

**KA0**  
**Department of Natural Resource – Capital**

***Capital Budget Summary***

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**Grant and Loan *Capital Improvement Program***  
**(\$ in Millions)**

<b>Program</b>	<b>2025 Approp.</b>	<b>2026 Request</b>	<b>2027 Est.</b>	<b>2028 Est.</b>	<b>2029 Est.</b>	<b>2030 Est.</b>
POS – Land Acquisition and Local Program	\$49.785	\$42.770	\$73.036	\$97.552	\$103.435	\$109.903
POS – Public Access Program	8.063	5.638	12.000	12.000	12.000	12.000
POS – Greenspace Equity Program	5.000	7.000	10.000	10.000	10.000	10.000
POS – Natural Resources Development Fund	12.294	10.376	19.234	24.373	23.998	19.194
POS – Critical Maintenance Projects	0.000	0.000	0.000	2.573	4.078	5.126
Rural Legacy Program	15.329	14.384	17.764	20.087	20.644	21.257
Ocean City Beach Maintenance	2.000	2.000	2.000	2.000	2.000	2.000
Waterway Improvement Program	24.000	25.500	25.500	17.500	17.500	17.500
Community Parks and Playgrounds	5.000	5.000	5.000	5.000	5.000	5.000
Oyster Restoration Program	2.460	4.032	2.028	0.565	2.537	11.502
Maryland Groundwater Monitoring Network	0.000	0.000	0.000	0.000	0.000	0.500
<b>Total</b>	<b>\$123.931</b>	<b>\$116.699</b>	<b>\$166.561</b>	<b>\$191.649</b>	<b>\$201.192</b>	<b>\$213.982</b>

POS: Program Open Space

Note: There was \$25.0 million in fiscal 2023 funding budgeted in the Dedicated Purpose Account (DPA) for critical maintenance projects. The Budget Reconciliation and Financing Act (BRFA) of 2024 transferred \$14.0 million of this funding to the General Fund, and the BRFA of 2025 as introduced transfers the remaining \$11.0 million from the DPA to the General Fund.

## ***Key Observations***

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- ***Transfer Tax Revenue Decreases Due to Reduced Revenue Estimate and Fiscal 2024 Underattainment Applied to Fiscal 2026:*** The budget includes \$134.3 million of transfer tax revenues comprised of \$219.6 million of estimated fiscal 2026 revenues, reduced by the \$85.3 million underattainment of fiscal 2024 revenues. Capital programs supported by the transfer tax receive \$97.8 million in fiscal 2026 compared to \$111.0 million in fiscal 2025, a decrease of \$13.1 million.
- ***Oyster Sanctuary Restoration Goals Extended:*** The 2025 *Capital Improvement Program* (CIP) reflects the adoption of the Four Point Oyster Sanctuary Plan by the Department of Natural Resources (DNR) in October 2024, which acknowledges the successes of the restoration of the five original sanctuaries under the 2014 Chesapeake Bay Watershed Agreement and expands the sanctuaries to be restored. The sanctuaries to be restored include Nanticoke River (240 acres spat-on-shell restoration), Hoopers Strait (350 acres with some portion of oyster reef constructed), and Herring Bay (1,000 acres with some portion of oyster reef constructed).
- ***Slow Implementation of the Great Maryland Outdoors Act:*** Chapter 39 of 2022 (Great Maryland Outdoors Act) made numerous changes to State law relating to (1) funding for parks, land conservation, State lakes protection and restoration, and forest-related purposes; (2) park staff and volunteers; (3) management of parks and park infrastructure; and (4) new parks/amenities and other considerations. DNR has been slow to implement the capital provisions in Chapter 39 as follows: the Park System Critical Maintenance Fund spending deadline has been delayed to July 1, 2029; the Park System Capital Improvements and Acquisition Fund has only funded one project taken to the Board of Public Works (BPW); the asset management system has not been procured; the inventory assessment of all State-land management by DNR is in the early pilot stages; the systemwide survey of historical and cultural resources being conducted by Preservation Maryland is ongoing; the five-year capital improvement plan for the Maryland Park Service (MPS) required by December 1, 2023, does not appear to have been published; and the comprehensive-long-range strategic plan required by December 1, 2023, is still being completed in coordination with the Land Preservation and Recreation Plan, which is required to be submitted to the U.S. National Park Service (NPS) by March 31, 2025, after initially being scheduled for completion by December 2023.

