substations, and feeder lines, are needed in both the near and long term to achieve the State's climate goals. The proposed premium of 350% above the highest appraisal compensation requirement, could discourage the development of necessary infrastructure investment by raising the cost to transfer ownership of property necessary for these critical infrastructure projects. This has the potential to lead to the delay or abandonment of projects, or create a lack of desire to build in the state.

Pepco Holdings, the parent company of Pepco, an electric utility serving Washington, D.C., and suburban Maryland; Delmarva Power, an electric and gas utility serving Delaware and portions of the Delmarva Peninsula; and Atlantic City Electric, an electric utility serving southern New Jersey. Anthony and his team are responsible for guiding the company's delivery of reliable and excellent service to more than two million customers in the Mid-Atlantic. Pepco Holdings is a subsidiary of Exelon Corporation, one of the nation's leading energy services companies.

Valencia McClure | Anne Klase | Allyson Black-Woodson | Poetri Deal | 410 980 5347

Should this legislation receive a favorable committee vote, the legislation should clarify that the fair market value applies to the “property interest condemned”, and not generally the “property” (which assumes a full taking of a fee simple interest). In cases where the utility condemns only an easement interest (a lesser interest than fee simple), these agreements allow the owner to continue to own the land and the owner may even continue farming. Thus, the loss of value to the owner is much less than a full fee simple acquisition and disruption to farming activities may be minimal since such owner may continue their operations uninhibited by the utility’s overhead lines. Allowing the utilities and owners to reach agreement on a lesser interest than fee simple, and payment of just compensation commensurate with that lesser property interest (not assuming 350% of fee simple) will support lower acquisition costs thus more reasonable rate impacts for necessary infrastructure and still further the State's goals of promoting farming.

Pepco and Delmarva Power are committed to supporting and advancing Maryland’s clean energy and climate goals, with a focus on equitable and affordable solutions. For the reasons stated, Pepco and Delmarva Power oppose House Bill 81 and request an unfavorable report.

Pepco Holdings, the parent company of Pepco, an electric utility serving Washington, D.C., and suburban Maryland; Delmarva Power, an electric and gas utility serving Delaware and portions of the Delmarva Peninsula; and Atlantic City Electric, an electric utility serving southern New Jersey. Anthony and his team are responsible for guiding the company's delivery of reliable and excellent service to more than two million customers in the Mid-Atlantic. Pepco Holdings is a subsidiary of Exelon Corporation, one of the nation's leading energy services companies.

Valencia McClure | Anne Klase | Allyson Black-Woodson | Poetri Deal | 410 980 5347

OPP_ECM_House?Bill?81 - Real Property - Condemnati

Uploaded by: Dytonia Reed

Position: UNF



bgeSM

AN EXELON COMPANY

Position Statement

OPPOSE

Economic Matters

1/23/2025

House Bill 81 - Real Property - Condemnation - Compensation for Farm and Agricultural Property (Protect Maryland Farm Lands Act)

Baltimore Gas and Electric Company (BGE) opposes *House Bill 81 – Real Property - Condemnation - Compensation for Farm and Agricultural Property*. This bill mandates compensation of 350% of the highest appraisal value for properties actively used for farming or agricultural purposes when acquired through condemnation for the construction or maintenance of a transmission line. The legislation applies retroactively to condemnation proceedings initiated on or after January 1, 2024.

As a utility providing electricity to 1.3 million customers and natural gas to more than 700,000 customers in Central Maryland, BGE is concerned this legislation would economically disadvantage Maryland ratepayers, impede progress in addressing regional resource adequacy challenges, and jeopardize the State's climate goals.

BGE opposes this legislation for several reasons.

First, the Fifth Amendment of the U.S. Constitution states private property can't be taken without compensation. Fair market value has been the long-established basis for determining just compensation in eminent domain cases. *House Bill 81* goes against established state and federal laws for these proceedings. Additionally, *House Bill 81* applies retroactively to condemnation proceedings initiated on or after January 1, 2024. This retroactive application could violate the Fifth Amendment's Takings and Due Process clauses of the Constitution.

Further, *House Bill 81* requires the State Department of Assessments and Taxation (SDAT) to determine if a property is "actively used for farm or agricultural purposes" under § 8-209 of the Tax-Property Article. The bill in effect allows diverse property uses to qualify as agricultural, potentially extending the elevated fair market value premium requirement beyond traditional farming. Landowners with conservation easements could advocate for similar valuation, decreasing the likelihood of transferring property ownership for critical transmission projects. In fact, if *House Bill 81* were enacted customers would likely voluntarily establish conservation easements for their property.

The bill would set a precedent allowing other property owners facing condemnation for utility projects to demand similar premiums. This could result in much higher property acquisition costs for necessary energy infrastructure, increasing expenses for utility ratepayers. *House Bill*

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship, and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.

Charles Washington | Brittany Jones | Guy Andes | Dytonia Reed | 410.269.5281

81 mandates that utilities and transmission owners pay these premiums, even if the appraisal is unreasonable, and ratepayers will bear these elevated and potentially imprudent costs.

