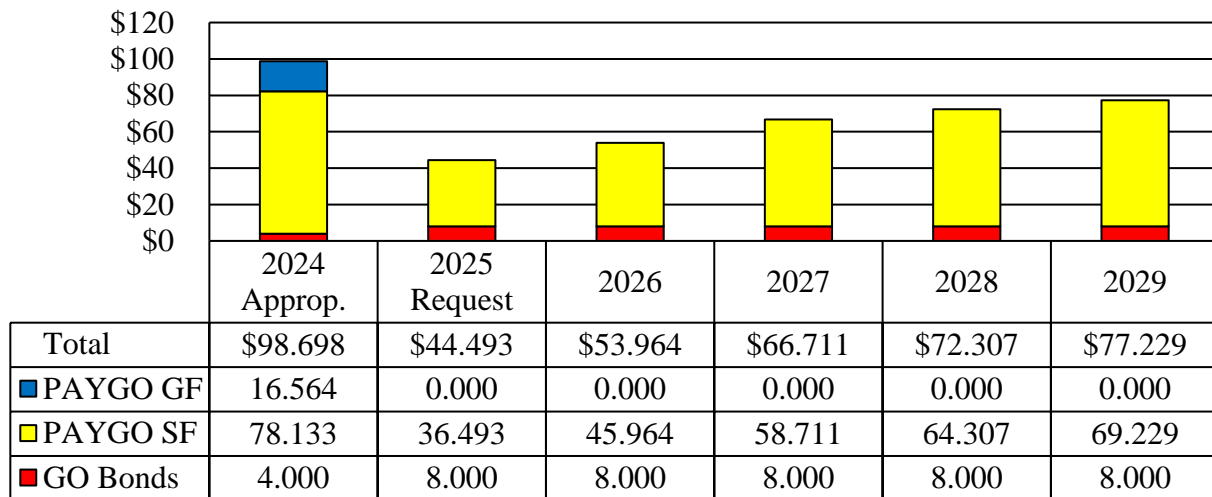
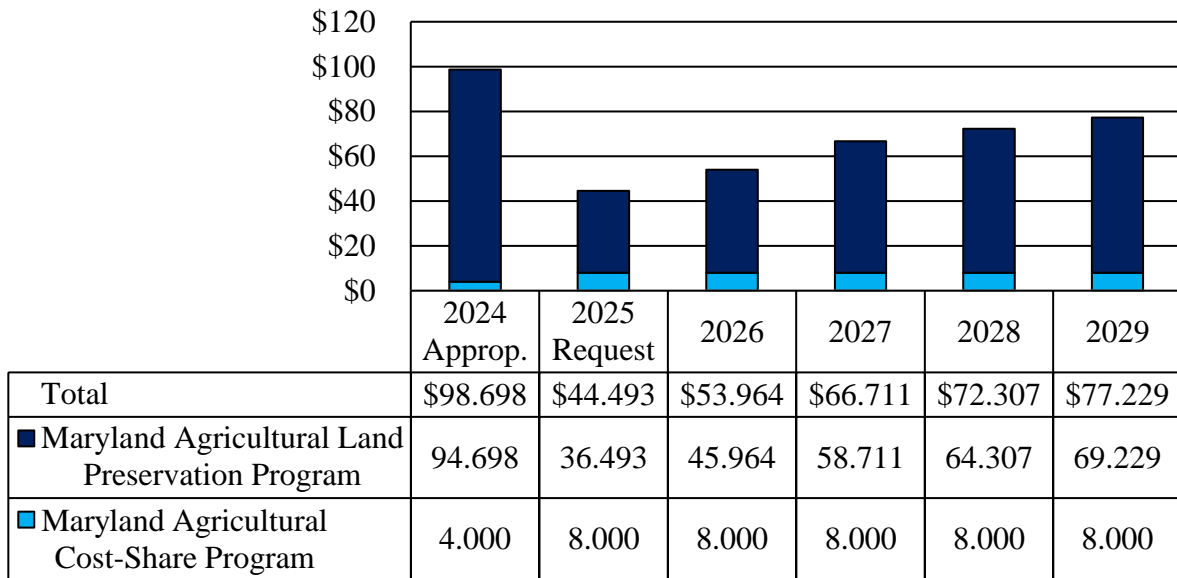


LA00
Department of Agriculture – Capital

Capital Budget Summary

Grant and Loan *Capital Improvement Program*
(\$ in Millions)



GF: general funds
GO: general obligation

PAYGO: pay-as-you-go
SF: special funds

Note: The fiscal 2024 appropriation reflects \$16.6 million in general funds mandated for the Maryland Agricultural Land Preservation Program by Chapter 39 of 2022 (Great Maryland Outdoors Act).

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Key Observations

- ***Maryland Food Center Authority Wholesale Produce Market Construction Delayed:*** The Maryland Food Center Authority Wholesale Produce Market project was expected to go out for construction bid in January 2024, but schedule delays suggest that June or July 2024 is more likely.
- ***Readiness and Environmental Protection Integration (REPI) Program Still Delayed:*** No agricultural easement funding applicants in Charles and St. Mary’s counties – the most likely places for the federal REPI program funding to be used – needed additional REPI funding in fiscal 2024. The Maryland Department of Agriculture (MDA) will reach out again in spring 2024.
- ***2023 Farm Bill Delayed:*** The 2023 Farm Bill could remove the constraints on federal Agricultural Conservation Easement Program funding. However, in November 2023, President Joseph R. Biden, Jr. signed the second federal fiscal 2024 continuing resolution, which extended Farm Bill programs until September 30, 2024, and thus a new Farm Bill has not been enacted.
- ***Agricultural Land Preservation Goals Reflect Out-year Challenges:*** The Maryland Agricultural Land Preservation Program (MALPP) supports two State land preservation goals: (1) the goal set in 2002 to conserve 1,030,000 acres of productive agricultural land by calendar 2030; and (2) the goal set in 2023 to conserve 30% of Maryland land acres by calendar 2030 and 40% by calendar 2040. Maryland will need to preserve approximately 25,000 acres per year over the next six years to meet the 2002 goal. Maryland is poised to meet the 30% by 2030 goal with seven years remaining but is challenged by the 40% by 2040 goal.
- ***Maryland Agricultural Cost-Share (MACS) Program Not Fully Effective:*** The MACS program is integral to the success of the agricultural component of Chesapeake Bay restoration. However, natural filters practices, which are most directly connected with Chesapeake Bay restoration and are 100% cost-shared, do not appear to be increasing. In addition, MDA has not embraced the idea of spatially targeting MACS funding for best management practices (BMP) to high nutrient and sediment loss agricultural operations at the farm or field level in order to boost agricultural BMP implementation for Chesapeake Bay restoration.

