

# HOUSE BILL 717

M1, G2

(5lr0363)

## ENROLLED BILL

— *Environment and Transportation/Education, Energy, and the Environment* —

Introduced by **Chair, Environment and Transportation Committee (By Request – Departmental – Natural Resources)**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Natural Resources – Public Lands – Acquisition, Staffing, Operations, and**  
3 **Funding**

4 FOR the purpose of ~~exempting certain officials or employees of the Department of Natural~~  
5 ~~Resources from certain provisions of the Maryland Public Ethics Law;~~ altering  
6 provisions of law regarding the ~~Department's~~ acquisition of real property by the  
7 Department of Natural Resources; establishing a Land and Property Management  
8 Program in the Department to process certain real property transactions;  
9 authorizing the Department to establish affiliated foundations to work with certain  
10 services and offices of the Department and the Natural Resources Police to solicit  
11 and accept funds for certain improvements, promote certain activities, and partner  
12 with individuals and entities to support certain projects; altering the contents of the  
13 Forest or Park Reserve Fund; authorizing the Governor to transfer certain Program  
14 Open Space funds to the Department under certain circumstances and for certain

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber/conference committee amendments.*



uses; altering and repealing certain provisions of law regarding ~~acreage attainment~~  
~~under the use of~~ Program Open Space local funding; and generally relating to public  
lands.

~~BY repealing and reenacting, with amendments,  
Article – General Provisions  
Section 5-501, 5-502(a), 5-503(a), 5-504, and 5-608(e)  
Annotated Code of Maryland  
(2019 Replacement Volume and 2024 Supplement)~~

BY repealing and reenacting, with amendments,  
Article – Natural Resources  
Section 1-109, 5-212(f), 5-903(e)(3), and 5-905~~(e)(1)~~ (b)(3), (c)(1) and (3)(i) and (ii),  
(d), and (e)  
Annotated Code of Maryland  
(2023 Replacement Volume and 2024 Supplement)

BY adding to  
Article – Natural Resources  
Section 1-109.1; 1-1101 to be under the new subtitle “Subtitle 11. Affiliated  
Foundations”; and 5-903(i)  
Annotated Code of Maryland  
(2023 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,  
Article – Natural Resources  
Section 5-212(a) and (b)  
Annotated Code of Maryland  
(2023 Replacement Volume and 2024 Supplement)

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

~~Article – General Provisions~~

~~5-501.~~

~~(A) THIS SECTION DOES NOT APPLY TO AN OFFICIAL OR EMPLOYEE OF THE  
DEPARTMENT OF NATURAL RESOURCES WHO ALSO SERVES AS A DIRECTOR OR AN  
OFFICIAL OF AN AFFILIATED FOUNDATION ESTABLISHED UNDER § 1-1101 OF THE  
NATURAL RESOURCES ARTICLE.~~

~~[(a)] (B) Except as otherwise provided in subsection [(e)] (E) of this section, an  
official or employee may not participate in a matter if:~~

1 ~~(1) the official or employee or a qualifying relative of the official or~~  
2 ~~employee has an interest in the matter and the official or employee knows of the interest;~~  
3 ~~or~~

4 ~~(2) any of the following is a party to the matter:~~

5 ~~(i) a business entity in which the official or employee has a direct~~  
6 ~~financial interest of which the official or employee reasonably may be expected to know;~~

7 ~~(ii) a business entity, including a limited liability company or a~~  
8 ~~limited liability partnership, of which any of the following is an officer, a director, a trustee,~~  
9 ~~a partner, or an employee:~~

10 ~~1. the official or employee; or~~

11 ~~2. if known to the official or employee, a qualifying relative~~  
12 ~~of the official or employee;~~

13 ~~(iii) a business entity with which any of the following has applied for~~  
14 ~~a position, is negotiating employment, or has arranged prospective employment:~~

15 ~~1. the official or employee; or~~

16 ~~2. if known to the official or employee, a qualifying relative~~  
17 ~~of the official or employee;~~

18 ~~(iv) if the contract reasonably could be expected to result in a conflict~~  
19 ~~between the private interest and the official State duties of the official or employee, a~~  
20 ~~business entity that is a party to a contract with:~~

21 ~~1. the official or employee; or~~

22 ~~2. if known to the official or employee, a qualifying relative~~  
23 ~~of the official or employee;~~

24 ~~(v) a business entity, either engaged in a transaction with the State~~  
25 ~~or subject to regulation by the official's or employee's governmental unit, in which a direct~~  
26 ~~financial interest is owned by another business entity if the official or employee:~~

27 ~~1. has a direct financial interest in the other business entity;~~  
28 ~~and~~

29 ~~2. reasonably may be expected to know of both financial~~  
30 ~~interests; or~~

