

## MARYLAND DEPARTMENT OF THE ENVIRONMENT

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Martin O'Malley Governor Robert M. Summers, Ph.D. Secretary

Anthony G. Brown Lieutenant Governor

February 26, 2014

The Honorable Maggie McIntosh, Chair Members, Environmental Matters Committee House Office Building, Room 251 Annapolis, MD 21401

Re: House Bill 576 – Sustainable Growth and Agricultural Preservation Act of 2012 – Diminution in Value of Real Property - Compensation

Dear Chairperson McIntosh and Committee Members:

The Maryland Department of the Environment (MDE or "the Department") has reviewed House Bill 576, Sustainable Growth and Agricultural Preservation Act of 2012 – Diminution in Value of Real Property – Compensation, and would like to express our opposition to this legislation.

This bill would allow an owner of any real property that experiences a decrease in value as a direct result of a land use or development restriction resulting from local implementation of the Sustainable Growth and Agricultural Preservation Act of 2012, to receive just compensation from the State.

The Department has several concerns regarding this bill. This legislation implies that a takings has occurred which entitles a property owner to compensation. The 2012 Act did not entitle local governments to takings. The 2012 law required local governments to be clear about the kinds of development that are compatible with agricultural areas. The purchase and ownership of land zoned for agriculture does not imply a future right of major subdivision. In many counties, significant State and local funds have already been provided to purchase development rights and ensure that agriculture will be viable over the long term in Maryland. The 2012 law sought to strengthen this viability. Local governments have the power to rezone, including downzone, properties through a public process, without such actions being considered takings.

Additionally, the Department believes that HB 576 would set a dangerous precedent regarding applications for monetary compensation for any number of legislative, regulatory or administrative State actions where a property owner could claim a diminution of land value.

For these reasons the Department urges an unfavorable report on House Bill 576. If I can be of further assistance, please call me at (410) 260-6301 or you can reach me by email at <a href="jeffrey.fretwell@maryland.gov">jeffrey.fretwell@maryland.gov</a>. Thank you.

Sincerely,

Jeffrey Fretwell Legislative Liaison