



CONSERVATION ALMANAC
Tracking Investments in Protected Lands

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State Highlights in Conservation: Maryland

Profile of State Program(s)

Program Open Space: The Department of Natural Resources coordinates Program Open Space, created by the state legislature in 1969. This program receives its funding from the state real estate transfer tax, which places one-half of one percent of the purchase price of a home or land into a fund dedicated to the Program. Each county receives an allotment based on county population and the amount of real estate transfer revenue generated in that county. Other programs such as Rural Legacy, the Agricultural Land Preservation Foundation and the Maryland Historical Trust's Heritage Area Program also receive portions of this fund.

Rural Legacy Program: In 1997, the Maryland General Assembly adopted the Rural Legacy Program as part of the Governor's Smart Growth and Neighborhood Conservation Initiative. The Program's mission is to preserve large, contiguous blocks of farmland and open space across the state strategically. Under the Program, local governments and private land trusts identify Rural Legacy Areas, or rural areas in need of protection, and competitively apply for funds. Funds come from general obligation bonds, general funds, and the stateside acquisition budget of Program Open Space.

Maryland Agricultural Land Preservation Foundation: The Maryland Agricultural Land Preservation Foundation (MALPF) was created by the General Assembly in 1977 to preserve productive agricultural land and woodland to produce food and fiber, curb urban sprawl, and protect open space. A landowner or group of neighboring landowners with a minimum of 100 contiguous acres may form an Agricultural Preserve District by agreeing to keep their land in agricultural use for at least five years. Landowners may then sell the development rights to the state. MALPF's

funding comes mainly from two sources, Maryland's real estate transfer tax and the agricultural transfer tax.

Maryland Environmental Trust: The Maryland Environmental Trust (MET), created in 1967, aims to conserve and improve, the aesthetic, natural, scenic and cultural aspects of the Maryland environment. MET also promotes open space conservation through its Conservation Easements Program, whereby landowners voluntarily donate their development rights and are eligible for significant reductions in income, property and estate taxes in return. Most of MET's land conservation is completed through donated conservation easements.

Maryland GreenPrint Program: In May 2001, the State of Maryland created a new program, GreenPrint, designed to protect lands critical to long-term ecological health. These lands, referred to as Maryland's green infrastructure, provide the natural foundation needed to support a diverse plant and animal population, and enables valuable natural processes like filtering water and cleaning the air, to take place. The funding source was Maryland general obligation bonds from various Capital Consolidated Bond Loans. GreenPrint ended as of June 30, 2006.

Substantial State Investment

Maryland is one of the first states to fund land conservation through a dedicated real estate transfer tax and agricultural transfer tax. These transfer taxes have served as the dedicated funding source for a wide range of programs (POS, MALPF, and Rural Legacy) for over three decades, and have been supplemented with bonds for initiatives like the Rural Legacy Program. The Agricultural Transfer Tax is imposed on the value of the land receiving an agricultural use assessment. The rate of the tax is 5%

when the land involved in the transaction is 20 acres or more; the rate is 4% when the land is less than 20 acres in size; and the rate is 3% in those cases when the size of the tract is less than 20 acres and it is a building lot with site improvements such as well and septic. MALPF receives its funding from this source.

Beginning July 1, 2008, a new 25% surcharge was imposed on the existing agricultural land transfer tax with all of the new revenues collected going to support stateside rural land preservation efforts. The agricultural transfer tax is only paid when farmland is taken out of agricultural use, and is typically paid by the buyer/ developer. Lots of 2 acres or less will be exempt. The new tax is expected to generate an additional \$2-3 million for State agricultural land preservation programs during FY 2009, and in a robust economy the tax could generate as much as \$6 million annually in new rural land preservation funding.