31 ~~(vi) a business entity that:~~

~~1                                    1.     the official or employee knows is a creditor or an obligee of  
2 the official or employee, or of a qualifying relative of the official or employee, with respect  
3 to a thing of economic value; and~~

~~4                                    2.     as a creditor or an obligee, is in a position to affect directly  
5 and substantially the interest of the official, employee, or qualifying relative.~~

~~6            **[(a-1)](C)** (1)     This subsection does not apply to an individual who is a public  
7 official only as a member of a board and who receives annual compensation that is less than  
8 25% of the lowest annual compensation at State grade level 16.~~

~~9                                    (2)     A former regulated lobbyist who is or becomes subject to regulation  
10 under this title as a public official or employee may not participate in a case, contract, or  
11 other specific matter as a public official or employee for 1 calendar year after the  
12 termination of the registration of the former regulated lobbyist if the former regulated  
13 lobbyist previously assisted or represented another party for compensation in the matter.~~

~~14            **[(b)](D)** (1)     The prohibitions of subsection **[(a)](B)** of this section do not  
15 apply if participation is allowed:~~

~~16                                    (i)     as to officials and employees subject to the authority of the Ethics  
17 Commission, by regulation of the Ethics Commission;~~

~~18                                    (ii)    by the opinion of an advisory body; or~~

~~19                                    (iii)   by another provision of this subtitle.~~

~~20                                    (2)     This section does not prohibit participation by an official or employee  
21 that is limited to the exercise of an administrative or ministerial duty that does not affect  
22 the decision or disposition with respect to the matter.~~

~~23            **[(c)](E)** (1)     An official or employee who otherwise would be disqualified from  
24 participation under subsection **[(a)](B)** of this section shall disclose the nature and  
25 circumstances of the conflict, and may participate or act, if:~~

~~26                                    (i)     the disqualification would leave a body with less than a quorum  
27 capable of acting;~~

~~28                                    (ii)    the disqualified official or employee is required by law to act; or~~

~~29                                    (iii)   the disqualified official or employee is the only individual  
30 authorized to act.~~

~~31                                    (2)     If the Governor, Lieutenant Governor, Attorney General, Treasurer, or  
32 Comptroller is required to make a disclosure under paragraph (1) of this subsection, the  
33 Governor, Lieutenant Governor, Attorney General, Treasurer, or Comptroller, as~~

~~appropriate, shall send a copy of the disclosure to the presiding officers of the General Assembly and to the Ethics Commission.~~

~~[(d)] (F) (1) This subsection applies only to:~~

~~(i) the Governor;~~

~~(ii) the Lieutenant Governor;~~

~~(iii) the Attorney General;~~

~~(iv) the Treasurer;~~

~~(v) the Comptroller; and~~

~~(vi) a secretary of a principal department in the Executive Branch.~~

~~(2) (i) An official who takes executive action that the official knows or reasonably should know would have a material financial impact on the official or a person whose interests are attributable to the official under § 5-608 of this title shall provide the Ethics Commission and the Joint Ethics Committee a description of the executive action and the circumstances of the potential impact.~~

~~(ii) An official is not required to make a disclosure under this paragraph if the impact is common to all members of:~~

~~1. the general public or a large class of the general public; or~~

~~2. a profession or occupation of which the official is a member.~~

~~5-502.~~

~~(a) This section does not apply to:~~

~~(1) members of the General Assembly; OR~~

~~(2) AN OFFICIAL OR EMPLOYEE OF THE DEPARTMENT OF NATURAL RESOURCES WHO ALSO SERVES AS A DIRECTOR OR AN OFFICIAL OF AN AFFILIATED FOUNDATION ESTABLISHED UNDER § 1-1101 OF THE NATURAL RESOURCES ARTICLE.~~

~~5-503.~~

~~(a) This section does not apply to:~~

~~(1) members of the General Assembly; OR~~

~~(2) AN OFFICIAL OR EMPLOYEE OF THE DEPARTMENT OF NATURAL RESOURCES WHO ALSO SERVES AS A DIRECTOR OR AN OFFICIAL OF AN AFFILIATED FOUNDATION ESTABLISHED UNDER § 1-1101 OF THE NATURAL RESOURCES ARTICLE.~~

~~§ 504.~~

~~(A) THIS SECTION DOES NOT APPLY TO AN OFFICIAL OR EMPLOYEE OF THE DEPARTMENT OF NATURAL RESOURCES WHO ALSO SERVES AS A DIRECTOR OR AN OFFICIAL OF AN AFFILIATED FOUNDATION ESTABLISHED UNDER § 1-1101 OF THE NATURAL RESOURCES ARTICLE.~~

~~[(a)] (B) (1) This subsection does not apply to members of the General Assembly.~~