PAYGO Recommended Actions

1. Concur with the Governor’s allowance.

GO Bond Recommended Actions

1. Reduce the general obligation bond authorization for the Maryland Agricultural Cost-Share Program by \$3,000,000.

LA15A Maryland Agricultural Cost-Share Program \$ 5,000,000

<u>Allowance</u>	<u>Change</u>	<u>Authorization</u>
8,000,000	-3,000,000	5,000,000

Explanation: This action reduces the general obligation bond authorization for the Maryland Agricultural Cost Share program by \$3,000,000. The Maryland Agricultural Cost Share program has been unable to encumber the full amount of its annual authorizations in a timely manner in recent years. This reduction leaves \$8,000,000 for the program when accounting for the \$3,000,000 in funding estimated to be available from fiscal 2024.

Total General Obligation Bonds Reductions/Additions \$3,000,000

Updates

- ***Maryland Food Center Authority Wholesale Produce Market Construction Delayed:*** The fiscal 2023 budget included \$10.0 million in the Dedicated Purpose Account for the Maryland Food Center Authority Wholesale Produce Market project. This funding was moved to the MDA budget for administrative and oversight purposes, since the Maryland Food Center Authority is a nonbudgeted agency. MDA has entered into a contract with the Maryland Food Center Authority for disbursement of the funds within five years. The plan was for quarterly reports to be submitted by the authority and for funds to be disbursed upon completion of tasks.
 - ***Project Scope:*** As planned, the project would (1) expand the existing dock by 13 feet, which provides an additional 73,693 square feet (SF) of refrigerable warehouse space; (2) enclose the existing back dock, which provides an additional 36,102 SF of enclosed refrigerable warehouse space; and (3) renovate the existing nonrefrigerated tenanted warehouse space to bring the 249,240 SF building to code.
 - ***Project Schedule Delayed:*** The plan was for the construction documents phase to run from July 1, 2023, to December 15, 2023, and then to go out for construction bid in January 2024. However, according to MDA, as of September 21, 2023, the Maryland Food Center Authority was still reviewing drawings with the architects and needed to get feedback from tenants at the Wholesale Produce Market. The Maryland Food Center Authority Board only recently approved time and materials for the architect, which was needed before the project can go out for construction bid, and now construction is not anticipated for the initial phase of the project until June or July 2024.

LA00 – Department of Agriculture – Capital

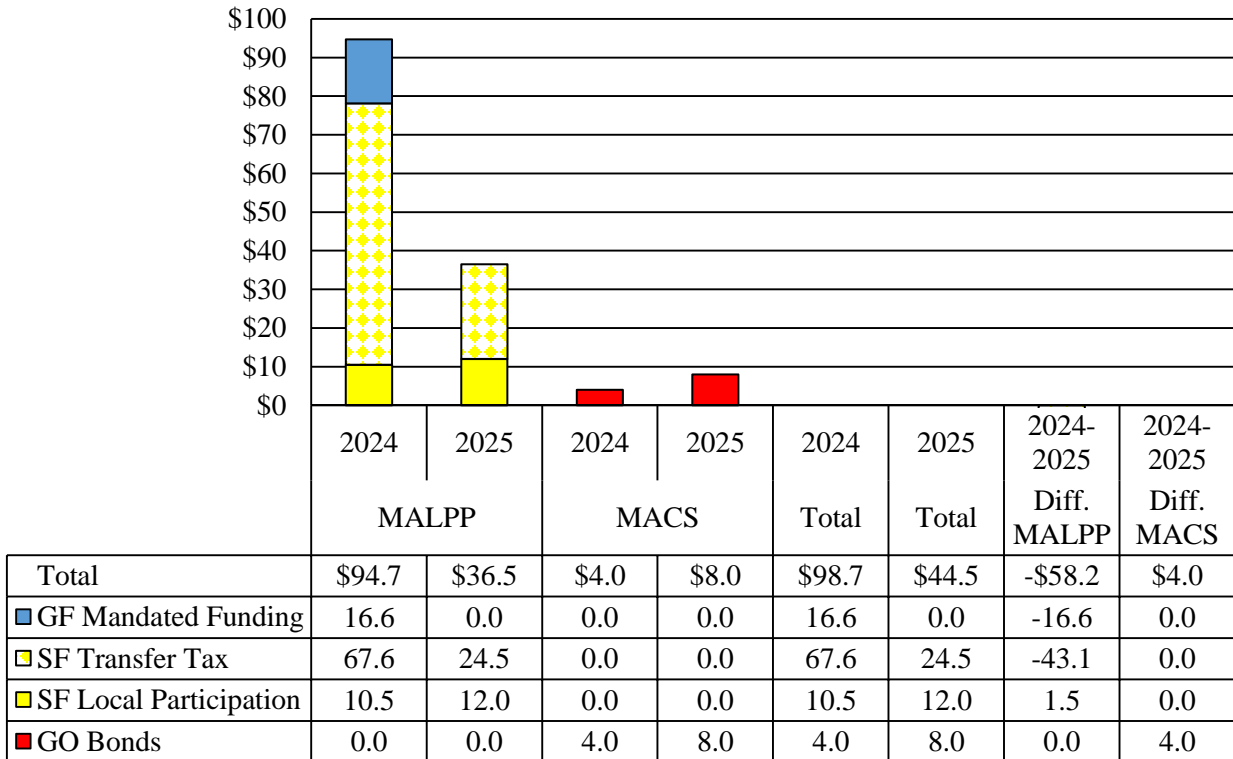
- ***Funding Update:*** The total project cost is estimated at \$12.0 million. The State has provided the \$10.0 million noted previously. The Maryland Food Center Authority is also seeking \$2.0 million from Howard County over two fiscal years, of which \$1.0 million has been provided.
- ***REPI Program Still Delayed:*** REPI is a federal cost-share program with state governments, local governments, and conservation organizations. REPI is intended to promote compatible land uses and preserve habitats near military installations. MDA has resolved several issues to address the execution of cost-share agreements and the incompatibility between MALPP and REPI. In May 2022, MALPP and the U.S. Navy entered a memorandum of understanding on how REPI will work in Maryland, which addressed the condemnation language previously deemed unacceptable. The U.S. Navy requires an initial test project before multiple projects can be submitted. Charles and St. Mary’s counties are likely locations in which a test project will occur. The plan is to work with an applicant with a MALPP lower-ranked application that did not receive State funding. In April 2023, MALPP staff approached Charles and St. Mary’s counties about a fiscal 2023 REPI-eligible applicant for the initial test project, but all applicants in both counties were extended MALPP offers due to the high level of funding in fiscal 2023, and no applicants needed additional REPI funding. MALPP will discuss the plan for REPI funding again with Charles and St. Mary’s counties in spring 2024 to see if there is an REPI-eligible applicant that did not receive a MALPP offer.
- ***2023 Farm Bill Delayed:*** The 2023 Farm Bill is an opportunity for the U.S. Congress to change program requirements and make federal funding more attractive to Maryland farmers through the Agricultural Conservation Easement Program. MDA notes that it has provided requested revisions to the 2023 Farm Bill to Maryland’s U.S. senators, and MALPP staff also continues its engagement with national farm preservation organizations that advocate for farmland preservation, including changes to the Farm Bill. In November 2023, President Biden signed the second federal fiscal 2024 continuing resolution, which extended Farm Bill programs until September 30, 2024, and thus a new Farm Bill has not been enacted.

