

March 25, 2021

The Honorable Guy Guzzone Chair, Budget and Taxation Committee 3 West Senate Office Building Annapolis, MD 21401

Re: Letter of Support – House Bill 7 – Income Tax Credit – Venison Donation Expenses – Montgomery County Deer Donation Program

Dear Chair and Committee Members,

The Maryland Department of Natural Resources (DNR) supports House Bill 7. This bill, one of several initiatives recommended by the Montgomery County Delegation, seeks to expand eligibility for the existing credit against the State income tax for deer donation expenses to include an individual who hunts and harvests an antlerless deer in Montgomery County and donates the deer carcass to a certain organization in Montgomery County. The bill also allows the existing tax credit program to sunset and replaces it with a new Venison Donation Grant Program, which would provide funding to make deer processors whole for the cost of processing venison for donation.

The existing tax credit program is a reasonable and good incentive for hunters, and adapting it to Montgomery County's deer donation program makes sense. The end result is the adoption of new participants and the increase of the number of deer taken in areas experiencing conflicts with overabundant deer populations. That said, it is the department's preference that the statewide harvest incentive model shift from payments to hunters -- in the form of the existing tax credit program -- to payments to nonprofits and processors in order to avoid any perception of bounty harvesting, an unethical, irresponsible and illegal practice. Shifting to a new Venison Donation Grant Program in 2023 eliminates any potential gray area.

One observation the department respectfully asks the committee to note is that the U.S. Fish and Wildlife Service has previously directed DNR to avoid using any hunting license or stamp funds to underwrite, support or otherwise administer venison donation programs. The department suggests the bill include language clarifying that no Wildlife Management and Protection Fund revenues or federal match will be used to administer or underwrite the grant program or administration of the program. A separate funding source and personnel will be necessary to support the program to avoid the risk of a second audit finding by the federal government related to use of special funds for these efforts.

For the above reasons, we respectfully request the committee grant HB 7 a favorable committee report.

Respectfully submitted,

James W. McKitrick Director, Legislative and Constituent Services