

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 1036 (Delegate Bozman. *et al.*)

Environmental Matters

Natural Resources - Woodland Incentive Program - Per-Acre Limit

This bill prohibits the Department of Natural Resources (DNR) from charging a landowner a fee of more than \$10 for each affected acre, during a six-month period, for providing cost-share and technical assistance to landowners implementing approved forestry practices in conjunction with the Woodland Incentive Program.

Fiscal Summary

State Effect: Potential revenue increase of up to \$168,700 annually for the Woodland Incentive Fund. Potential indeterminate increase of federal matching funds.

Local Effect: None.

Small Business Effect: Potential indeterminate impact on small business.

Fiscal Analysis

Background: The Woodland Incentive Program was established to foster and encourage the development, management, and protection of the nonindustrial private woodlands of the State. Landowners who participate in the Woodlands Incentive Program are eligible for an agricultural land use tax assessment.

State Effect: Currently, DNR charges fees to landowners for providing cost-share and technical assistance in conjunction with the Woodland Incentive Program. The bill will prohibit DNR from charging a fee of more than \$10 for each affected acre to landowners for this technical assistance. DNR provides on average approximately 450 new or revised plans covering 25,000 acres annually. DNR charges a coordinating fee of between \$3 to \$6 per acre for spraying and tree planting. DNR also charges landowners fees ranging from \$30 to

\$225 for other services including plan preparation, plan inspection, equipment rental, and planting site exams. Rather than charging a per plan fee, based on the total acreage in the plan, as is current practice, the bill allows DNR to charge \$10 per acre for any service they provide regardless of the amount of acreage involved. The following chart details the current fees charged and fees that could result from the bill.

	Current Fee	Potential Fee
Plan Preparation (5-25 acres)	\$175	\$250 maximum
Plan Preparation (26-50 acres)	\$200	\$500 maximum
Plan Preparation (51 or more acres)	\$225	\$510 and up
Plan Inspection	\$100	\$10 per acre
Equipment Rental	\$40 per acre	\$10 per acre
Planting site exams	\$30 per exam	\$10 per acre examined

Eliminating the current fees charged and instead charging \$10 per acre could result in an increase of approximately \$168,700 annually for the Woodland Incentive Fund. DNR is unable to determine the exact amount of acreage that could be affected by the bill, therefore the amount of the increase is an approximation. In any event, the bill will allow DNR to charge more for services than it currently does. This fund is used to provide cost-share money to landowners who are implementing approved forestry practices for participation in the Woodland Incentive Program. It is also possible that DNR could gain an indeterminate amount of federal matching funds for the Woodland Incentive Fund as well.

Small Business Effect: To the extent that an increase in fees for technical assistance causes fewer landowners to seek these services from the State, private forestry consultants could be positively impacted. Landowners paying the less expensive fees charged by private sector consultants, rather than more expensive fees charged by the State forestry consultants, would have reduced costs.

Information Source(s): Department of Natural Resources; Department of Legislative Services

Fiscal Note History:

First Reader - February 23, 1998

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