~~(2) Except as provided in paragraph (3) of this subsection, an official or employee may not, for contingent compensation, assist or represent a party in any matter before or involving any unit of the State or a political subdivision of the State.~~

~~(3) Paragraph (2) of this subsection does not apply to assistance to or representation of a party:~~

~~(i) in a judicial or quasi-judicial proceeding, including a proceeding before an administrative law judge in the Office of Administrative Hearings, or a matter preliminary, incidental, or collateral to a judicial or quasi-judicial proceeding; or~~

~~(ii) in a matter before or involving the Workers' Compensation Commission, the Maryland Automobile Insurance Fund, or the Criminal Injuries Compensation Board.~~

~~[(b)] (C) (1) Except as provided in paragraph (2) of this subsection, a member of the General Assembly may not, for compensation, assist or represent a party in any matter before or involving any unit of the State or a political subdivision of the State.~~

~~(2) Paragraph (1) of this subsection does not apply to assistance to or representation of a party:~~

~~(i) in matters relating to the performance of ministerial acts by a governmental unit;~~

~~(ii) in matters involving the member's regular business, employment, or profession, in which contact with a governmental unit;~~

1 ~~1. is an incidental part of the business, employment, or~~  
 2 ~~profession;~~

3 ~~2. is made in the manner that is customary for persons in~~  
 4 ~~that business, employment, or profession; and~~

5 ~~3. is not for contingent compensation;~~

6 ~~(iii) in a judicial or quasi-judicial proceeding, including a proceeding~~  
 7 ~~before an administrative law judge in the Office of Administrative Hearings, or a matter~~  
 8 ~~preliminary, incidental, or collateral to a judicial or quasi-judicial proceeding;~~

9 ~~(iv) in a matter before or involving the Workers' Compensation~~  
 10 ~~Commission, the Maryland Automobile Insurance Fund, or the Criminal Injuries~~  
 11 ~~Compensation Board; or~~

12 ~~(v) in a matter in which the assistance or representation, other than~~  
 13 ~~for contingent compensation, was commenced by the member of the General Assembly~~  
 14 ~~before;~~

15 ~~1. the member filed a certificate of candidacy for election to~~  
 16 ~~the General Assembly at a time when the member was not an incumbent; or~~

17 ~~2. if the member was appointed to fill a vacancy, the date of~~  
 18 ~~appointment.~~

19 ~~[(e)] (D) (1) A member of the General Assembly may not assist or represent~~  
 20 ~~a person, including himself or herself, for compensation before a State or local~~  
 21 ~~governmental agency in any matter involving:~~

22 ~~(i) procurement; or~~

23 ~~(ii) the adoption of regulations.~~

24 ~~(2) Paragraph (1) of this subsection does not apply to an administrative~~  
 25 ~~proceeding conducted in accordance with Title 10, Subtitle 2 of the State Government~~  
 26 ~~Article.~~

27 ~~[(d)] (E) (1) Except for a former member of the General Assembly, who shall~~  
 28 ~~be subject to the restrictions provided under paragraph (2) of this subsection, a former~~  
 29 ~~official or employee may not assist or represent a party, other than the State, in a case, a~~  
 30 ~~contract, or any other specific matter for compensation if:~~

31 ~~(i) the matter involves State government; and~~

32 ~~(ii) the former official or employee participated significantly in the~~  
 33 ~~matter as an official or employee.~~

~~(2) (i) In this paragraph, “legislative action” does not include testimony or other advocacy in an official capacity as a member of the General Assembly before a unit of State or local government.~~

~~(ii) Except as provided in subparagraph (iii) of this paragraph:~~

~~1. a former member of the General Assembly may not assist or represent another party for compensation in a matter that is the subject of legislative action for 1 calendar year from the date the member leaves office; and~~

~~2. a former Governor, Lieutenant Governor, Attorney General, Comptroller, State Treasurer, or secretary of a principal department of the Executive Branch may not assist or represent another party for compensation in a matter that is the subject of legislative action for 1 calendar year from the date the official leaves State office.~~

~~(iii) The limitation under subparagraph (ii) of this paragraph on representation by a former member of the General Assembly, Governor, Lieutenant Governor, Attorney General, Comptroller, State Treasurer, or secretary of a principal department of the Executive Branch does not apply to representation of a municipal corporation, county, or State governmental entity.~~

~~[(c)] (F) Notwithstanding subsection [(a)(3)] (B)(3) of this section or § 5-502 of this subtitle, a full-time official or employee in the Judicial Branch may not represent a party before a court or unit of the Judicial Branch except in the discharge of official duties.~~

~~5-608.~~

~~(e) For the purposes of § 5-607 of this subtitle, interests held by a blind trust may not be considered to be interests of the person making the statement if the blind trust is approved by the Ethics Commission in accordance with regulations adopted under [§ 5-501(b)] § 5-501(D) or § 5-502(e) of this title and is operated in compliance with those regulations.~~

## Article – Natural Resources

1–109.