Budget Overview of Grant and Loan Programs

The fiscal 2025 allowance includes \$36.5 million in special funds and \$8.0 million in general obligation (GO) bonds, for a total of \$44.5 million.

Exhibit 1 compares the fiscal 2024 and 2025 funding levels for MALPP and MACS. The fiscal 2025 funding level for MALPP is \$58.2 million less than fiscal 2024 due primarily to transfer tax revenue and repayment reductions, which are offset partially by an increase in local participation funds. MACS receives \$8.0 million in GO bond funds, which is \$4.0 million more than the GO bond funding provided in fiscal 2024.

Exhibit 1
Fiscal 2024 Appropriation and Fiscal 2025 Request by Fund Source
 (\$ in Millions)



GF: general funds
 GO: general obligation
 MACS: Maryland Agricultural Cost-Share Program
 MALPP: Maryland Agricultural Land Preservation Program
 SF: special funds

Source: Department of Budget and Management

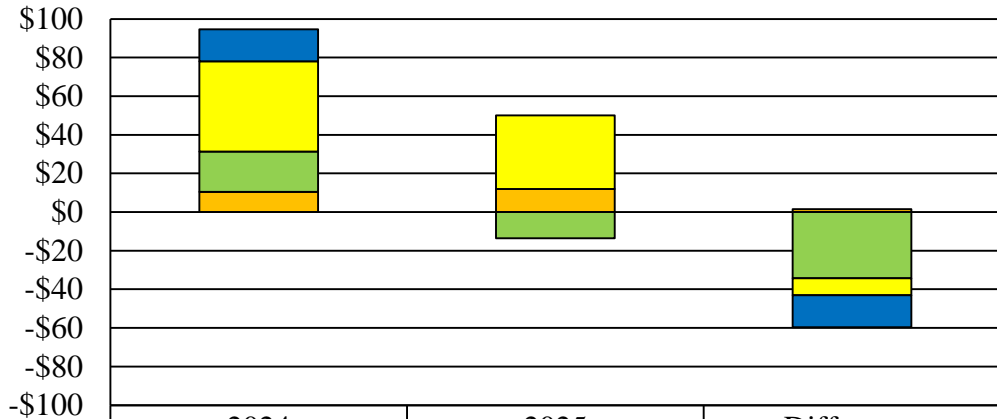
Maryland Agricultural Land Preservation Program

Program Description: MALPP preserves productive agricultural land and woodland to limit the extent of urban development and protects agricultural land and woodland as open space. MALPP, with the assistance and cooperation of landowners and local governments, purchases development rights easements as a means of protecting agricultural land and woodland production activities. The easement value is determined by subtracting the agricultural value from the appraised fair market value of the property. Once the development rights have been sold, the property is perpetually protected from further development with certain rights available only to the owners who originally sold the easement.

Fund Sources:						
(\$ in Millions)	2024 Approp.	2025 Request	2026	2027	2028	2029
GF	\$16.564	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
SF	78.133	36.493	45.964	58.711	64.307	69.229
Total	\$94.698	\$36.493	\$45.964	\$58.711	\$64.307	\$69.229

- Changes:** The fiscal 2025 budget provides \$24.5 million in transfer tax special funds and \$12.0 million in local transfer tax contribution. **Exhibit 2** reflects the \$58.2 million decrease in MALPP funding between fiscal 2024 and 2025, which is comprised of the following: (1) actual fiscal 2023 transfer tax revenues came in less than the amount budgeted, and this underattainment is deducted from the amount that would otherwise be distributed to MALPP from fiscal 2025 estimated revenues, resulting in a \$34.4 million decrease for fiscal 2025; (2) the overall transfer tax revenue estimate decreased between fiscal 2024 and 2025, resulting in a reduction of \$8.8 million for MALPP’s allocation; (3) the one-time fiscal 2024 lump sum distribution of general funds as mandated by Chapter 39 of 2022 (Great Maryland Outdoors Act); and (4) the local transfer tax contribution estimate increases from \$10.5 million to \$12.0 million. Of note, the fiscal 2026 estimate reflects the estimated underattainment of fiscal 2024 transfer tax revenues to account for anticipated reductions.

