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*Legislative District 3*  
Frederick County

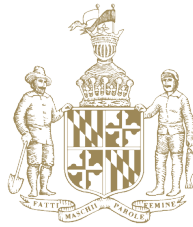
Government, Labor, and  
Elections Committee

*Subcommittees*

Chair, Election Law

Local Government/Bi-County  
Agencies and Administration

Chair, Maryland Legislative  
LGBTQ+ Caucus



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**THE MARYLAND HOUSE OF DELEGATES**  
**ANNAPOLIS, MARYLAND 21401**

The Honorable Jheanelle K. Wilkins, Chair  
Ways and Means Committee  
Maryland House of Delegates  
6 Bladen Street, Room 130  
Annapolis, MD 21401

**SPONSOR TESTIMONY**  
**HB 547: Income Tax – Subtraction Modification –**  
**Enhanced Agricultural Management Equipment**

Chair Wilkins, Vice Chair Feldmark, and Members of the Ways and Means Committee:

HB 547 is a bipartisan reintroduction that makes a simple but important update to Maryland’s existing income tax subtraction modification for enhanced agricultural management equipment. Under current law, only specific equipment types listed in statute qualify for the subtraction, so as technology evolves the General Assembly must revisit and amend the statute to add new equipment, using precious legislative time to make miniscule changes that support soil health and modern agricultural practices.

HB 547 streamlines this process by authorizing the Secretary of Agriculture to designate additional qualifying equipment through regulation, rather than requiring legislation each time new agricultural technology becomes commercially available. This change preserves legislative intent, expands farmers’ access to beneficial conservation tools, and reduces unnecessary administrative burden on both producers and policymakers.

The bill retains all existing statutory categories of enhanced agricultural management equipment and simply enables “other equipment that the Secretary of Agriculture determines by regulation to qualify as enhanced agricultural management equipment.” This change allows the Dept. of Agriculture to adopt regulations adding new technologies as they emerge. Agricultural technology evolves rapidly, and a regulatory process better reflects on-the-ground innovation than repeated statutory amendments. The Comptroller affirmed last year that it can implement these changes with existing resources, and the fiscal impact is limited and directly tied to what the Secretary proposes through regulations.

Maryland law currently recognizes a wide range of conservation-focused tools as “enhanced agricultural management equipment,” including:

- No-till planters and drills;
- Liquid manure soil injection systems;
- Deep no-till rippers;
- Poultry and livestock manure spreaders that meet nutrient-management plan requirements;
- Vertical tillage equipment;
- GPS-based precision nutrient-application devices; and
- Integrated optical sensing and variable-rate nutrient-application systems.

Allowing the Secretary of Agriculture to add additional qualifying equipment through regulation ensures Maryland can keep pace with innovation without requiring the General Assembly to revisit the statute every few years. This saves legislative time and provides clarity and predictability for farmers, lenders, and tax administrators alike.

HB 547 strengthens Maryland’s conservation and agricultural competitiveness by streamlining improvements to an already-effective tax incentive. It ensures that emerging technologies that reduce nutrient runoff, improve soil structure, lower fuel use, and support Bay restoration can be added quickly per the Secretary’s discretion, allowing the General Assembly to focus on broader policy issues rather than repeatedly updating equipment lists as technology changes.

For these reasons, I respectfully urge the Committee to issue a Favorable Report on House Bill 547.

Thank you,

A handwritten signature in blue ink that reads "Kris Fair". The signature is written in a cursive, flowing style.

Delegate Kris Fair  
District 3, Frederick County