

HOUSE BILL 254

M1, M5

(PRE-FILED)

6lr0132

CF 6lr0131

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

Requested: October 28, 2025

Introduced and read first time: January 14, 2026

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Supporting Inclusive Community Adaptation Act**

3 FOR the purpose of requiring the Department of Natural Resources to facilitate community
4 participation in project planning and development; establishing the Resilience
5 Through Restoration Capital Grant Fund in the Department as a special, nonlapsing
6 fund to provide certain grant funding for certain projects that reduce the State's
7 climate change vulnerabilities and enhance the resilience of the State's communities
8 and public lands; requiring interest earnings of the Resilience Through Restoration
9 Capital Grant Fund to be credited to the Fund; requiring, by a certain date, the
10 Department to develop a website, guidance, and training for certain planning tools
11 and resources; requiring, by a certain date, the Department to take certain actions
12 relating to climate change mitigation, adaptation, and resilience projects on certain
13 land owned, leased, or managed by the Department; altering certain provisions of
14 law relating to the Shore Erosion Control Construction Loan Fund, including
15 altering the eligibility for loans, authorizing the Department to forgive loans under
16 certain circumstances, and requiring interest earnings of the Fund to be credited to
17 the Fund; and generally relating to community participation in project planning and
18 development and climate change resilience.

19 BY adding to

20 Article – Natural Resources

21 Section 1–408; 3–1201 and 3–1202 to be under the new subtitle “Subtitle 12.
22 Resilience Through Restoration Capital Grant Fund”; 3–1301 and 3–1202 to
23 be under the new subtitle “Subtitle 13. Increasing Climate Change Resilience
24 of Local Jurisdictions”; and 5–2201 and 5–2202 to be under the new subtitle
25 “Subtitle 22. Increasing Climate Change Resilience on Department Lands”

26 Annotated Code of Maryland

27 (2023 Replacement Volume and 2025 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
2 Article – Natural Resources
3 Section 8–1005(a)
4 Annotated Code of Maryland
5 (2023 Replacement Volume and 2025 Supplement)

6 BY repealing and reenacting, without amendments,
7 Article – State Finance and Procurement
8 Section 6–226(a)(1) and (2)(i) and (ii)
9 Annotated Code of Maryland
10 (2021 Replacement Volume and 2025 Supplement)

11 BY repealing and reenacting, with amendments,
12 Article – State Finance and Procurement
13 Section 6–226(a)(2)(iii)212. and 213.
14 Annotated Code of Maryland
15 (2021 Replacement Volume and 2025 Supplement)

16 BY adding to
17 Article – State Finance and Procurement
18 Section 6–226(a)(2)(iii)214. and 215.
19 Annotated Code of Maryland
20 (2021 Replacement Volume and 2025 Supplement)

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

23 **Article – Natural Resources**

24 **1–408.**

25 **(A) IN THIS SECTION, “COMMUNITY PARTICIPATION” INCLUDES:**

26 **(1) FACILITATING, HOSTING, OR ATTENDING COMMUNITY MEETINGS;**

27 **(2) PROVIDING COMMUNITY PERSPECTIVES THROUGHOUT PROJECT**
28 **PLANNING AND DEVELOPMENT; AND**

29 **(3) SERVING AS A DEDICATED PROJECT PARTNER OR COMMUNITY**
30 **LIAISON.**

31 **(B) THE DEPARTMENT SHALL FACILITATE COMMUNITY PARTICIPATION IN**
32 **PROJECT PLANNING AND DEVELOPMENT TO ENSURE:**

33 **(1) EQUITABLE PARTICIPATION; AND**

(2) THAT COMMUNITY PERSPECTIVES, GOALS, AND NEEDS ARE MEANINGFULLY INFORMING PROJECT DEVELOPMENT.

3 (C) (1) THE DEPARTMENT MAY ENTER INTO CONTRACTUAL
4 AGREEMENTS WITH OTHER STATE AGENCIES, LOCAL GOVERNMENTS, AND
5 NONPROFIT ORGANIZATIONS TO PROMOTE AND ENHANCE COMMUNITY
6 PARTICIPATION IN PROJECT PLANNING AND DEVELOPMENT.

9 (I) MAY ALLOW FOR OTHER STATE AGENCIES, LOCAL
10 GOVERNMENTS, OR NONPROFIT ORGANIZATIONS TO PROVIDE COMPENSATION TO
11 INDIVIDUALS FOR COMMUNITY PARTICIPATION IN PROJECT PLANNING AND
12 DEVELOPMENT; AND

13 (II) SHALL SPECIFY THE TERMS OF ANY GRANT OR PAYMENT TO
14 BE RECEIVED.

SUBTITLE 12. RESILIENCE THROUGH RESTORATION CAPITAL GRANT FUND.

16 3-1201.

17 IN THIS SUBTITLE, "FUND" MEANS THE RESILIENCE THROUGH
18 RESTORATION CAPITAL GRANT FUND.

19 3-1202.

20 (A) THERE IS A RESILIENCE THROUGH RESTORATION CAPITAL GRANT
21 FUND IN THE DEPARTMENT.

22 (B) THE PURPOSE OF THE FUND IS TO PROVIDE EQUITABLE GRANT
23 FUNDING TO STATE AGENCIES, LOCAL JURISDICTIONS, AND NONPROFIT
24 ORGANIZATIONS FOR THE PLANNING, DESIGN, CONSTRUCTION, AND ADAPTIVE
25 MANAGEMENT OF NATURE-BASED RESTORATION PROJECTS THAT REDUCE THE
26 STATE'S CLIMATE CHANGE VULNERABILITIES AND ENHANCE THE RESILIENCE OF
27 THE STATE'S COMMUNITIES AND PUBLIC LANDS.