Exhibit 2
MALPP Funding Changes
Fiscal 2024-2025
(\$ in Millions)



	2024	2025	Difference
Total	\$94.7	\$36.5	-\$58.2
■ GF	16.6	0.0	-16.6
■ SF Transfer Tax Base	46.8	38.0	-8.8
■ SF Transfer Tax (Under/Overattainment)	20.8	-13.6	-34.4
■ SF Local	10.5	12.0	1.5

GF: general funds
 MALPP: Maryland Agricultural Land Preservation Program
 SF: special funds

Source: Department of Budget and Management

- Encumbrances and Expenditures:** Data as of December 2023 indicates that for all years prior to fiscal 2020, there is \$8.5 million to be encumbered and \$10.3 million to be expended. MALPP notes that there is only one \$0.4 million easement contract remaining to be completed from the funding prior to fiscal 2020 and that there are no more easement contracts using fiscal 2020 funding. Therefore, the remaining funding from fiscal 2020 and before will be brought in as a budget amendment in a future easement cycle. The current planned activity for fiscal 2024 reflects \$148.8 million in revenues (\$54.1 million in beginning balance and \$94.7 million in fiscal 2024 funding) but only \$65.0 million in encumbrances, which leaves \$83.8 million available for fiscal 2025. Historically, the program is very efficient at encumbering and expending funds.

- **Concerns:** MALPP is conferring with its board of trustees, the counties, and through the counties, local agricultural advisory boards about whether there should be a return to a two-year easement cycle – last implemented in fiscal 2018 – due to the reduced availability of transfer tax revenues. A decision will be made at the board of trustees’ April 23, 2024 meeting and, if approved, would mean combining the fiscal 2025/2026 funding years into a single cycle with new applications accepted July 1, 2024, but no new applications on July 1, 2025. No federal funding is reflected for MALPP, which means that there has been no change in the restrictive requirements attached to the federal funding from the Agricultural Easement Conservation Program. MDA notes that it has engaged with the Natural Resources Conservation Service about the restrictive requirements on the federal funding in recent years. The minimum easement terms that continue to block the use of the federal funding include the following, although MDA notes that the 2023 Farm Bill could present an opportunity to address these issues.
 - **Indemnification Requirement:** There is a standard requirement for paying the federal government for the costs related to easement violations. MDA continues to work with the Natural Resources Conservation Service on an exception to the indemnification requirement.
 - **Maximum Impervious Surface Limitation:** There is a maximum impervious surface limitation on all easements, which MDA has noted could prohibit certain types of farms from eligibility, such as poultry, greenhouse, and equestrian operations.
 - **Family Lot Limitations:** There is a limitation on the family lot option – the ability to reserve a portion of the property for development by a family member – which MDA has noted is exercised by the majority of easement holders and is a primary reason for landowner interest in the agricultural easements in the first place.
 - **Procedural Changes to Prior Easement:** The procedural review process for previously funded easements under the Farm and Ranch Lands Protection Program has been modified, which has increased the time, cost, and outcome uncertainty for landowners who try to resolve easement issues.
- **Other Comments:** Staffing has been an ongoing challenge for MALPP due to staff turnover, the support required from the Department of General Services (DGS), and the increased processing needs resulting from the more recent increase in the amount of transfer tax supporting the program. MDA notes that currently all 7.0 regular positions at MALPP and 7.0 regular positions and 1 contractual full-time equivalent (FTE) at DGS are filled. The 2 vacant contractual FTEs that MDA has been unable to fill due to the lack of benefits are replaced with 2.0 new regular positions in the fiscal 2025 allowance. The estimated cost per acre for MALPP easements is projected to be approximately \$4,350 in fiscal 2025, presumably based on fiscal 2023 easement acquisition costs, which will allow for the preservation of an estimated 8,389 acres. Of note, the estimated cost per acre increased from \$4,000 in fiscal 2021 to \$4,250 in fiscal 2022 through 2024 and now to \$4,350 per acre in fiscal 2025.

Maryland Agricultural Cost-Share

Program Description: MACS provides financial assistance to Maryland farmers for installing 1 or more of 30 nationally recognized BMPs that reduce soil and nutrient runoff from farmland. MACS requires a minimum 12.5% cost-share match from grantees for all but fixed natural filter practices. State financial assistance for most BMPs is limited to \$50,000 per project or \$150,000 per farm. These limits increase to \$200,000 per project and \$300,000 per farm when proposed BMPs include animal waste storage facilities. Chapter 120 of 2021 increased from 87.5% to 100% the percentage of eligible costs for which State cost-sharing funds may be used for projects that prevent or control agriculturally related nonpoint source water pollution by using fixed natural filter practices.

