

February 11, 2025

The Honorable William C. Smith Jr.
Chair, Senate Judicial Proceedings Committee
2 East Miller Senate Office Building
Annapolis, MD 21401

RE: Letter of Concern – SB 661– Real Property – Condemnation – Compensation for Farm and Agricultural Property (Protect Maryland Farm Lands Act)

Dear Chair Smith and Committee Members:

The Maryland Department of Transportation (MDOT) respectfully notes the following concerns with Senate Bill 661 for the Committee’s consideration.

SB 661 requires that the fair market value of property actively used for farm or agricultural purposes taken in a condemnation proceeding be valued at 350% of the highest appraised value of the property. The provisions of this bill apply retroactively and affect any condemnation proceeding initiated on or after January 1, 2024.

As drafted, SB 661 could impact land acquisitions for all State infrastructure projects, including transportation facilities projects.¹ While any MDOT project requiring affected lands would be impacted, this bill will most likely have the greatest effect on highway construction projects undertaken by the State Highway Administration (SHA). The broad-based application of SB 661 significantly increases land acquisition costs for the State where takings of affected lands are considered. SHA provides infrastructure throughout the State and often impacts property actively used for farm or agricultural purposes during roadway widening and drainage projects. An escalation of 350% over the appraised fair market value will have an adverse effect on the cost of system preservation and construction projects. In addition, this new mandate impacts the discretion of a court to determine fair market value.

There are no funds in the operating or capital budget to account for the projected additional costs of this legislation. Further, SHA is uncertain as to whether the federal government would reimburse the cost of the land in excess of fair market value; this would further impact State funds available for projects.

The Maryland Department of Transportation requests the Committee consider this information during its deliberation of Senate Bill 661.

Respectfully submitted,

April King
Acting Director
Office of Government Affairs
Maryland State Highway Administration
410-210-5780

Matthew Mickler
Director
Office of Government Affairs
Maryland Department of Transportation
410-865-1090

¹ Article – Transportation, § 3-101.