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OFFICE OF THE SECRETARY

BILL: **Senate Bill 541**
Natural Resources - Maryland Park Service and State Parks - Alterations
Great Maryland Outdoors Act

COMMITTEE: Budget and Taxation

DATE: February 16, 2022

POSITION: Letter of Information

Upon review of Senate Bill 541 Natural Resources - Maryland Park Service and State Parks - Alterations (Great Maryland Outdoors Act), the Maryland Department of General Services (DGS), provides these comments for your consideration.

This bill would require DGS to work with the Department of Natural Resources (DNR), to create an asset management database along with providing the necessary staff and technology for the operation of the database.

This bill establishes new funding streams for DNR, in which the DGS Design, Construction, and Energy Division (DCE) and DGS Office of State Procurement (OSP) would be involved with most of the related work because of DNR's current \$50,000 small procurement authority. In FY 2024 an appropriation of \$80 million goes into the *Park System Critical Maintenance Fund*. The funding of \$80 million must be expended by July 1, 2026 and would entail an enormous impact to DGS because of our required oversight of the procurement, project management, and construction work associated with the fund.

The second fund established in the bill is the *Park System Capital Improvement and Acquisition Fund* with an appropriation of \$70 million in FY 2024. DGS would be actively involved with all carve-outs in this fund, which include:

- \$5 million for climate change mitigation strategies
- \$5 million for historic preservation
- \$20 million for transportation improvements
- \$10 million for increasing water access
- \$30 million for land acquisition



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To support DNR, DGS would need additional support for their project management and construction inspection teams as the bill indicates funding would be continual. This personnel increase would equate to an initial expenditure of ~\$476,000 in FY 2023 and increasing annually to ~\$1.2 million in FY 2027. **It must be emphasized that it would not be possible to absorb the added project funding of ~\$150 million using existing staff without a significant negative impact to work quality, quantity, and efficiency.**

Senate Bill 541 alters the definition of a “small procurement” for capital projects or maintenance with a value that is \$100,000 or less. **Currently, DNR has a small procurement threshold of \$50,000 and the move to \$100,000, at this time, would not be advisable. DNR must have the necessary systems, processes and procurement staff in place in order to conduct these larger procurements.**

For additional information, contact Ellen Robertson at 410-260-2908.