Fund Sources:						
(\$ in Millions)	2024 Approp.	2025 Request	2026	2027	2028	2029
GO Bonds	\$4.000	\$8.000	\$8.000	\$8.000	\$8.000	\$8.000
Total	\$4.000	\$8.000	\$8.000	\$8.000	\$8.000	\$8.000

- Changes:** The fiscal 2025 funding level is equal to the amount programmed in the 2023 *Capital Improvement Program* for fiscal 2025, and there have been no changes in the planned out-year funding levels. MDA estimates the availability of approximately \$3.0 million in prior year funding in fiscal 2025. **The Department of Legislative Services (DLS) notes that the MACS program has been unable to encumber the full amount of its annual authorizations in a timely manner in recent years. Therefore, DLS recommends that the fiscal 2025 authorization for MACS be reduced by \$3.0 million, which leaves \$8.0 million for the program when accounting for the \$3.0 million estimated to be available from fiscal 2024.**
- Encumbrances and Expenditures:** There is \$0.5 million to be encumbered and \$2.5 million to be expended prior to fiscal 2020. The \$0.5 million represents funding for projects that either were canceled or came in under budget and will be recycled for new projects. MDA is working with local soil conservation districts and applicants to complete the projects with \$2.5 million remaining to be expended. The fiscal 2023 encumbrance of \$10.0 million and expenditure of \$6.4 million both appear to be records for MACS. This follows on a successful fiscal 2022 encumbrance of \$9.7 million. Per project costs increased slightly between the fiscal 2022 encumbrances (approximately \$22,000 per project) and fiscal 2023 encumbrances (approximately \$25,000 per project). Going forward, MDA projects that it will encumber approximately \$11.6 million in fiscal 2024 – \$5.6 million for the first half of the year and \$6.0 million for the second half of the year.
- Concerns:** The MACS program is integral to the success of the agricultural component of Chesapeake Bay restoration. Recent and projected encumbrance activity suggests that the program is ramping up to meet the needs of farmers and the Chesapeake Bay, but it remains to be seen whether this activity level can be maintained. This is discussed further in the Issues section of this analysis.

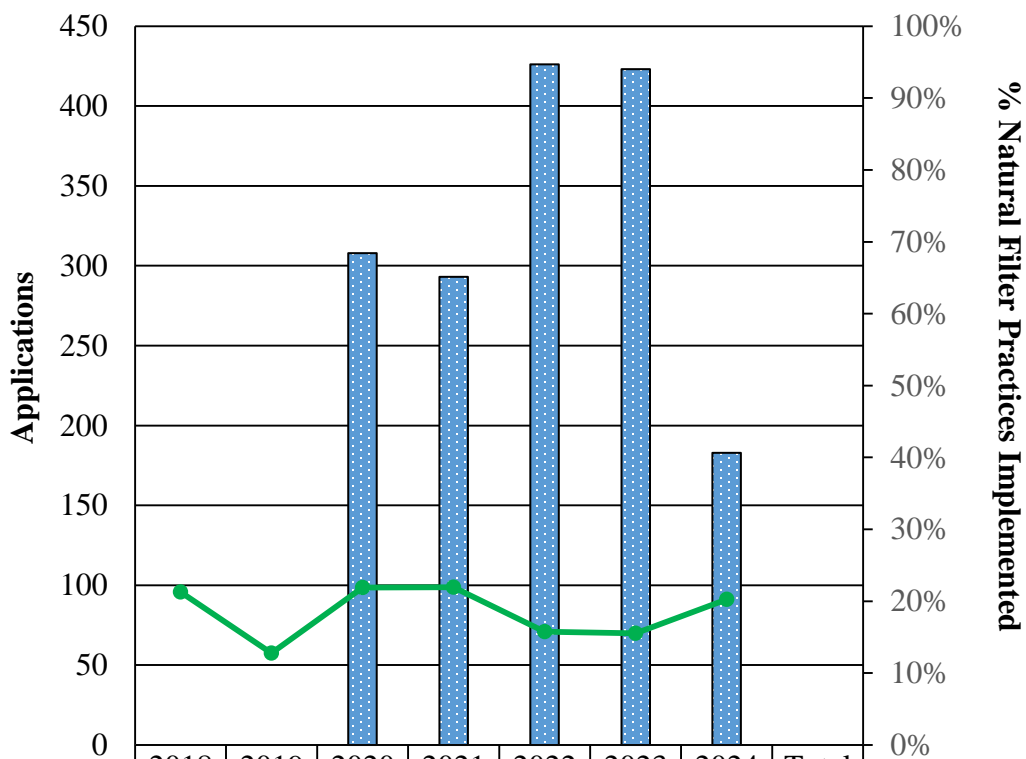
Issues

1. Maryland Agricultural Cost-Share Program Not Fully Effective

The MACS program is a key component of Chesapeake Bay restoration because it funds a suite of agricultural BMPs featured in Maryland’s Watershed Implementation Plan and is supported by an additional 53 soil conservation district field positions that now have been hired to provide outreach and technical assistance to farmers interested in installing BMPs. As noted previously, Chapter 120 increased from 87.5% to 100% the percentage of eligible costs for which State cost-sharing funds may be used for projects that prevent or control agriculturally related nonpoint source water pollution by using fixed natural filter practices. The filling of the 53 soil conservation district field positions, the incentivizing of fixed natural filter practices, and the potential to spatially target MACS funding to high nutrient and sediment loss agricultural operations at the farm or field level would be a powerful boost to agricultural BMP implementation for Chesapeake Bay restoration. However, this does not appear to have come to fruition yet.

Exhibit 3 reflects the recent statistics for the MACS program. The number of applications for MACS BMP funding increased between fiscal 2020 and 2022 but then decreased slightly in fiscal 2023 and may decrease again in fiscal 2024, based on the data as of February 2, 2024. MDA also notes that per project costs have increased due to rising material costs, updated flat-rate payment schedules, and project payment cap revisions that partially reduce the cost effectiveness of MACS funding. In terms of the implementation of natural filters practices, Chapter 120 took effect in fiscal 2022, and yet there has been very little change in the percentage of natural filters practices implemented relative to the overall number of BMPs implemented. In addition, Chapter 120 is only in effect through fiscal 2026. Finally, MDA does not appear to have embraced the idea of spatially targeting MACS funding for BMPs to high nutrient and sediment loss agricultural operations at the farm or field level to boost to agricultural BMP implementation for Chesapeake Bay restoration. **DLS recommends that MDA comment on the lack of a substantial increase in the percentage of natural filters practices being implemented, despite the 100% cost coverage provide by MACS in Chapter 120 and the impact of Chapter 120 sunseting at the end of fiscal 2026. DLS also recommends that MDA comment on why MACS funding is not being spatially targeted to high nutrient and sediment loss agricultural operations at the farm or field level.**

**Exhibit 3
MACS Practices Statistics
Fiscal 2018-2024**



Applications			308	293	426	423	183	1,633
Amount Requested (\$ in Millions)			\$6.0	\$6.4	\$8.7	\$10.5	\$4.3	\$35.9
Natural Filters Practices Implemented	70	34	81	86	53	96	65	485
Other BMPs Implemented	259	232	289	306	283	521	256	2,146
% Natural Filters Practices Implemented	21%	13%	22%	22%	16%	16%	20%	18%

BMP: best management practices
MACS: Maryland Agricultural Cost-Share Program

Note: The fiscal 2024 data is as of February 2, 2024.

