



Senate Budget and Taxation Committee
Maryland General Assembly

Dear Chair Guzzone and Members of the Committee,

The Eastern Shore Land Conservancy supports Senate Bill 457, which authorizes counties and Baltimore City to establish distinct subclasses of real property and to set separate tax rates for land and for improvements to that land. This thoughtful reform, advanced by Senator Rosapepe, represents a meaningful step toward a more dynamic property tax structure that strengthens local budgets, supports reinvestment in existing communities, and helps counties guide growth in a way that maximizes public benefit.

For decades, local governments across Maryland have grappled with the financial and infrastructural consequences of low-density, land-consuming development patterns. When land is undervalued relative to the buildings placed upon it, the tax system inadvertently encourages scattered growth on the rural edges, even as existing communities struggle to maintain their streets, stormwater systems, public services, and legacy infrastructure. SB 457 offers counties a new tool that aligns public revenue structures with public goals, allowing communities to reward reinvestment in towns and corridors where infrastructure already exists, while discouraging the premature consumption of farmland, forests, and open spaces.

The Eastern Shore Land Conservancy, Maryland's largest land trust, works across Cecil, Kent, Queen Anne's, Talbot, Caroline, and Dorchester Counties. Time and again, we see that the most economically and environmentally resilient communities are those that concentrate growth where it can be most efficiently supported. Our partnerships with state and local agencies through Rural Legacy, Program Open Space, and other conservation programs have revealed a simple truth. The economic value created by Maryland's iconic landscapes, its agricultural heritage, its working forests, and its outdoor recreation assets is not an abstraction, but a measurable and powerful force for regional prosperity. A recent study found that the natural resources economy on the Eastern Shore generates billions in annual economic activity and supports tens of thousands of jobs, illustrating how deeply these landscapes contribute to the well-being of our communities.

SB 457 does not mandate a particular tax structure. Instead, it grants local governments the authority to adopt one if they believe it will improve fiscal health, support revitalization, enhance housing supply where infrastructure is strongest, and safeguard irreplaceable natural lands. In an era when counties face increasing demands on their budgets and for more housing, this legislation allows them to align revenue generation with long-term sustainability and prudent land stewardship. It is a tool, not a directive, yet its potential for positive impact is substantial.





We also note that this authority arrives at a moment when the State is striving to balance the need for housing opportunity with the need for conservation. The ability to distinguish between land value and the value of buildings placed upon that land encourages redevelopment, adaptive reuse, and incremental growth within existing communities, helping to meet housing needs without sacrificing rural landscapes that define the character, culture, and economic foundation of the Eastern Shore.

For these reasons, and in recognition of the economic, environmental, and civic benefits associated with better-aligned property tax policy, the Eastern Shore Land Conservancy respectfully urges the Committee to issue a favorable report on Senate Bill 457. This legislation gives local governments the freedom to pursue a more efficient pattern of growth, a more responsible use of public infrastructure, and a more sustainable future for Maryland's diverse landscapes.

Thank you for your consideration and for your continued commitment to Maryland's communities and natural resources.

Sincerely,

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the left.

Director of Land Use and Policy
Eastern Shore Land Conservancy