House Bill 81, finally, will create obstacles for the energy transition. The State's ambitious decarbonization goals will require significant investments in electric infrastructure to serve the current and future load reliably. Major infrastructure components, including new transmission lines, substations, and feeder lines, are necessary to achieve full electrification. *House Bill 81* will hinder the construction of essential overhead transmission projects needed to bolster existing infrastructure, in addition to address resource adequacy challenges. The exponential growth of energy demand, coupled with the retirement of generating plants, amongst other considerations, necessitate the need to fortify grid reliability and resiliency. The required premium, 350% above the highest appraisal compensation requirement, will discourage the development of necessary infrastructure investment by raising the cost to transfer ownership of property necessary for these critical infrastructure projects. *House Bill 81* could potentially lead to the delay or outright abandonment of projects, or a lack of desire to build in the state.

BGE remains committed to supporting Maryland's energy evolution and supports policies that keep affordability, resiliency, and reliability in mind. For these reasons, BGE firmly opposes *House Bill 81* and requests an unfavorable report.

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship, and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.

Charles Washington | Brittany Jones | Guy Andes | Dytonia Reed | 410.269.5281

2025 HB 81 MDA LOO.docx.pdf

Uploaded by: Rachel Jones

Position: UNF



Maryland Department of Agriculture

Office of the Secretary

Wes Moore, Governor

Aruna Miller, Lt. Governor

Kevin Atticks, Secretary

Steven A. Connelly, Deputy Secretary

Agriculture | Maryland's Leading
Industry

The Wayne A. Cawley, Jr. Building

50 Harry S Truman Parkway

Annapolis, Maryland 21401

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Maryland Department of Agriculture

Legislative Comment

DATE: January 21, 2025

BILL NUMBER: HB 81

SHORT TITLE: Real Property – Condemnation – Compensation for Farm and Agricultural
Property (Protect Maryland Farm Lands Act)

MDA POSITION: OPPOSITION

The Maryland Agricultural Land Preservation Foundation (MALPF) program purchases agricultural easements on properties to preserve productive farmland and woodland for the continued production of food and fiber for all of Maryland's citizens. To accomplish this and other statutory and ancillary goals, MALPF easements restrict agricultural land from commercial, industrial, and residential development. As of the end of 2024, MALPF holds easements on 2,804 properties, covering more than 376,000 acres.

House Bill 81 would establish a new definition of Fair Market Value (FMV) in condemnation proceedings for properties that are actively used for farm or agricultural purposes, as determined by the State Department of Assessments and Taxation (SDAT), including property acquired by condemnation for the construction or maintenance of a transmission line. This would impact the MALPF program in any instance where the subject property is encumbered with an MALPF easement. MALPF's operating statute dictates how MALPF is to be reimbursed if any eased-property is taken in fee through the condemnation process. The proposed rate in this legislation inflates the reimbursable rate significantly.

For easements established prior to July 1, 2018, section 2-515 of the Agriculture Article establishes that MALPF must be reimbursed at the per-acre rate at which MALPF originally purchased the easement; accordingly, the proposed legislation (altering the FMV formulation for a property) would not affect MALPF regarding any easements acquired on or before June 30, 2018.

Example: MALPF acquired an easement in 1990 and paid \$1,000 an acre. If 1.0 acre of this easement is condemned, the condemning entity typically would reimburse MALPF directly at the per-acre rate MALPF purchased the easement (\$1,000 in this example) and would pay the farm owner the FMV determined by a current appraisal. If this bill passed,

the condemning entity would pay 350% of the appraised FMV, which would be a significant loss of state revenue to the condemning authority paid out unnecessarily to MALPF at this inflated rate.

However, section 2-515 further establishes that MALPF easements acquired on July 1, 2018, or after, the reimbursement amount is determined by the current FMV, with MALPF receiving a portion of that value. If the definition of FMV for these properties is revised to be 350% greater than the appraisal value, then the portion MALPF will be reimbursed for will also increase by 350%.

Example: MALPF acquired an easement in 2019 and paid \$3,000 an acre, which was valued at 75% of the fair market value of the fee simple land. If 1.0 acre of this easement is condemned, under this bill, the new definition of FMV for this farm has been established at 350% higher than the appraised value. If the appraised value determined the value of the farm to be \$6,000/acre, the new law would mandate the reimbursable FMV would increase to \$21,000/acre. Assuming that the MALPF easement retained 75% of the value of the farm, MALPF would receive \$15,750 of the condemnation payment by the condemning entity with the farm owner receiving \$5,250. This would result in the condemning entity (often a governmental entity like State Highway Administration) paying MALPF the majority of reimbursement, rather than the funds going to the farm owner.

For the reasons articulated above and the undue burden on the state, we respectfully oppose this legislation.

If you have additional questions, please contact Rachel Jones, Director of Government Relations, at rachel.jones2@maryland.gov or 410-841-5886.