Source: Maryland Department of Agriculture

Performance Measures and Outputs

Maryland Agricultural Land Preservation Program

Land Preservation Goals and Out-year Challenges

MALPP supports two State land preservation goals. Joint Resolutions 16 and 17 of 2002 created a goal to, by calendar 2022, triple the number of acres, now considered to be a goal of 1,030,000 total acres of productive agricultural land preserved by MALPP, the Maryland GreenPrint Program, the Rural Legacy Program, and local preservation programs. This goal would not have been met by 2022 given the land preservation progress up to that point. Chapters 284 and 285 of 2021 established the agricultural land preservation goal in statute, extended the deadline from calendar 2022 to 2030 and included acres preserved through the Maryland Environmental Trust and the Maryland Agricultural and Resource-Based Industry Development Corporation's Next Generation Farmland Acquisition Program. State data inadvertently omitted MALPP's fiscal 2023 land preserved, but as of December 1, 2023, the State's data indicates 880,025 acres, or 85.4%, of the goal have been preserved under these programs. This means that 149,975 acres need to be preserved before calendar 2030, or approximately 24,996 acres per year over the next six years.

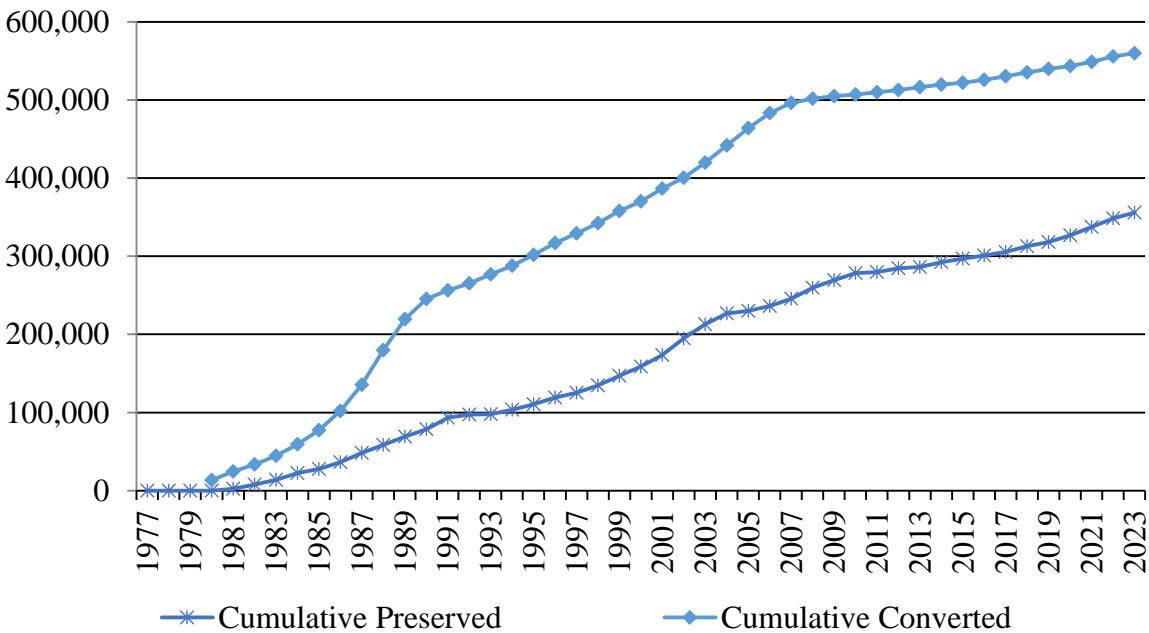
The second State land preservation goal is codified by Chapter 546 of 2023. Chapter 546 provides that (1) by calendar 2030, 30% of lands in the State be conserved and (2) by calendar 2040, 40% of lands in the State be conserved. Maryland is on track to exceed the 30% by calendar 2030 goal with 1,844,894 acres preserved as of December 2023, with the caveat that this does not include the most recent data from MDA, and that there are 6,189,629 land acres in Maryland. Therefore, 29.8% of Maryland's land acres have been preserved or 99.4% of the calendar 2030 goal with 7 years left. In contrast, the 40% of land conserved by calendar 2040 goal, or 2,475,852 acres, will depend on a high degree of coordination, especially given that (1) the existing conserved lands date back to the establishment of Program Open Space in 1969, while only 16 years remain to the calendar 2040 goal; (2) large land parcels are less common than in the past, as many have been subdivided or developed; (3) land values have increased substantially; and (4) the land developed per person has not been reduced appreciably at the same time that Maryland's population is expected to increase by 20% between calendar 2022 and 2050. MDA notes that MDA, the Department of Natural Resources, and the Maryland Department of Planning are staffing a Smart Growth Subcabinet working group drafting an initial plan to meet the State's conservation goals that, as required by Chapter 546, is due July 1, 2024, and will be updated at least every 5 years thereafter.