State Incentive for Local Conservation Funding

Maryland Agricultural Land Preservation Foundation's (MALPF) Certification of Local Agricultural Land Preservation Programs, begun in 1990, provides incentives for counties to develop effective farmland preservation programs. Counties that apply to MALPF and are certified as having an effective farmland preservation program keep 75 percent of the agricultural transfer tax revenues to be used for agricultural land preservation, while non-certified counties keep one-third of the revenue.

The Rural Legacy Program provides grants to local governments as well. Local matching dollars are not required, but highly encouraged.

Public-Private Partnerships

Under the Rural Legacy Program, local governments and private land trusts identify Rural Legacy Areas, or rural areas in need of protection, and competitively apply for funds.

Conservation Tax Credits

Income Tax Credit for Preservation and Conservation Easements: This conservation easement tax credit was passed in 2001, and allows

the landowner to collect 100% of the fair market value of the parcel. The maximum credit is \$800,000, and there is a maximum credit of \$5,000 per year. The rest of the credit can be claimed for up to 15 years, for a maximum total credit of \$80,000. Easements must be held by the Maryland Environmental Trust or the Maryland Agricultural Land Preservation Foundation.

Local Financing Enabled

Some Maryland counties have utilized general obligation bonds, general appropriations and the transfer tax; local governments do not have uniform taxing authority.

Maryland counties can issue debt for local capital improvement purposes –roads, land conservation, parks, and buildings– in the form of general obligation (G.O.) bonds. The process of issuing G.O. bonds varies from county to county depending on whether that county has home rule powers, or operates solely under powers delegated by the legislature.

Other viable funding options for land conservation include installment purchase agreements and zero coupon bonds, property tax, income tax, transfer tax, recordation tax, hotel tax, and a special taxing district.

Local Programs Included

Data for the Conservation Almanac has not yet been collected for local measures approved by voters in Maryland. Visit www.landvote.org for more information.

Federal Partnerships

Federal agencies and programs that have conserved land in Maryland include:

- U.S. Forest Service – Forest Legacy Program (FLP)
- U.S. National Oceanic and Atmospheric Administration – Coastal and Estuarine Land Conservation Program (CELCP)
- U.S. National Park Service
- U.S. Natural Resources Conservation Service – Farm and Ranch Lands Protection Program (FRPP)



The Trust for Public Land creates parks and protects land for people, ensuring healthy, livable communities for generations to come.

The Conservation Almanac

A comprehensive database of land conservation and public conservation funding in America, the Conservation Almanac provides a context for assessing impacts of conservation and the growing conservation finance movement. The Almanac offers information on public dollars spent and acres conserved, details on local, state, and federal conservation programs, and geospatial mapping of conserved land.

Almanac data collection efforts focus on land conserved using public dollars; contributions funded by private and non-governmental organizations are not tracked comprehensively. Federal data is complete from 1998-2017. State and local data is complete from 1998-2005. In the tables and charts below, acres are allocated to each program proportionate to the size of the contributions to each acquisition. For example, if an acquisition had two contributions, and each program contributed equal dollar amounts, each program receives 50% of the acres. If you have questions or want to provide updated information, please contact Jessica Welch at jessica.welch@tpl.org.

