

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 336

(The President, *et al.*) (By Request - Administration)

Education, Health, and Environmental Affairs

Environmental Matters

Natural Resources - Wildlands - Designation of New Wildlands

This Administration bill proposes the expansion of 14 wildland areas and the addition of 9 wildland areas under the State wildlands preservation system, resulting in an increase of approximately 21,887 acres. The expansions and additions are located in Allegany, Baltimore, Calvert, Charles, Frederick, Garrett, Montgomery, Somerset, and Worcester counties. The bill also authorizes specified actions in certain areas and clarifies that land held by the State in certain areas under a certificate of reservation is included in the applicable wildland area for so long as the certificate of reservation is in effect.

Fiscal Summary

State Effect: The bill is not expected to materially affect State finances, as discussed below.

Local Effect: Depending on the extent to which the Department of Natural Resources' (DNR) timber harvesting activities are shifted among different counties as a result of the bill, some counties may realize a decrease in revenues from the sale of timber, while other counties may realize an increase in such revenues.

Small Business Effect: The Administration has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services (DLS) concurs with this assessment as discussed below. (The attached assessment does not reflect amendments to the bill.)

Analysis

Bill Summary: The expanded and added wildland areas are shown in **Appendix 1** along with descriptions of additional provisions applicable to certain areas. For more information on the proposed wildland areas, including maps of the areas, visit DNR's

Maryland Wildlands webpage: <http://dnr.maryland.gov/land/stewardship/wildland.asp>.
(The information may not reflect amendments to the bill.)

Current Law: There is a State wildlands preservation system established in statute for the purpose of securing for the people of present and future generations the benefits of an enduring resource of State wildlands. “Wildlands” are defined as limited areas of land or water which have retained their wilderness character, although not necessarily completely natural and undisturbed, or have rare or vanishing species of plant or animal life or similar features of interest worthy of preservation for use of present and future residents of the State.

There are currently 29 separate wildlands designated in statute, consisting of approximately 44,000 acres. Generally, the wildland areas must be devoted to public purposes for recreational, scenic, scientific, educational, conservation, and historical use. Commercial enterprises and permanent roads (subject to existing private rights), temporary roads, use of motorized equipment/vehicles/boats, and structures or installations are not allowed in the wildland areas. Certain statutory exceptions apply, however, including general exceptions (*e.g.*, minimum measures necessary to administer the area as a wildland; maintenance of boundary roads; normal maintenance and certain upgrades and expansions of utility lines; and measures to protect nearby private land) and exceptions specific to certain wildland areas.

The Secretary of Natural Resources may review areas under the Secretary’s jurisdiction as to their suitability for preservation as State wildlands and report findings to the Governor. The Governor, in turn, makes recommendations to the General Assembly with respect to the designation or reclassification of wildland areas or alteration of boundaries. Such additions or changes can only be made by the General Assembly. The Secretary must provide specified notice to the public and relevant State and local officials and hold a public hearing at a location convenient to the area affected prior to submitting recommendations to the Governor.

Money may not be appropriated for the payment of expenses or salaries for the administration of the State wildlands preservation system as a separate unit, nor may appropriations be available for additional personnel required solely for the purpose of managing or administering areas solely because they are included within the State wildlands preservation system. Each unit administering any area designated as wildlands is responsible for preserving the wildland character of the area and administering the other purposes for which it was established in order to preserve its wildland character.

Background: The Maryland wildlands preservation system, which is similar to the National Wilderness Preservation System, was established with the passage of the Maryland Wildlands Act in 1971. The first wildland, Big Savage Mountain, was

officially designated by the General Assembly in 1973. The most recent areas added were Savage Ravines Wildland and South Savage Wildland in Garrett County, pursuant to Chapter 174 of 2002.

DNR indicates that since the designation of Savage Ravines Wildland and South Savage Wildland in 2002, the department has acquired additional lands, completed an Inventory of Old Growth Forests, and mapped both high conservation forests and environmentally sensitive areas on DNR-managed lands. DNR conducted nine public hearings in the fall of 2013, in each county with a proposed site. DNR notes that the bill's expansions and additions would result in a total of about 1% of the State's total land area being preserved as wildlands.

Land held by DNR under a "certificate of reservation" is vacant or abandoned land for which DNR has obtained a certificate of reservation, pursuant to Title 13, Subtitle 1 of the Real Property Article (and with the approval of the Board of Public Works), to reserve the land for public use. A certificate of reservation remains in effect until the Board of Public Works determines the land is no longer needed for public use or a person establishes legal title to the land.