Land Preserved versus Converted

Agricultural land is desirable for conversion to other uses, such as residential development. MALPP is one tool for keeping farmland in agricultural production, and the agricultural use assessment is another tool for taxation purposes. **Exhibit 4** reflects the cumulative agricultural land preserved by MALPP versus the agricultural land converted to development purposes from

fiscal 1977 to 2023. During this period, the amount of cumulative agricultural land converted has exceeded the cumulative amount conserved. As shown in **Exhibit 5**, more recently during the peak Great Recession years, significantly more farmland was preserved than converted to nonagricultural use, which correlates with less development pressures occurring during an economic recession. Since that time, as the State’s fiscal condition improved, more land also has been preserved than developed. In fiscal 2023, for instance, there was a net increase in the annual acres preserved due to 7,513 acres being preserved, which was almost twice as much as the 3,926 acres converted to development. The acres protected under MALPP in fiscal 2022 was the highest number protected since fiscal 2008 and also the second year in a row that over 10,000 acres have been preserved. This is a direct result of returning to a single-year application cycle in fiscal 2019. Of note, the 7,229 acres converted to development in fiscal 2022 is also the highest number of acres converted since fiscal 2007.

Exhibit 4
Cumulative Agricultural Land Preserved by MALPP versus
Cumulative Agricultural Land Converted
Fiscal 1977-2023
(in Acres)

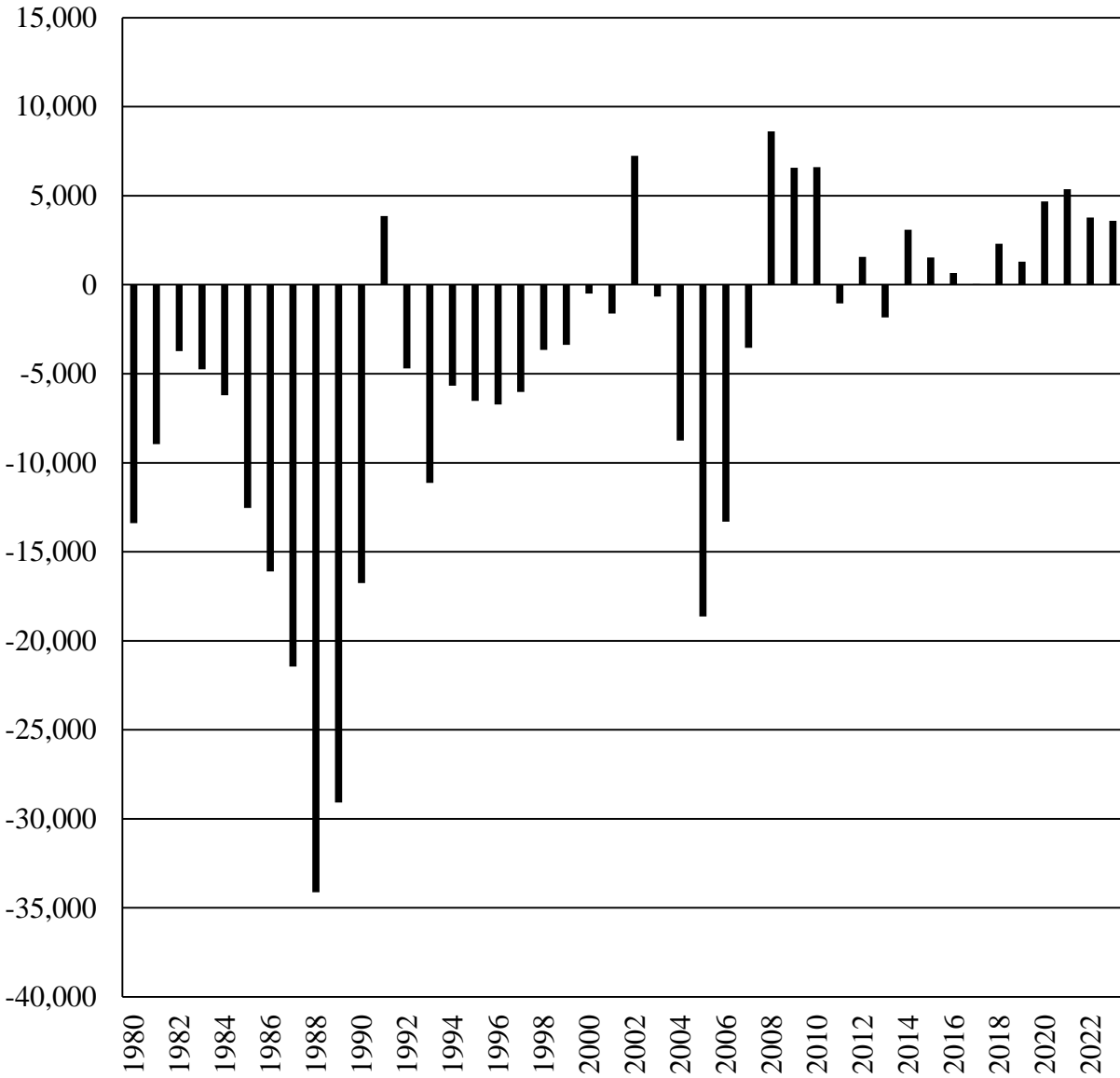


MALPP: Maryland Agricultural Land Preservation Program

Note: Includes easements under the Maryland Agricultural Land Preservation Foundation and the now defunct GreenPrint Program. State records do not exist for agricultural land converted before fiscal 1980.