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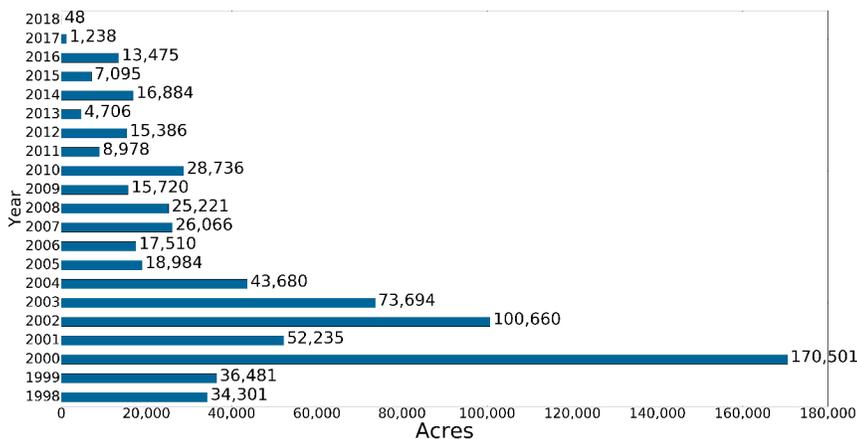
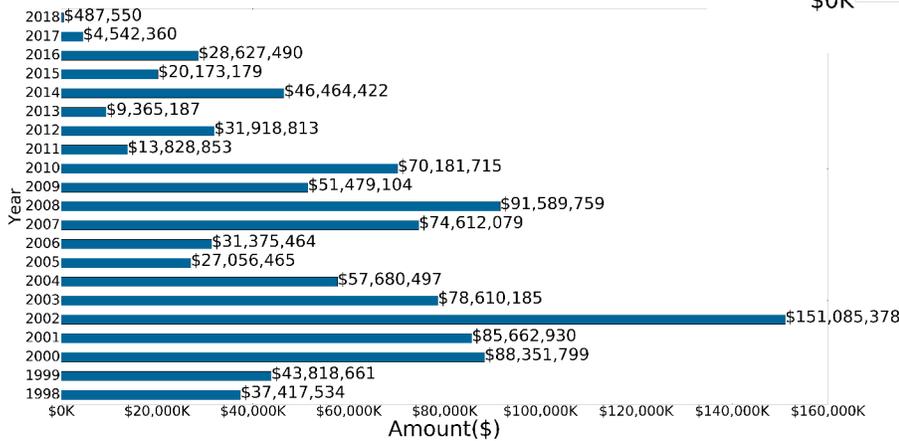
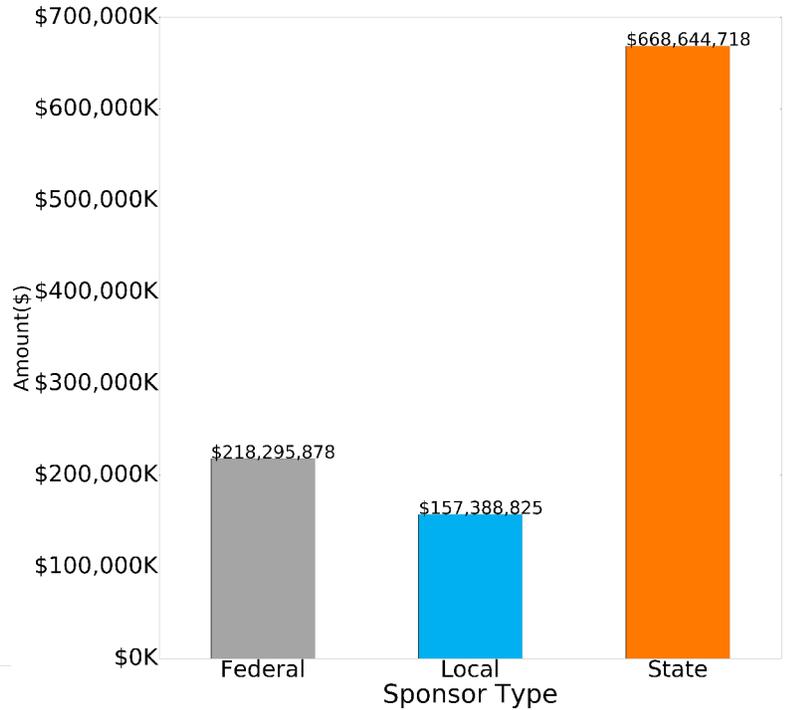
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State Conservation Report Maryland



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The data in the Conservation Almanac track the impacts of public spending on land conservation. Created by The Trust for Public Land, the Conservation Almanac brings those data together along with state policy profiles, current conservation finance news, and an interactive map, to provide a powerful online tool.