(C) THE DEPARTMENT SHALL ADMINISTER THE FUND.

29 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
30 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

3 (E) THE FUND CONSISTS OF:

4 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

10 (F) THE FUND MAY BE USED ONLY FOR:

22 (G) A PROJECT THAT RECEIVES FUNDING UNDER THE FUND:

29 (3) MAY INCLUDE:

- (I) NATURAL AND NATURE-BASED SHORELINE RESTORATION;
- (II) FLOODPLAIN RESTORATION;
- (III) BENEFICIAL USE OF DREDGED MATERIAL;
- (IV) TIDAL AND NONTIDAL WETLAND RESTORATION;
- (V) DUNE AND BEACH RESTORATION;
- (VI) GREEN INFRASTRUCTURE; AND
- (VII) ANY OTHER NATURE-BASED PROJECT THAT PROVIDES ECOSYSTEM BENEFITS BY RESTORING, ENHANCING, OR CREATING

10 (H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND
11 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

12 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO
13 THE FUND.

14 **(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
15 **WITH THE STATE BUDGET.**

SUBTITLE 13. INCREASING CLIMATE CHANGE RESILIENCE OF LOCAL JURISDICTIONS.

18 3-1301.

19 IN THIS SUBTITLE, "PLANNING TOOLS AND RESOURCES" MEANS ANY MAPPING
20 APPLICATION, DATASET, ANALYTICAL MODEL, ASSESSMENT METHODOLOGY,
21 TECHNICAL RESOURCE, OR OTHER TOOL DEVELOPED OR MAINTAINED BY THE
22 DEPARTMENT THAT REFLECTS THE LATEST CLIMATE AND ENVIRONMENTAL
23 SCIENCE AND PROVIDES INFORMATION RELEVANT TO CLIMATE CHANGE AND
24 NATURAL RESOURCE PLANNING.

25 3-1302.

26 (A) BY OCTOBER 1, 2027, THE DEPARTMENT SHALL DEVELOP:

27 (1) A USER-FRIENDLY WEBSITE THAT SERVES AS THE CENTRAL
28 ACCESS POINT FOR THE DEPARTMENT'S PLANNING TOOLS AND RESOURCES:

12 5-2201.

13 IN THIS SUBTITLE, "DEPARTMENT LANDS" MEANS ALL LANDS OWNED,
14 LEASED, OR MANAGED BY THE DEPARTMENT, INCLUDING STATE PARKS, WILDLIFE
15 MANAGEMENT AREAS, NATURAL RESOURCE MANAGEMENT AREAS, AND STATE
16 FORESTS.

17 5-2202.

19 (1) IDENTIFY CLIMATE VULNERABILITIES AND RISKS ON
20 DEPARTMENT LANDS;

26 (B) BY DECEMBER 31, 2035, THE DEPARTMENT SHALL CARRY OUT THE
27 PROVISIONS OF SUBSECTION (A) OF THIS SECTION FOR TWO COASTAL AND TWO
28 INLAND PROPERTIES OWNED, LEASED, OR MANAGED BY THE DEPARTMENT.

29 8-1005.

30 (a) (1) There is a "Shore Erosion Control Construction Loan Fund".

15 [(2)] (4) (i) The Fund is a special, nonlapsing fund that is not subject
16 to § 7-302 of the State Finance and Procurement Article.

17 (ii) Any [investment] INTEREST earnings of the Fund shall be
18 credited to the [General] Fund [of the State].

19 **[(3)] (5) (I)** A property owner whose project is approved is eligible to
20 receive an interest-free loan [covering 100% of the first \$60,000 of project construction cost,
21 50% of the next \$20,000 of project construction cost, 25% of the next \$20,000 of project
22 construction cost, and 10% of the part of construction cost exceeding \$100,000. However,
23 where].

28 (III) SUBJECT TO THE AVAILABILITY OF FUNDING, THE
29 DEPARTMENT MAY, AT THE DEPARTMENT'S DISCRETION, AUTHORIZE PARTIAL
30 FORGIVENESS OF A LOAN GRANTED UNDER THIS SUBSECTION IN ACCORDANCE WITH
31 ECOLOGICALLY BASED, PERFORMANCE-BASED, AND EQUITY-BASED CRITERIA
32 DEVELOPED BY THE DEPARTMENT.

1 6-226.

2 (a) (1) Except as otherwise specifically provided by law or by regulation of the
3 Treasurer, the Treasurer shall credit to the General Fund any interest on or other income
4 from State money that the Treasurer invests.

5 (2) (i) This paragraph does not apply in fiscal years 2024 through 2028.

6 (ii) Notwithstanding any other provision of law, and unless
7 inconsistent with a federal law, grant agreement, or other federal requirement or with the
8 terms of a gift or settlement agreement, net interest on all State money allocated by the
9 State Treasurer under this section to special funds or accounts, and otherwise entitled to
10 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
11 Fund of the State.

12 (iii) The provisions of subparagraph (ii) of this paragraph do not
13 apply to the following funds:

14 212. the Department of Social and Economic Mobility Special
15 Fund; [and]

16 213. the Population Health Improvement Fund;

17 **214. THE RESILIENCE THROUGH RESTORATION CAPITAL**
18 **GRANT FUND; AND**

19 **215. THE SHORE EROSION CONTROL CONSTRUCTION**
20 **LOAN FUND.**

21 SECTION 2. AND BE IT FURTHER ENACTED, That the Resilience Through
22 Restoration Capital Grant Fund established under Section 1 of this Act may not receive
23 any appropriation from the General Fund of the State in fiscal year 2027.

24 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2026.