(a) (1) IN THIS SECTION, “REAL PROPERTY INTEREST” MEANS A NONLEASEHOLD INTEREST IN REAL PROPERTY.

(2) “REAL PROPERTY INTEREST” INCLUDES A FEE SIMPLE ACQUISITION INTEREST, CONSERVATION EASEMENT INTEREST, OR ANOTHER PERPETUAL EASEMENT INTEREST.

1           **(B)** (1) The Department shall negotiate the acquisition of real property  
2 **INTERESTS** for open space, recreation, conservation, and other purposes under this article.

3                   (2) **[The] UNLESS OTHERWISE APPROVED BY THE BOARD OF PUBLIC**  
4 **WORKS, THE** Department shall make each acquisition under this subsection in the name  
5 of the State to the use of the Department.

6                   **(3) (I) AFTER ACQUIRING A ~~REAL PROPERTY~~ FEE SIMPLE**  
7 **INTEREST UNDER THIS SECTION, THE DEPARTMENT SHALL INCLUDE A REQUEST**  
8 **FOR FUNDS IN ITS ANNUAL BUDGET REQUEST TO THE DEPARTMENT OF BUDGET**  
9 **AND MANAGEMENT TO CREATE NEW PERMANENT, CLASSIFIED POSITIONS TO**  
10 **MANAGE AND ADMINISTER THE ~~REAL PROPERTY~~ FEE SIMPLE INTEREST.**

11                                   **(II) THE REQUEST FOR FUNDS SHALL BE:**

12                                   1. **BASED ON THE MOST RECENT DATA PROVIDED BY**  
13 **THE DEPARTMENT IN THE OPEN SPACE REPORT REQUIRED BY CHAPTER 584 OF THE**  
14 **ACTS OF THE GENERAL ASSEMBLY OF 1995; AND**

15                                   2. **CALCULATED USING THE RATIO OF AT LEAST ONE**  
16 **PERMANENT, CLASSIFIED POSITION PER 400 ACRES OF NEWLY ACQUIRED ~~REAL~~**  
17 **~~PROPERTY~~ FEE SIMPLE INTERESTS.**

18           **[(b)] (C) (1)** Except for A real property **INTEREST** that is acquired by gift **AND**  
19 **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,** before **[any]** A real property  
20 **INTEREST** is acquired from a private owner, the Department shall obtain two independent  
21 appraisals of the property.

22                   **(2) THE DEPARTMENT, WITH THE APPROVAL OF THE BOARD OF**  
23 **PUBLIC WORKS, MAY DEVELOP AND UTILIZE AN EASEMENT VALUATION SYSTEM TO**  
24 **VALUE CONSERVATION EASEMENT INTERESTS.**

25           **[(c)] (D) (1) [A] EXCEPT FOR A REAL PROPERTY INTEREST THAT IS**  
26 **ACQUIRED BY GIFT, A** contract for the acquisition of **[land] A REAL PROPERTY INTEREST**  
27 under this section shall be approved, and **MAY BE** executed, by the Board of Public Works.

28                   (2) At least 40 days before the Board of Public Works may act on a **[land]**  
29 **REAL PROPERTY INTEREST** acquisition under this section, the Department shall give  
30 written notice of a potential acquisition of **[land] A REAL PROPERTY INTEREST:**

31                                   (i) To the governing body of the county in which the **[land] REAL**  
32 **PROPERTY INTEREST** is located; and

1 (ii) If the [land] **REAL PROPERTY INTEREST** is located within a  
2 municipal corporation, to the governing body of the municipal corporation.

3 (3) Within 30 days after receiving notice under this subsection, the  
4 governing body may submit written comments to the Department.

5 [(d)] (E) The Board of Public Works shall supervise the expenditure of any  
6 money that the General Assembly appropriates for the acquisition of [land] **A REAL**  
7 **PROPERTY INTEREST** under this section.

8 [(e)] (F) (1) Subject to paragraphs (2) ~~and (3), (3), AND (4)~~ of this subsection,  
9 the Department may dispose of [land] **A REAL PROPERTY INTEREST** owned and managed  
10 by the Department as consideration for the acquisition of [land] **A REAL PROPERTY**  
11 **INTEREST** not owned by the Department.

12 (2) Except as provided in paragraph (3) of this subsection, in implementing  
13 this subsection, the Department shall comply with the procedures established under Title  
14 5, Subtitle 3 and Title 10, Subtitle 3 of the State Finance and Procurement Article.

