



Larry Hogan, Governor
Boyd Rutherford, Lt. Governor
Jeannie Haddaway-Riccio, Secretary
Charles Glass, Deputy Secretary

March 6, 2020

The Honorable Kumar P. Barve
Chair, Environment and Transportation Committee
Room 251, House Office Building
Annapolis, MD 21401

The Honorable Dana Stein
Vice Chair, Environment and Transportation Committee
Room 251, House Office Building
Annapolis, MD 21401

Re: Letter of Information – House Bill 1534 - Department of Agriculture - Urban Agriculture Grant Program

Dear Chair Barve, Vice Chair Stein and Committee Members:

As introduced, House Bill 1534 establishes the Urban Agriculture Grant Program in the Department of Agriculture. Along with the provisions to establish the Urban Agriculture Grant Program, it states that for each of fiscal years 2022 and 2025, at least \$400,000 of the State's share of funds available under Program Open Space (POS) shall be appropriated in the State's budget to the Urban Agricultural Grant Fund. However, we understand the sponsor has amendments to change the funding source.

According to statute, the majority of funding for State land preservation and recreation programs is provided through the collection of a 0.5% State property transfer tax. This funding mechanism was designed to directly tie development to available funding for open space and recreational facilities for the public good. The funding for each program supported by the property transfer tax is outlined in §13-209 of the Tax-Property Article and §5-903 of the Natural Resources Article of the Annotated Code of Maryland. Program Open Space Stateside preserves natural areas for public recreation and watershed and wildlife protection across Maryland through the purchase of fee-simple and easement acquisitions. Fee simple purchases are managed by the department as State Parks, Forests, and Wildlife and Fisheries Management Areas.

As introduced, House Bill 1534 would reduce funding for POS Stateside by at least \$400,000 in FY 2022 and FY 2025, reducing funds available for land preservation in those fiscal years. Since the provision to provide transfer tax funds for the Urban Agricultural Grant Program is not capped, it could result in a reduction in POS Stateside funds of more than \$400,000 in those fiscal years. Again, the sponsor is submitting amendments to not use this funding source, and the department thanks her for leaving Program Open Space intact.

For these reasons, the Maryland Department of Natural Resources respectfully submits to the Committee this information on House Bill 1534.

Respectfully submitted,
James W. McKitrick
Director, Legislative and Constituent Services

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