## ***PAYGO Recommended Actions***

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1. Concur with Governor’s allowance for the Department of Natural Resources.

## ***GO Bond Recommended Actions***

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1. Approve all authorizations and the proposed preauthorization for the Department of Natural Resources.

### **Updates**

- ***Maryland Groundwater Monitoring Network Receives First Funding in Fiscal 2030:*** The 2025 CIP programs \$0.5 million in general obligation (GO) bonds for the new Maryland Groundwater Monitoring Network program in fiscal 2030. The funding is intended to annually replace approximately 12 groundwater monitoring wells maintained by the Maryland Geological Survey to maintain the level of groundwater-data collection required to ensure a safe and adequate potable groundwater supply for Marylanders.

## ***Budget Overview***

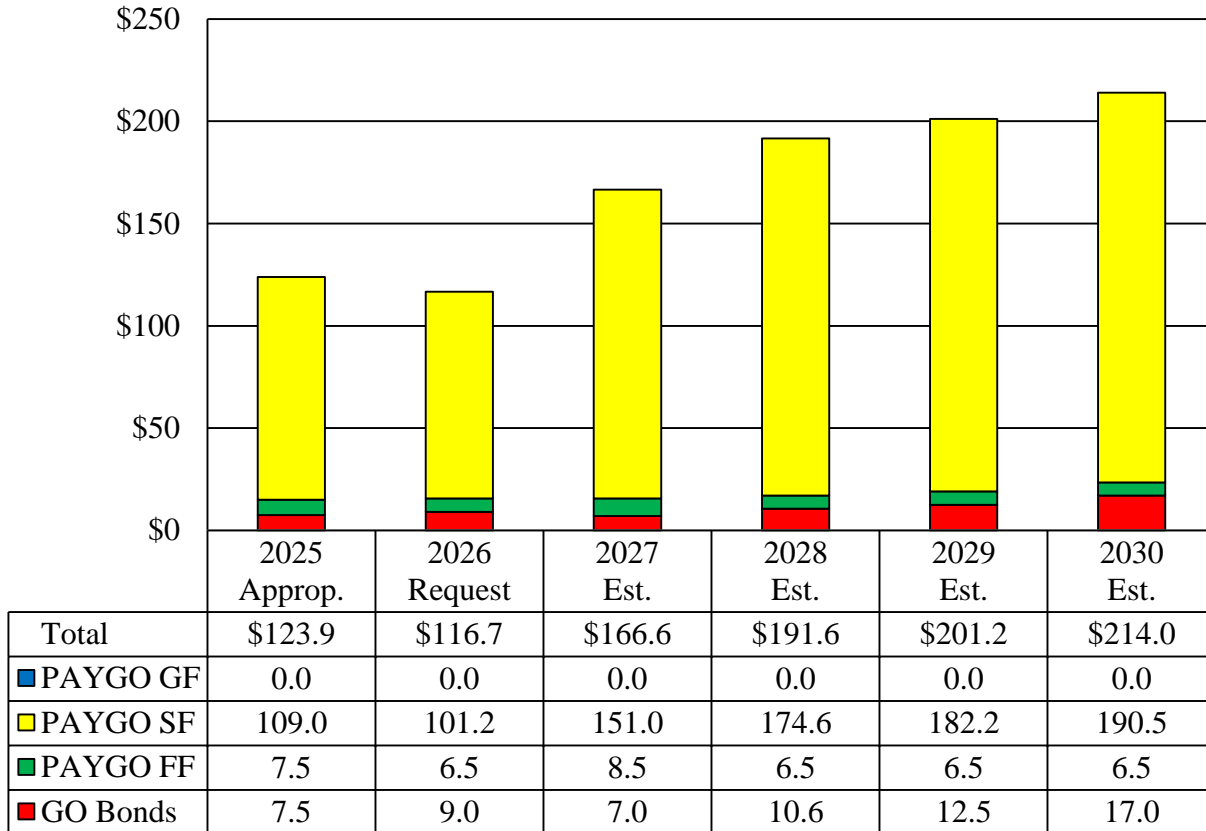
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### **Fiscal 2026 Budget**

As shown in **Exhibit 1**, the fiscal 2026 budget provides \$116.7 million for the various capital programs administered by DNR and is comprised of \$101.2 million in special funds, \$6.5 million in federal funds, and \$9.0 million in GO bonds. The changes in funding between fiscal 2025 and 2026 are as follows.

