GCCC Testimony SB 674 SLPRF Funding 3-2-22.pdf Uploaded by: Holly Lane

Position: FAV



Testimony offered on behalf of: THE GARRETT COUNTY CHAMBER OF COMMERCE

FAVORABLE:

SB 674 – Natural Resources – State Lakes Protection and Restoration Fund – Funding and Sunset – Alterations

Budget & Taxation Committee March 2, 2022

On behalf of the Garrett County Chamber of Commerce, representing 500 member organizations in Western Maryland, I write to express our support of <u>SB 674 – Natural Resources – State Lakes</u> Protection and Restoration Fund – Funding and Sunset – Alterations.

Senate Bill 674 will increase the amount of the appropriation that the Governor is required to include in the annual budget bill for the State Lakes Protection and Restoration Fund from \$1 million to \$3 million, giving more funds to DNR and MDE to address harmful and destructive issues impacting the 16 state-owned lakes in Maryland.

Deep Creek Lake in Garrett County, the largest freshwater lake and inland body of water in Maryland, is an economic engine, helping to generate an economic impact of \$360 million annually. The property tax revenue derived from the Deep Creek Lake watershed accounts for nearly 60% of County revenue. Deep Creek Lake is now 95 years old and as happens with any man-made lake, it is experiencing issues with aquatic invasive species (AIS), sediment accumulation, shoreline erosion and threats to water quality and conditions. The State, as the owner of Deep Creek Lake and 15 other lakes throughout Maryland, must provide ongoing funding for protection programs, restoration and remediation projects to sustain these important natural resources for future generations.

Please support Maryland's natural assets with a FAVORABLE committee report on SB 674.

Sincerely,

Holly Lane
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SB 674 State Lakes Protection (Edwards) B&T 3.2.22 Uploaded by: Barbara Wilkins

Position: INFO



LARRY HOGAN Governor

BOYD K. RUTHERFORD Lieutenant Governor DAVID R. BRINKLEY Secretary

MARC L. NICOLE Deputy Secretary

SENATE BILL 674 Natural Resources – State Lakes Protection and Restoration Fund – Funding and Sunset – Alterations (Edwards)

STATEMENT OF INFORMATION

DATE: March 2, 2022

COMMITTEE: Senate Budget & Taxation

SUMMARY OF BILL: SB 674 increases from \$1 million to \$3 million the annual mandated appropriation for the State Lakes Protection and Restoration Fund, and repeals the June 30, 2022 sunset.

EXPLANATION: The Department of Budget and Management's focus is not on the underlying policy proposal being advanced by the legislation, but rather on the \$3 million annual mandated appropriation provision that impacts the FY 2024 and subsequent budgets.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which will require spending allocations for FY 2024 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2022.

Changes to the Maryland Constitution in 2020 provide the General Assembly with additional budgetary authority, beginning in the 2023 Session, to realign total spending by increasing and adding items to appropriations in the budget submitted by the Governor. The legislature's new budgetary power diminishes, if not negates, the need for mandated appropriation bills.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist, thereby impacting the Maryland economy. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability. The Department continues to urge the General Assembly to focus on maintaining the structural budget surplus.

For additional information, contact Barbara Wilkins at (410) 260-6371 or barbara.wilkins1@maryland.gov

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Position: INFO



Larry Hogan, Governor Boyd K. Rutherford, Lt. Governor Jeannie Haddaway-Riccio, Secretary Allan Fisher, Deputy Secretary

Bill Number: SB 674

Short Title: State Lakes Protection and Restoration Fund

Department's Position: Letter of Information

Explanation of Department's Position

The Maryland Department of Natural Resources (DNR or Department) provides the following information on SB 674.

There are 16 state-owned lakes throughout Maryland. Funding in the State Lakes Protection and Restoration Fund is used to remove and treat sediment, prevent the spread of invasive species, improve ecological and recreational value, and other actions deemed necessary to protect and restore these lakes.

Prior to the sunset of the fund, DNR completed projects for each lake such as increasing shoreline stabilization, completing water quality assessments, increasing fish habitat, and controlling harmful algal blooms. Past projects have also increased the viability of the lakes to remain as hydraulic power generators and suppliers of drinking water. All of the aforementioned projects resulted in positive ecological benefits while also improving outdoor recreation opportunities and citizen engagement.

For any additional information, please feel free to contact our Legislative and Constituent Services Director, Bunky Luffman.