Source: Maryland Department of Agriculture; State Department of Assessments and Taxation

Exhibit 5
Net Difference in Annual Farmland Preserved and Converted
Fiscal 1980-2023
(in Acres)



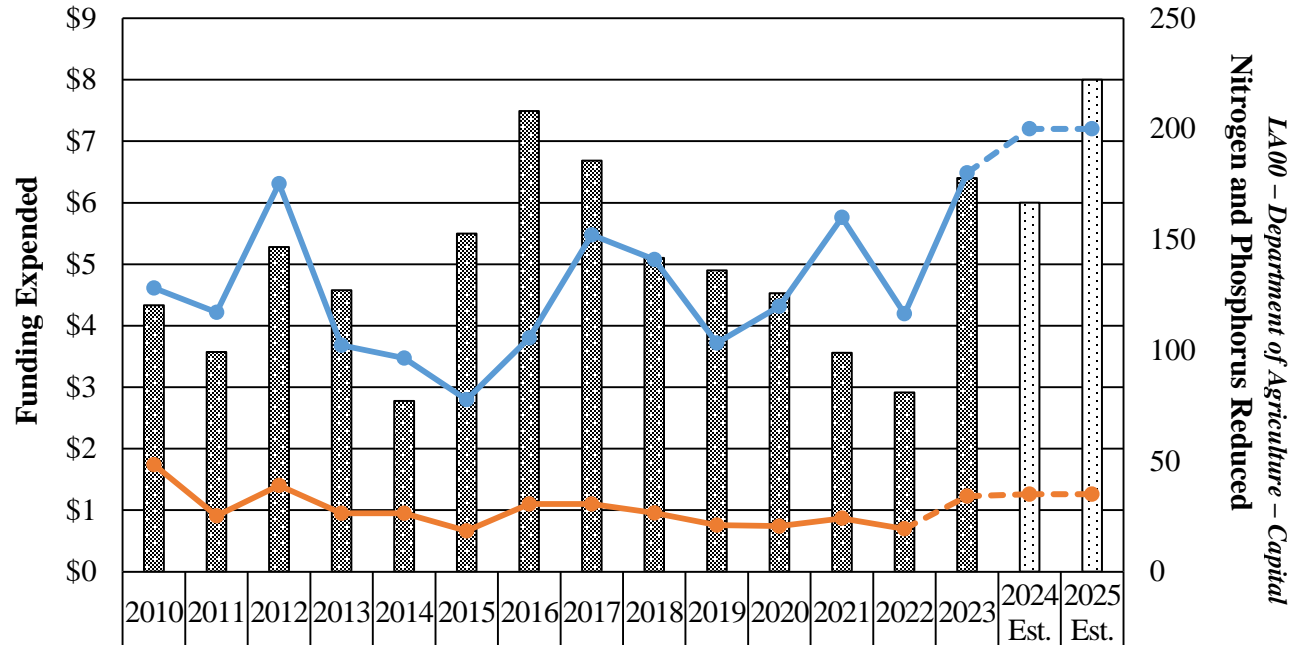
Source: Maryland Department of Agriculture; State Department of Assessments and Taxation

Maryland Agricultural Cost-Share

MDA’s Resource Conservation Grants program has the goal of controlling and reducing agriculture-related water pollution through the implementation of BMPs. MDA has implemented a tracking system that reflects both BMPs installed with State funding and federal financial assistance through the U.S. Environmental Protection Agency (EPA) Chesapeake Bay Implementation Grant and processed through MACS. In contrast, BMPs funded by the U.S. Department of Agriculture are not tracked as part of the budget process; however, BMPs and nutrient reductions are reported to EPA as part of documentation for Maryland’s Watershed Implementation Plan for Chesapeake Bay restoration. MDA has noted that it backfills funding with federal cost-share dollars when federal funding is available.

Exhibit 6 reflects the new BMPs installed by MACS between fiscal 2010 and the 2025 estimate. In recent years, the greatest amount expended in a particular year was \$7.5 million in fiscal 2016 for 632 projects, or roughly \$12,000 per BMP. In fiscal 2023, MACS expended \$6.4 million to complete 344 projects, or roughly \$19,000 per BMP, which is up from the roughly \$12,000 per BMP in fiscal 2022. There has been no trend in nitrogen or phosphorus reductions over the time period shown. MDA has noted in the past that it can take up to two years for practices to be implemented, so the lack of funding in fiscal 2017 reduced the number of projects completed in fiscal 2019. MDA has a new goal of implementing 1,054,607 total farm acres under BMPs by the end of fiscal 2025, which pushes out the fiscal 2024 goal by one year to fiscal 2025 but keeps the same amount. This new goal is unlikely to be met; only 802,492 acres met this criterion in fiscal 2023, and both the fiscal 2024 estimate of 850,000 acres and the fiscal 2025 estimate of 975,000 acres are well short of the goal. In fact, the number of acres managed under a current conservation plan has steadily been decreasing from 923,896 acres in fiscal 2017 to 802,492 acres in fiscal 2023 – a trend that will need to be reversed if the goal is to be met. MDA notes that total farm acres under BMPs is the same as the number of acres under soil conservation and water quality plans. The soil conservation and water quality plans are considered current for 10 years, but then are no longer counted after the 10-year period has expired. In the past, MDA appears to have focused its efforts on new BMPs and to have taken a more passive approach to expiring soil conservation and water quality plans, which means that farms with expiring plans were not specifically targeted for assistance. To meet Chesapeake Bay restoration goals, MDA conservation planners are now using a list of expiring soil conservation and water quality plans to target outreach to farms with plans that have expired or will expire by fiscal 2025, which will help meet the goal of implementing 1,054,607 total farm acres under BMPs by the end of fiscal 2025.

Exhibit 6
MACS Program Statistics
Fiscal 2010-2025
(\$ in Millions)



Funding Expended (\$ in Millions)	\$4.3	\$3.6	\$5.3	\$4.6	\$2.8	\$5.5	\$7.5	\$6.7	\$5.1	\$4.9	\$4.5	\$3.6	\$2.9	\$6.4	\$6.0	\$8.0
Nitrogen Reduced (Thousands of Pounds)	128	117	175	102	97	78	106	152	141	103	120	160	116	180	200	200
Phosphorus Reduced (Thousands of Pounds)	48	25	39	26	26	18	31	31	27	21	21	24	19	34	35	35
MACS Projects	589	539	540	645	603	360	632	359	215	192	315	271	251	344	400	400

MACS: Maryland Agricultural Cost-Share Program

Source: Maryland Department of Agriculture