- ***Special Funds:*** There is a net decrease of \$7.8 million. This is primarily due to a \$10.3 million decrease in the transfer tax revenue available for DNR’s programs, partially offset by an increase of \$2.5 million in estimated available Waterway Improvement Fund (WIF) revenues and \$2.0 million allocated to the Program Open Space (POS) – Greenspace Equity Program.
- ***Federal Funds:*** There is a decrease of \$1.0 million in the Waterway Improvement Program due to the expectation of no Sport Fish Restoration Program funding, a reduction of \$760,000, and a \$240,000 reduction in Sportfishing and Boating Safety Act funding, which decreases from \$1,740,000 to \$1,500,000.
- ***GO Bonds:*** There is an increase of \$1.6 million in GO bonds for the Oyster Restoration Program.

**Exhibit 1**  
**Department of Natural Resources Capital Program Funding**  
**Fiscal 2025-2030 Est.**  
**(\$ in Millions)**



FF: federal funds  
 GF: general funds  
 GO: general obligation  
 PAYGO: pay-as-you-go  
 SF: special funds

Source: Department of Budget and Management

**Transfer Tax Revenue Decreases Due to Underattainment and Lower Revenue Projection**

The budget includes \$134.3 million of transfer tax revenues that are comprised of \$219.6 million of estimated fiscal 2026 revenues and the budgeting of a \$85.3 million underattainment of fiscal 2024 revenues, which reduces the fiscal 2026 funding available for

allocation. As shown in **Exhibit 2**, capital programs supported by the transfer tax receive \$97.8 million in fiscal 2026 compared to \$111.0 million in fiscal 2025, a decrease of \$13.1 million. The December 2024 revenue estimates suggest a fiscal 2025 underattainment of \$33.7 million, which would reduce the amount available in fiscal 2027 from \$236.0 million to \$202.3 million. The 2025 CIP already makes adjustments to programmed funding levels to account for this estimated underattainment. **Appendix 1** illustrates the revised transfer tax estimates.