15 (3) (i) The Department may dispose of **A** real property **INTEREST**  
16 owned by the State for the use and benefit of the Department in exchange for **A** privately  
17 owned real property **INTEREST** without complying with the procedures established under  
18 §§ 5–301 through 5–311 or §§ 10–301 through 10–309 of the State Finance and  
19 Procurement Article, if:

20 1. The privately owned real property **INTEREST** subject to  
21 the exchange is adjacent to the real property **INTEREST** owned by the State for the use and  
22 benefit of the Department;

23 2. The real property **INTEREST** owned by the State for the  
24 use and benefit of the Department **AND** subject to the exchange is adjacent to the privately  
25 owned real property **INTEREST**;

26 3. The real property **INTEREST** owned by the State **AND**  
27 **SUBJECT TO THE EXCHANGE** does not exceed 5 acres in size; and

28 4. The owner of the privately owned real property **INTEREST**  
29 requesting the exchange pays all costs associated with the exchange of the real property  
30 **INTEREST**, including legal fees and boundary relocation, surveying, engineering, and  
31 recordation costs.

32 (ii) Prior to a **REAL** property **INTEREST** exchange under this  
33 paragraph, the Department shall:

34 1. Notify in writing by electronic mail or first-class mail:

1 A. Owners of property adjacent to the privately owned real  
2 property **INTEREST** subject to the exchange;

3 B. The General Assembly members who represent the  
4 legislative district in which the real property **INTEREST** exchange is located; and

5 C. The governing body of the county in which the real  
6 property **INTEREST** exchange is located; and

7 2. Refer the proposed exchange to the Board of Public Works  
8 for final disposition.

9 **(4) THE DEPARTMENT MAY NOT DISPOSE OF A CONSERVATION**  
10 **EASEMENT INTEREST UNDER THIS SUBSECTION.**

11 **[(f)] (G)** The Board of Public Works may exempt projects under this section from  
12 the provisions of this section.

13 **[(g)] (H)** (1) The Department shall adopt regulations to implement this  
14 section.

15 (2) The regulations adopted under paragraph (1) of this subsection shall  
16 include a system for appraisal review developed by the Department in consultation with  
17 the Department of General Services.

18 **1-109.1.**

19 **(A) IN THIS SECTION, "PROGRAM" MEANS THE LAND AND PROPERTY**  
20 **MANAGEMENT PROGRAM.**

21 **(B) THERE IS A LAND AND PROPERTY MANAGEMENT PROGRAM IN THE**  
22 **DEPARTMENT.**

23 **(C) THE PURPOSE OF THE PROGRAM IS TO PROCESS REAL PROPERTY**  
24 **TRANSACTIONS THAT INVOLVE PROPERTY OWNED BY THE DEPARTMENT.**

25 **(D) THE PROGRAM IS RESPONSIBLE FOR:**

26 **(1) PROCESSING LEASE AGREEMENTS, EASEMENTS, AND OTHER**  
27 **PROPERTY-RELATED DOCUMENTS; AND**

28 **(2) FACILITATING ISSUING LEASES FOR DEPARTMENT HOUSING TO**  
29 **DEPARTMENT EMPLOYEES IN ACCORDANCE WITH THE DEPARTMENT'S**  
30 **RESIDENTIAL HOUSING POLICY.**



1           **(2) THE ATTORNEY GENERAL SHALL:**

2                   **(I) REVIEW THE POLICIES THE DEPARTMENT DEVELOPS**  
3 **UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR FORM AND LEGAL SUFFICIENCY;**  
4 **AND**

5                   **(II) IF APPROPRIATE, APPROVE THE POLICIES FOR USE IN**  
6 **GOVERNING THE AFFILIATED FOUNDATION.**

7           **(3) THE STATE ETHICS COMMISSION SHALL:**

8                   **(I) REVIEW THE POLICIES THE DEPARTMENT DEVELOPS**  
9 **UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT PERTAIN TO CONFLICTS OF**  
10 **INTEREST; AND**

11                   **(II) IF APPROPRIATE, APPROVE THE POLICIES FOR USE IN**  
12 **GOVERNING AN OFFICIAL OR EMPLOYEE OF THE DEPARTMENT WHO ALSO SERVES**  
13 **AS A DIRECTOR OR AN OFFICIAL OF THE AFFILIATED FOUNDATION.**

14           **(D) AN AFFILIATED FOUNDATION MAY SOLICIT AND RECEIVE**  
15 **CONTRIBUTIONS FROM BUSINESSES, GOVERNMENTAL ENTITIES, NONPROFIT**  
16 **ORGANIZATIONS, AND INDIVIDUALS INTERESTED IN THE PROMOTION OF LANDS**  
17 **MANAGED BY THE DEPARTMENT.**

