

March 1, 2021

PARTNERS for OPEN SPACE

Rural Maryland Council Charlotte Davis, co-Chair

Chesapeake Conservancy Joel Dunn, co-Chair

Grow and Fortify Kelly Dudeck

**Baltimore County Land Trust Alliance** Ann Jones

Chesapeake Bay Commission Mark Hoffman

The Conservation Fund Bill Crouch

**Preservation Maryland** Nick Redding

The Nature Conservancy Deborah Barber

Maryland Association of County Parks and Recreation Administrators Sue Simmons

Maryland League of Conservation Voters Kristen Harbeson

Maryland Recreation and Parks Association Chuck Montrie

Forever Maryland Foundation Wendy Stringfellow

Southern Maryland Heritage Area Consortium Lucille Walker

Trust for Public Land Kent Whitehead

Eastern Shore Land Conservancy Jim Bass The Honorable Maggie McIntosh Chair, Appropriations Committee Maryland House of Delegates House Office Building Room 121 Annapolis, MD 21401 The Honorable Mark Chang Vice Chair, Appropriations Committee Maryland House of Delegates House Office Building Room 121 Annapolis, MD 21401

Dear Chair McIntosh and Vice Chair Chang,

On behalf of Partners for Open Space, a statewide coalition of environmental, agricultural, recreation, and historic preservation organizations, we write to offer support of House Bill 589 / Senate Bill 493, the Budget Reconciliation and Financing Act of 2021, and to comment on provisions related to the property tax article.

As proposed by Governor Hogan, the Budget Reconciliation and Financing Act of 2021 would adjust the repayment schedule for previously diverted Program Open Space and related program funding, resulting in a reduction in Program Open Space funding of \$43.9 million in FY 2022. The \$43.9 million would be repaid in the following fiscal year, FY 2023.

Over the past twenty years, more than \$1 billion in Program Open Space funds – funding that was specifically dedicated to protect open space for the benefit of Marylanders' health and their environment through the real estate transfer tax – has been diverted to the General Fund for other uses. In 2016, the General Assembly passed legislation (HB 462 / CH 10) unanimously by both chambers to repay Program Open Space. Currently, \$218.2 million is scheduled to be repaid.

While it is very difficult to estimate the benefits lost (in terms of acres conserved, economic value created, and other public health and environmental benefits) for funds that were never dispersed, the lack of repayments to Program Open Space has had a significant and negative impact on conservation and public access efforts in Maryland.

For example, the Piney Run Watershed Rural Legacy Area has been one of the most successful rural legacy areas across the state, preserving 78 farms to date. In FY 2005, Rural Legacy Program funding was eliminated due to Program Open Space diversions to the General Fund. Minimal funding was restored in FY 2006. As a result, no properties were conserved between December 2003 and December 2006. The impact of diverted funding affected all preservation programs within the Program Open Space suite, including state park and local park projects. When repayments are not made, Program Open Space projects benefiting Marylanders are lost.

Park visitation and public demand for open space and outdoor recreation opportunities has been skyrocketing in recent years. In 2020, with a record 21.5 million visitors, many state parks reached capacity and were forced to close to additional visitors (nearly 300 capacity closures total). The increasing public demand among Marylanders for open space should serve as a powerful justification for members of the General Assembly to allocate its available Program Open Space resources to address this important need.

The Partners for Open Space acknowledge the challenging budget circumstances Maryland faces with respect to the COVID-19 pandemic and the rationale for adjusting the repayment schedule ahead by one fiscal year. However, the Partners for Open Space would also like to state our strong opposition to any proposal that would reduce or eliminate this repayment, as well as proposals that would divert funding from Program Open Space.



In its Capital Budget Fiscal Briefing, the Department of Legislative Services advised the Capital Budget Subcommittee to eliminate the repayment plan entirely. Partners for Open Space rejects this proposal, which would set an exceedingly poor precedent for the legislature to divert dedicated funding for Program Open Space without consequence. The Partners for Open Space stand with the Department of Natural Resources in strong opposition to this recommendation.

Given the major and growing increase in state park visitation, given the need for land conservation to protect habitats and mitigate the impacts of climate change, and given the substantial economic benefits in outdoor recreation and tourism supported by Program Open Space, the need for investment in Program Open Space has never been more important.

We ask you to maintain the repayment schedule as outlined in HB 589 / SB 493, and we thank you for your continued support for Program Open Space.

Sincerely,

Joel Dunn, Co-chair Partners for Open Space Charlotte Davis, Co-chair Partners for Open Space