



Wes Moore, Governor
Aruna Miller, Lt. Governor
Josh Kurtz, Secretary
David Goshorn, Deputy Secretary

March 5, 2025

BILL NUMBER: HOUSE BILL 1327 – FIRST READER

SHORT TITLE: NATURAL RESOURCES - MARYLAND HERITAGE AREAS AUTHORITY - FUNDING AND GRANTS

DEPARTMENT’S POSITION: OPPOSE

EXPLANATION OF DEPARTMENT’S POSITION

The Department opposes House Bill 1327 because increasing the cap on funding transferred from Program Open Space to the Maryland Heritage Areas Authority Financing Fund could result in decreased funding for the Department’s land conservation, recreation, and capital development and critical maintenance programs.

BACKGROUND INFORMATION

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. Funds are allocated to specific programs based on a statutory formula. The Program Open Space (POS) state-share funds POS Stateside, the Baltimore City Direct Grant, the Rural Legacy Program, the Greenspace Equity Program, Maryland Heritage Areas Authority (MHAA), and the Department’s capital development programs including critical maintenance.

Currently, the MHAA can receive up to \$6 million from POS [up to \$3 million in 5-903(a)(1)(i) and up to \$3 million in 5-903(a)(2)(iv)]. SB 980 increases the maximum amount that the fund could receive via the transfer tax allocation formula by \$6 million to \$12 million. If the MHAA receives more than the \$6 million currently allowed in statute in future fiscal years, it would decrease funding for the state share of POS which would impact the amount of funding available to develop and maintain facilities at state parks, forests, and wildlife management areas, acquire land for state parks, forests, and wildlife management areas, and for grants to local governments and nonprofit organizations for acquisition and development projects through the Rural Legacy or Greenspace Equity Program. The impact on these programs would depend on how much funding is transferred to the MHAA and how the remaining funds are allocated.

BILL EXPLANATION

HB 1327 increases the maximum amount that may be transferred from POS in the State budget or by an amendment to the State budget, to the Maryland Heritage Areas Authority Financing Fund under 5-903(a)(1)(i) of the Natural Resources Article from \$3 million to \$12 million.

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