18           **(E) (1) AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS**  
19 **SECTION MAY NOT BE CONSIDERED AN AGENCY OR INSTRUMENTALITY OF THE**  
20 **STATE OR A UNIT OF THE EXECUTIVE BRANCH FOR ANY PURPOSE.**

21                   **(2) A FINANCIAL OBLIGATION OR LIABILITY OF AN AFFILIATED**  
22 **FOUNDATION ESTABLISHED UNDER THIS SECTION MAY NOT BE CONSIDERED A DEBT**  
23 **OR AN OBLIGATION OF THE STATE OR THE DEPARTMENT.**

24           **(F) (1) SECTIONS 5-501 THROUGH 5-504 OF THE GENERAL PROVISIONS**  
25 **ARTICLE DO NOT PROHIBIT AN OFFICIAL OR EMPLOYEE OF THE DEPARTMENT FROM**  
26 **ALSO BECOMING A DIRECTOR OR AN OFFICIAL OF AN AFFILIATED FOUNDATION**  
27 **ESTABLISHED UNDER THIS SECTION.**

28                   **(2) AN OFFICIAL OR EMPLOYEE OF THE DEPARTMENT WHO SERVES**  
29 **AS A DIRECTOR OR AN OFFICIAL OF AN AFFILIATED FOUNDATION ESTABLISHED**  
30 **UNDER THIS SECTION:**

31                   **(I) MAY NOT BE COMPENSATED, DIRECTLY OR INDIRECTLY, BY**  
32 **THE AFFILIATED FOUNDATION; AND**

1           **(II) MAY BE REIMBURSED FOR BONA FIDE EXPENSES INCURRED**  
2 **IN THE PERFORMANCE OF ACTIVITIES UNDERTAKEN ON BEHALF OF THE**  
3 **AFFILIATED FOUNDATION AS AUTHORIZED BY THE DEPARTMENT AND THE BOARD**  
4 **OF DIRECTORS OF THAT AFFILIATED FOUNDATION.**

5           **(3) (I) THE DEPARTMENT SHALL NOTIFY THE STATE ETHICS**  
6 **COMMISSION IN WRITING WHENEVER THE DEPARTMENT ALLOWS AN OFFICIAL OR**  
7 **EMPLOYEE OF THE DEPARTMENT TO SERVE AS A DIRECTOR OR AN OFFICIAL OF AN**  
8 **AFFILIATED FOUNDATION.**

9           **(II) WITHIN 30 DAYS AFTER RECEIPT OF THE NOTICE UNDER**  
10 **SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE STATE ETHICS COMMISSION SHALL**  
11 **NOTIFY THE DEPARTMENT OF ANY OBJECTIONS OR CONCERNS PERTAINING TO THE**  
12 **JOINT SERVICE IDENTIFIED IN THE NOTICE.**

13           **(III) ON RECEIPT OF A NOTICE FROM THE STATE ETHICS**  
14 **COMMISSION UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE DEPARTMENT**  
15 **SHALL REEXAMINE THE JOINT SERVICE IDENTIFIED IN THE NOTICE.**

16           **(4) THE DEPARTMENT SHALL REPORT ANNUALLY TO THE**  
17 **GOVERNOR, THE LEGISLATIVE POLICY COMMITTEE OF THE GENERAL ASSEMBLY**  
18 **IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, AND THE**  
19 **STATE ETHICS COMMISSION ON:**

20           **(I) THE NAMES OF THE OFFICIALS AND EMPLOYEES SERVING**  
21 **AS A DIRECTOR OR AN OFFICIAL OF AN AFFILIATED FOUNDATION; AND**

22           **(II) HOW THE POLICIES ADOPTED UNDER SUBSECTION (C) OF**  
23 **THIS SECTION HAVE BEEN IMPLEMENTED IN THE PRECEDING YEAR.**

24           **(G) EACH YEAR AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT SHALL**  
25 **AUDIT AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION.**

26           **(H) FUNDS ACCEPTED BY AN AFFILIATED FOUNDATION UNDER THIS**  
27 **SECTION ARE SUPPLEMENTAL TO AND ARE NOT INTENDED TO TAKE THE PLACE OF**  
28 **FUNDING THAT OTHERWISE WOULD BE PROVIDED IN THE ANNUAL STATE**  
29 **OPERATING OR CAPITAL BUDGET BILL FOR PROJECTS OR ACTIVITIES OF THE**  
30 **DEPARTMENT.**

31 5-212.

32           (a) In this section, "Fund" means the Forest or Park Reserve Fund.

1 (b) There is a Forest or Park Reserve Fund in the Department.