State/Local Fiscal Effect: DNR engages in timber harvesting as part of its forest management activities in State forests and generates revenues from the sale of timber. In fiscal 2012 and 2013, respectively, \$967,263 and \$998,809 was generated. According to DNR, the bill will make 1,219 harvestable acres no longer available for harvesting, which represents less than 1% of the total acreage available for timber harvesting in State forests. DNR indicates that it plans to shift timber harvesting activities to other areas to maintain revenues generated from the sale of timber and to maintain the supply of raw material to local businesses. The legislation, therefore, is not expected to have a significant impact on special fund revenues generated from the sale of timber.

DNR also advises that the bill may increase ecotourism to the affected areas and, as a result, generate additional special fund revenues from State forest and park user fees. DLS advises, however, that it is unclear whether a wildlands designation, by itself, will result in any material increase in ecotourism and associated fee revenues.

All revenues generated from State forests and parks are paid into the Forest or Park Reserve Fund.

Each county in which a State forest or park reserve is located receives a percentage of the revenues generated from the forest or park reserve located in that county. Therefore, affected counties are also impacted by any changes in timber harvesting or user fee revenue realized by the State.

While the bill is not expected to have a significant impact on timber harvest revenues overall, to the extent that timber harvesting is shifted among different counties as a result of the bill, some counties may realize a decrease in revenues, while others may realize an increase in revenues. In fiscal 2013, four of the counties affected by the bill received payments from State timber harvest revenues as follows: Allegany – \$18,194; Garrett – \$97,088; Somerset – \$2,131; and Worcester – \$68,878.

Small Business Effect: DLS concurs with the Administration’s small business impact rating but notes that the bill only includes 23 (and not 27) expansion/additions.

Additional Information

Prior Introductions: None.

Cross File: HB 296 (The Speaker, *et al.*) (By Request - Administration) - Environmental Matters.

Information Source(s): Department of Natural Resources; Charles, Garrett, and Worcester counties; Department of Legislative Services

Fiscal Note History: First Reader - January 31, 2014
mc/lgc Revised - Senate Third Reader - March 15, 2014

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Appendix – Proposed Wildlands Expansions and Additions

<u>Name</u>	<u>County</u>	<u>Additional Acreage</u>	<u>Additional Provisions</u>
<i>Expansions</i>			
Deep Run	Allegany	156	
Maple Run	Allegany	2,365	
Potomac Bends	Allegany	315	
Sideling Hill	Allegany	633	
Soldiers Delight	Baltimore	272	
Mattawoman	Charles	1,388	allows for archeological and historic preservation work
Cunningham Falls State Park	Frederick	945	
Islands of the Potomac	Frederick and Montgomery	120	
Big Savage Mountain	Garrett	188	
Middle Fork	Garrett	1,016	
Savage Ravines	Garrett	362	
South Savage	Garrett	145	
Cypress Swamp	Worcester	306	authorizes DNR to harvest an existing stand of planted pine trees on specified acreage
Pocomoke River	Worcester	548	
<i>Additions</i>			
Dan’s Mountain	Allegany	4,047	authorizes specified actions by DNR related to wildlife management and recreation
Parker’s Creek	Calvert	1,756	authorizes specified actions by DNR related to the unique ecological features and rare habitats of the area
Chapman	Charles	694	allows for archeological and historic preservation work
Zekiah Swamp	Charles	443	
Backbone Mountain	Garrett	1,706	
Maple Lick Run	Garrett	600	
Puzzley Run	Garrett	457	
Upper White Rock	Garrett	300	
Janes Island	Somerset	3,125	

ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Natural Resources – Wildlands – Designation of New Wildlands

BILL NUMBER: Senate Bill 336/House Bill 296

PREPARED BY: Department of Natural Resources

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

This bill could result in increased ecotourism to those areas where additional wildlands are designated. If this occurs, the bill could have a positive impact on small businesses in the area that serve visitors and tourists to the areas through the sale of fuel, lodging, food and equipment.

If all of the 27 areas being considered are recommended for wildland designation and included in the bill, the bill will result in the removal of 1,219 acres of land that is currently available for timber harvesting. However, the Department will shift timber harvest plans to other areas of State Forests over the coming years to maintain revenue flow and raw material supply to local businesses. If timber harvests are kept constant in each county, this bill would have no impact of small business.