



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

February 24, 2026

BILL NUMBER: HOUSE BILL 1193 – First Reader

SHORT TITLE: DEPARTMENT OF NATURAL RESOURCES - SAVAGE HIGHLANDS STATE PARK – HOTEL RENTAL SURCHARGE

DEPARTMENT’S POSITION: OPPOSE

EXPLANATION OF DEPARTMENT’S POSITION

The Department respectfully opposes House Bill 1193. This bill requires the Department to collect an additional 8% hotel rental surcharge on every overnight stay at Savage Highlands State Park. The new state park was borne of the Department’s acquisition of the former Savage River Lodge property in Garrett County. It is a top priority for the Department that this new state park is affordable, family-friendly, and ultimately accessible to all Marylanders. The former private lodge averaged more than \$300 for a single night’s stay. The Department intends to reduce that rate by approximately 50% while still operating at a net positive return. However, this surcharge would be at odds with that goal.

The additional tax paid by guests will strain the facility's pricing model, reducing affordability and access for many families. Alternatively, reducing the average night stay to offset the cost to future guests would reduce total revenues to the Department.

Incorporating this surcharge also introduces a significant inconsistency with other DNR accommodations across the state. Currently, no other Maryland Park Service accommodations incorporate a tax designated for another government entity. For example, under the proposed legislation, a two-night cabin stay at Savage Highlands State Park would cost visitors an additional \$24.00. This would not be the case for a similar two-night cabin stay at neighboring New Germany State Park, where this surcharge would not apply. Additionally, the Department has legal concerns with this bill as written, as it appears to improperly require DNR - an agency without taxing authority - to collect what is substantively an 8% hotel tax on behalf of Garrett County.

It is also important to note that Garrett County currently receives Revenue Equity Payments from the Maryland Park Service for the properties within the county. In fiscal year 2026, Garrett County will receive \$1,749,523.83 from the Park Service. Beyond these direct payments, Garrett County should continue to see a wide range of positive economic impacts from the State’s management and enhancement of this premier outdoor recreation destination.

BACKGROUND INFORMATION

The Department acquired the former Savage River Lodge Property in December 2024. The property has been renamed Savage Highlands State Park and is currently undergoing stabilization and renovation in preparation for welcoming guests later this year. The property complements the current portfolio of cabin and yurt

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accommodations available in Maryland state parks. The park features 18 cabins and eight yurts that will host couples, families or small groups in extraordinarily comfortable lodging in a 40-acre park surrounded by hundreds of acres of adjacent state forest. Plans are underway for the development of at least four new backcountry campsites to introduce primitive camping opportunities in addition to abundant hiking, cross-country skiing, fishing, hunting, and wildlife watching opportunities available to guests and day-use visitors.

BILL EXPLANATION

This bill requires the Department of Natural Resources to assess and collect a hotel rental surcharge on overnight rental units at Savage Highlands State Park and remit the proceeds to the Comptroller for distribution to Garrett County. It also requires Garrett County to use and distribute the proceeds from the surcharge in a certain manner. The Department will not be authorized to retain any of the additional revenue. Six percent of the additional revenue generated will be returned to Garrett County to promote the County. The remaining 2% will be deposited into the County's general fund.