2 (f) The Fund consists of:

3 (1) Except as provided in § 5–307(f)(1)(iv) of this title, any money obtained  
4 from the State forest reserves, State parks, scenic reserves, parkways, historic monuments,  
5 and recreation areas;

6 (2) Revenue distributed to the Fund from fines collected under § 5–1302 of  
7 this title; [and]

8 (3) Revenue received by the Fund under § 5–207(b) of this subtitle; AND

9 (4) **ANY MONEY TRANSFERRED TO THE FUND UNDER § 5–903(I)(3)(II)**  
10 **OF THIS TITLE.**

11 5–903.

12 (e) (3) An agreement under this subsection shall be subject to approval by the  
13 Board of Public Works under [§ 1–109(c)] **§ 1–109(D)** of this article.

14 **(I) (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION OR**  
15 **THE ALLOCATION FORMULAS IN § 13–209 OF THE TAX – PROPERTY ARTICLE AND**  
16 **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR MAY TRANSFER**  
17 **TO THE DEPARTMENT FUNDS FROM THE PROGRAM OPEN SPACE STATE LAND**  
18 **ACQUISITION BALANCE IF:**

19 **(I) THE BALANCE IS MORE THAN \$80,000,000 AT THE END OF A**  
20 **GIVEN FISCAL YEAR; AND**

21 **(II) THE DEPARTMENT’S EXISTING SPECIAL FUND SOURCES**  
22 **ARE INSUFFICIENT TO COVER EXISTING SALARIES FOR PERMANENT, CLASSIFIED**  
23 **POSITIONS RESPONSIBLE FOR OPERATING AND MAINTAINING LANDS**  
24 **ADMINISTERED AND MANAGED BY THE DEPARTMENT.**

25 **(2) AFTER A FUND TRANSFER UNDER PARAGRAPH (1) OF THIS**  
26 **SUBSECTION, THE REMAINING BALANCE MUST BE AT LEAST \$80,000,000.**

27 **(3) (I) THE DEPARTMENT MAY USE ANY AMOUNT OF THE**  
28 **TRANSFERRED FUNDS AS A ONE–TIME FISCAL YEAR EXPENDITURE FOR:**

29 **1. OPERATION AND MAINTENANCE OF LANDS**  
30 **ADMINISTERED AND MANAGED BY THE DEPARTMENT;**

1                                   **2. ADMINISTRATIVE EXPENSES RELATED TO LAND**  
 2 **ACQUIRED BY THE DEPARTMENT UNDER PROGRAM OPEN SPACE; OR**

3                                   **3. LAW ENFORCEMENT ACTIVITIES, SERVICES,**  
 4 **SALARIES, AND RELATED EXPENSES OF THE NATURAL RESOURCES POLICE.**

5                                   **(II) THE DEPARTMENT MAY TRANSFER ANY AMOUNT OF THE**  
 6 **TRANSFERRED FUNDS TO THE FOREST OR PARK RESERVE FUND ESTABLISHED**  
 7 **UNDER § 5-212 OF THIS TITLE.**

8                                   **(4) ANY FUND TRANSFER MADE UNDER THIS SUBSECTION**  
 9 **SUPPLEMENTS RATHER THAN SUPPLANTS ANY OTHER FUNDING FOR OPERATION,**  
 10 **MAINTENANCE, AND ADMINISTRATION OF LANDS ADMINISTERED AND MANAGED BY**  
 11 **THE DEPARTMENT REGARDLESS OF THE SOURCE OF THE OTHER FUNDING.**

12 5-905.

13                   **(b) (3) Subject to the approval of the Department, a local governing body may**  
 14 **use part of its acquisition funds for initial or periodic updating of local land preservation**  
 15 **and recreation plans. The amount that may be used by a subdivision for planning purposes**  
 16 **in the local land preservation and recreation plan shall not exceed [\$25,000 for any one**  
 17 **fiscal year] \$125,000 FOR ANY INDIVIDUAL PLAN UPDATE WITHIN THE 5-YEAR**  
 18 **UPDATE CYCLE. Local matching funds are not required for planning or updating the local**  
 19 **land preservation and recreation plan.**

20                   **(c) (1) (i) One half of any local governing body's annual apportionment**  
 21 **shall be used for acquisition or development projects ~~provided that up to [20 percent] 20%~~**  
 22 **~~of the funds authorized for acquisition or development projects under this subparagraph~~**  
 23 **~~may be used for capital renewal as defined in § 5-901 of this subtitle.~~**

24                                   **(ii) 1. THIS SUBPARAGRAPH APPLIES TO A LOCAL**  
 25 **GOVERNING BODY'S:**

26                                   **A. APPORTIONMENT NOT YET ENCUMBERED AS OF JULY**  
 27 **1, 2025;**

28                                   **B. FISCAL YEAR 2026 APPORTIONMENT; AND**

29                                   **C. FUTURE ANNUAL APPORTIONMENT.**

30                                   **2. [1. Except as provided in subsubparagraph 2 of this**  
 31 **subparagraph, if] IF the Department and the Department of Planning certify that**  
 32 **acquisition goals set forth in the current, approved local land preservation and recreation**  
 33 **plan have been met [and that such acreage attainment equals or exceeds the minimum**  
 34 **recommended acreage goals developed for that jurisdiction under the Maryland Land**

