



PARTNERS *for* **OPEN SPACE**

February 27, 2026

House Bill 1213 – State Transfer Tax Rate – Alterations (Housing Affordability for Buyers and Sellers)

House Ways and Means Committee

Letter of Information

Chair, Vice Chair, and Members of the Committee,

Partners for Open Space respectfully submits this letter of information regarding House Bill 1213, which modifies the State transfer tax rate by replacing the long-standing flat rate with a tiered structure that varies by property type and sales price. Partners for Open Space is a state-wide coalition whose goal is to advocate for full funding for the various programs under the Transfer Tax, aka Program Open Space.

While HB 1213 focuses on the overarching goal of improving housing affordability, it is important to consider the broader constellation of State programs that rely directly and exclusively on the transfer tax for their funding, as these programs together form one of Maryland's most enduring and productive investments in land conservation, cultural heritage, outdoor recreation, and community wellbeing.

Maryland's transfer tax supports a suite of programs that serve every county and every resident, and the health of these programs determines our ability to protect farms and forests, expand public access to parks and trails, steward State lands, preserve cultural resources, and invest in greener, healthier neighborhoods. Any alteration to the transfer tax rate, including the structural changes contemplated in HB 1213, will have an effect on these programs, although the scale and distribution of that effect will depend on future real estate market conditions.

To that end, we offer the following overview of the programs supported by the transfer tax.

Rural Legacy Program

The Rural Legacy Program provides permanent protection for large, contiguous landscapes of farms, forests, wetlands, and waterways, focusing on areas with the highest ecological, agricultural, and cultural value. Rural Legacy easements support working farms, safeguard drinking water, preserve wildlife habitat, and enhance the rural character that is central to the identity and economy of many Maryland communities. The program is one of the State's most cost-effective conservation tools, consistently leveraging private, federal, and local funds.



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Maryland Agricultural Land Preservation Foundation (MALPF)

MALPF remains the State's primary mechanism for preserving productive agricultural land. By purchasing permanent agricultural easements, MALPF helps to keep farmland in active production, stabilize the agricultural economy, and counteract the fragmentation pressures that accompany sprawling development. Because MALPF easements are voluntary and market-based, they provide a dependable source of capital to farm families while ensuring that Maryland's agricultural lands remain available for future generations.

Program Open Space – Local Side

Local Program Open Space provides formula-based funding to counties and municipalities for parks, playgrounds, trails, and outdoor recreation amenities near where people live. In many communities, especially small towns and rural jurisdictions, Local POS is the only reliable funding source for local park improvements, land acquisition, and recreational infrastructure. These investments support public health, encourage active lifestyles, and strengthen the social fabric of towns and neighborhoods.

Program Open Space – State Side

State Program Open Space funds the acquisition and development of lands for State parks, State forests, wildlife management areas, natural resource areas, and other public lands. These are the properties that anchor Maryland's outdoor recreation economy, provide access to the water, preserve iconic landscapes, and support biodiversity. State POS also funds easements and strategic acquisitions that expand public access, improve ecological resilience, and protect landscapes threatened by conversion.

Maryland Heritage Areas Authority

Maryland's Heritage Areas tell the stories that define our State's history, culture, and sense of place. Transfer tax funding allows Heritage Areas to provide grants for tourism, historic preservation, interpretation, programming, and community development projects. These investments strengthen local economies, draw visitors, and reinforce the distinct character of each region, from the maritime traditions of the Eastern Shore to the industrial and cultural heritage of Baltimore.

Greenspace Equity Program

Established to ensure that all Marylanders have access to quality parks and green spaces, the Greenspace Equity Program directs funds to communities that historically have had limited recreational resources. This program is a central component of Maryland's broader environmental justice commitments, as it invests in parks, trees, trails, and public outdoor spaces in neighborhoods that have experienced chronic underinvestment. By improving health,



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reducing heat islands, and strengthening community cohesion, Greenspace Equity projects deliver broad social and environmental benefits.

Conclusion

Because the transfer tax is the sole or primary revenue source for the programs described above, any change to the rate structure is best understood in terms of how it may strengthen Maryland's long-standing investments in land conservation, outdoor recreation, agricultural vitality, cultural heritage, and the stewardship of State parks. We offer this information so that the Committee may consider HB 1213 with a full view of the programs it supports and the many ways in which those programs contribute to preserved landscapes, healthy communities, and equitable access to parks and green spaces throughout the State.

Thank you for your consideration.

Sincerely,

Owen Bailey, Co-chair
Partners for Open Space

Charlotte Davis, Co-chair
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