

## Chapter 428

### (House Bill 1303)

AN ACT concerning

#### **Agriculture – Cost Sharing for Water Pollution Control**

FOR the purpose of altering the maximum amount of State cost sharing for certain water pollution control projects; and generally relating to State cost sharing for water pollution control.

BY repealing and reenacting, with amendments,  
Article – Agriculture  
Section 8–704  
Annotated Code of Maryland  
(2007 Replacement Volume and 2011 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

#### **Article – Agriculture**

8–704.

(a) (1) State cost sharing in any project may be made available for up to 87 1/2 percent of eligible costs, not to exceed a dollar amount of up to **[\$100,000] \$200,000** as determined by a regulation adopted jointly by the Secretary of Agriculture and the Secretary of the Environment.

(2) State cost sharing funds may be made available for any project if:

(i) The Department of Agriculture, the soil conservation district, and a person have executed an agreement which, among other things, obligates the person to establish, construct, or install the best management practice in accordance with technical specifications, to maintain the best management practice for its expected life span, and to provide the required matching funds for the project;

(ii) The Board of Public Works has given approval to the project when the proceeds of State bonds are to be used to finance the State share; and

(iii) The soil conservation district has certified to the Department that the project meets all applicable technical standards, and that all submitted invoices properly represent eligible costs.

(3) (i) 1. Except as authorized under subparagraph 2 of this subparagraph and before the Department of Agriculture executes a cost sharing agreement with a farm tenant, it shall obtain the consent of the landlord to the terms and conditions of the agreement.

2. The Department may execute the agreement without the consent of the landlord if:

A. The agreement concerns a short-term project that involves only the planting of a cover crop; and

B. The Department has sent by first-class mail written notice of a cover crop project to the landlord at least 10 calendar days before executing the agreement for the first cover crop project during the term of the lease.

(ii) The Department may also require the granting to the State of an appropriate security interest in any equipment, structures or similar items purchased with State moneys.

(4) A cost sharing agreement executed as required under this subtitle may be assigned and transferred to a successor in title of all or part of a tract of land subject to a best management practice.

(b) State cost sharing funds shall be disbursed, upon warrant of the Comptroller, only after the Department has determined that the best management practice has been established or in the case of equipment, structures, or similar items, that it has been received and properly installed. Payment may be made either to the person when the person has advanced money, or directly to a vendor or contractor in accordance with the written agreement required by this section, or supplemental written agreements with the vendor or contractor.

(c) (1) The Secretary of Agriculture and the Secretary of the Environment shall jointly promulgate rules and regulations to implement this subtitle. However, rules and regulations solely involving internal management of the cost sharing program need only be promulgated by the Secretary of Agriculture. The Department of Natural Resources shall be consulted prior to any rule making effort to assure coordination with its sediment control and related watershed programs.

(2) All rules and regulations promulgated under this section shall be approved by the Board of Public Works prior to the use of the proceeds of State bonds in the cost sharing program.

(3) The Department of Agriculture and the Department of the Environment may enter into agreements with appropriate federal and local governmental entities to assist in administering this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2012.

**Approved by the Governor, May 2, 2012.**