1 Preservation and Recreation Plan], a local governing body may use up to [75 percent] **100%**  
 2 of its ~~future annual apportionment for development projects [for a period of 5 years after~~  
 3 ~~attainment]~~, provided that up to ~~[20 percent]~~ **20%** of the funds authorized for use for  
 4 ~~development projects under this subparagraph may be used for capital renewal~~  
 5 **APPORTIONMENT FOR DEVELOPMENT PROJECTS.**

6 [2. If the Department and the Department of Planning certify  
 7 that acquisition goals set forth in the current, approved local land preservation and  
 8 recreation plan have been exceeded and that the acreage attainment exceeds the minimum  
 9 recommended acreage goals developed for that jurisdiction under the Maryland Land  
 10 Preservation and Recreation Plan, the local governing body of a jurisdiction that has more  
 11 than 65,000 acres of land within the jurisdiction consisting of State forests, State parks, or  
 12 wildlife management areas may use up to 100 percent of its future annual apportionment  
 13 for development projects and capital renewal.]

14 (iii) If a county determines that it qualifies for the additional funds  
 15 for development and capital renewal projects under subparagraph (ii) of this paragraph,  
 16 before the due date for all local governing bodies to submit revised local land preservation  
 17 and recreation plans, that county may submit an interim local land preservation and  
 18 recreation plan:

19 1. Prior to the submission under subsection (b)(2) of this  
 20 section; and

21 2. In addition to the submission required under subsection  
 22 (b)(2) of this section.

23 (3) (i) Except as provided in subparagraph (iii) of this paragraph, if the  
 24 local governing body is unable to obtain STATE OR federal funds OTHER THAN THE  
 25 FUNDS ALLOCATED UNDER SUBSECTION (A) OF THIS SECTION AND pursuant to §  
 26 5-906 of this subtitle, for each approved local development project the State shall provide:

27 1. 75 percent of the total project cost; or

28 2. If the Department has certified pursuant to paragraph (1)  
 29 of this subsection that acquisition goals have been met, 90 percent of the total project cost.

30 (ii) Except as provided in subparagraph (iii) of this paragraph, if  
 31 STATE FUNDS, OTHER THAN THE FUNDS ALLOCATED UNDER SUBSECTION (A) OF  
 32 THIS SECTION, OR federal funds are provided on any development project cost, [the State  
 33 shall provide 50 percent of the difference between the total project cost and the federal  
 34 contribution. Subject to the limitation that total State funds, when added to every other  
 35 available fund, may not exceed 100 percent of a project's cost, the minimum State  
 36 contribution to a project shall be 25 percent. If the federal funds are less than 50 percent of  
 37 the total project cost, the State shall provide an amount equal to the difference between the  
 38 federal contribution and] AND PROVIDED THAT THE TOTAL STATE FUNDS WHEN

1 ADDED TO EVERY OTHER AVAILABLE FUND DOES NOT EXCEED 100 PERCENT OF THE  
2 TOTAL PROJECT COST, THE LOCAL JURISDICTION SHALL MATCH:

3 1. [75 percent of the total project cost] 25 PERCENT OF THE  
4 PROGRAM OPEN SPACE GRANT AMOUNT; or

5 2. If the Department has certified pursuant to paragraph (1)  
6 of this subsection that acquisition goals have been met, 90 percent of the total project cost,  
7 10 PERCENT OF THE PROGRAM OPEN SPACE GRANT AMOUNT.

8 (d) If land is donated to local governing bodies during the fiscal year, 75 percent  
9 of the appraised value the Department approves may be applied as a portion of, or all of,  
10 the local governing body’s share of the project’s cost for the projects referred to in [§ 5–904  
11 of this subtitle] SUBSECTION (C) OF THIS SECTION.

12 (e) If federal funds are received for any approved local project after it was funded  
13 by the State in accordance with [subsection (b)] SUBSECTIONS (B) AND (C) of this section  
14 [or § 5–904 of this subtitle], the applicant shall reimburse the State in an amount equal to  
15 the federal contribution. The reimbursement shall be reserved for other projects approved  
16 for the applicant up to the limit of the share allocated to the local governing body.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
18 October 1, 2025.

Approved:

\_\_\_\_\_  
Governor.

\_\_\_\_\_  
Speaker of the House of Delegates.

\_\_\_\_\_  
President of the Senate.