**Exhibit 2**  
**Transfer Tax Funding**  
**Fiscal 2025-2026**  
**(\$ in Millions)**

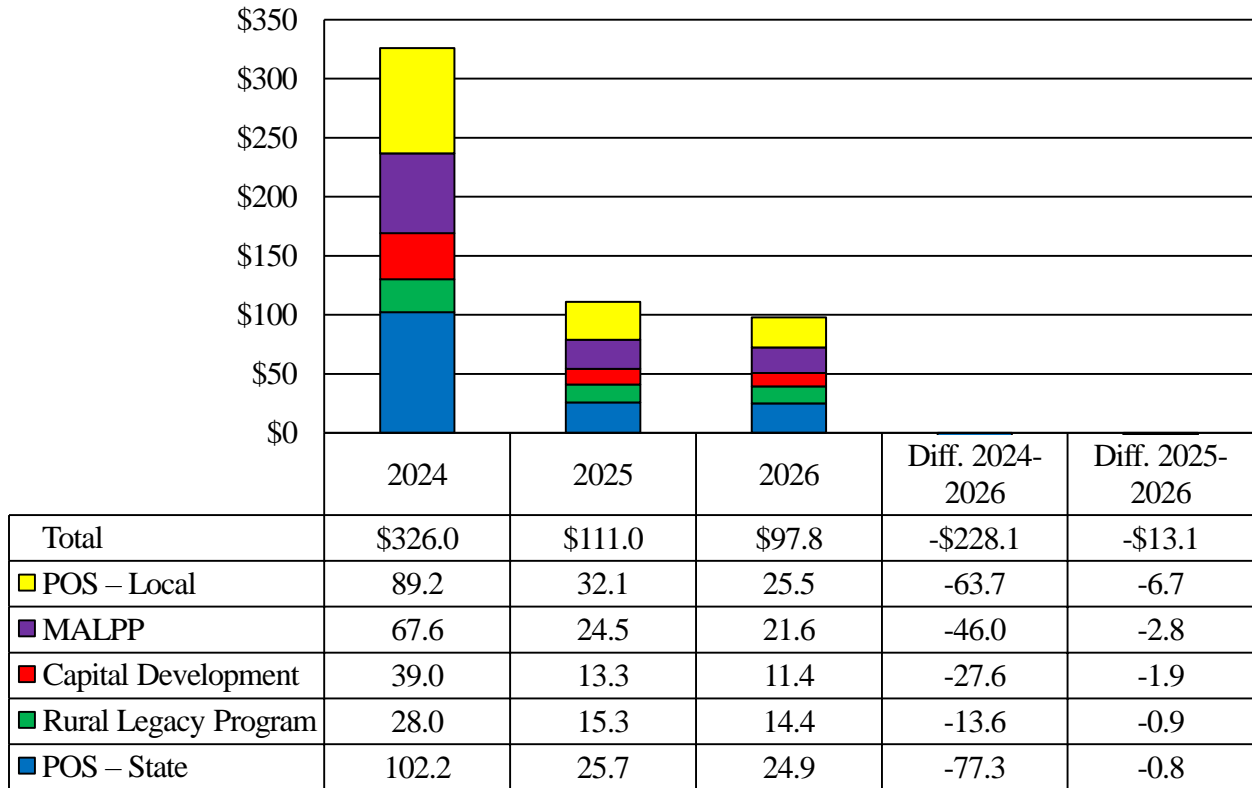
	<u>2025</u>	<u>2026</u>	<u>Difference</u>
Revenue Estimate	\$233.1	\$219.6	-\$13.5
Administrative Expenses	-7.0	-6.6	0.4
Under/Overattainment	-79.5	-85.3	-5.8
<b>Available for Allocation</b>	<b>\$146.6</b>	<b>\$127.7</b>	<b>-\$18.9</b>
<b>Debt Service</b>	<b>\$7.0</b>	<b>\$1.7</b>	<b>-\$5.3</b>
<b>Total to Operating Programs</b>	<b>\$28.6</b>	<b>\$28.2</b>	<b>-\$0.4</b>
<b>Total to Capital Programs</b>	<b>\$111.0</b>	<b>\$97.8</b>	<b>-\$13.1</b>

Source: Department of Budget and Management

**Funding Decreases for Programs Traditionally Funded with Transfer Tax Revenue**

As shown in **Exhibit 3**, there is a decrease of \$13.1 million between fiscal 2025 and 2026, reflecting both general funds and special funds for programs traditionally funded with transfer tax revenues. For illustrative purposes, there is a \$228.1 million decrease between fiscal 2024 and 2026 even without accounting for the fiscal 2024 funding for the transfer tax repayment general funds for the Maryland Agricultural Land Preservation Program (\$16.6 million) and the Rural Legacy Program (\$5.4 million) per Chapter 39, \$70.0 million for the Park System Critical Maintenance Fund, and \$36.9 million for the Park System Capital Improvement and Acquisition Fund.

**Exhibit 3**  
**Programs Traditionally Funded with Transfer Tax Revenue**  
**Fiscal 2024-2026**  
**(\$ in Millions)**



POS: Program Open Space  
 MALPP: Maryland Agricultural Land Preservation Program

Note: The fiscal 2024 funding does not reflect the general fund appropriations for \$16.6 million for MALPP, \$5.4 million for the Rural Legacy Program, and \$106.6 million for Capital Development, which is comprised of \$70.0 million for the Park System Critical Maintenance Fund and \$36.9 million for the Park System Capital Improvement and Acquisition Fund. The exhibit also does not include MALPP local participation special funds.

Source: Department of Budget and Management

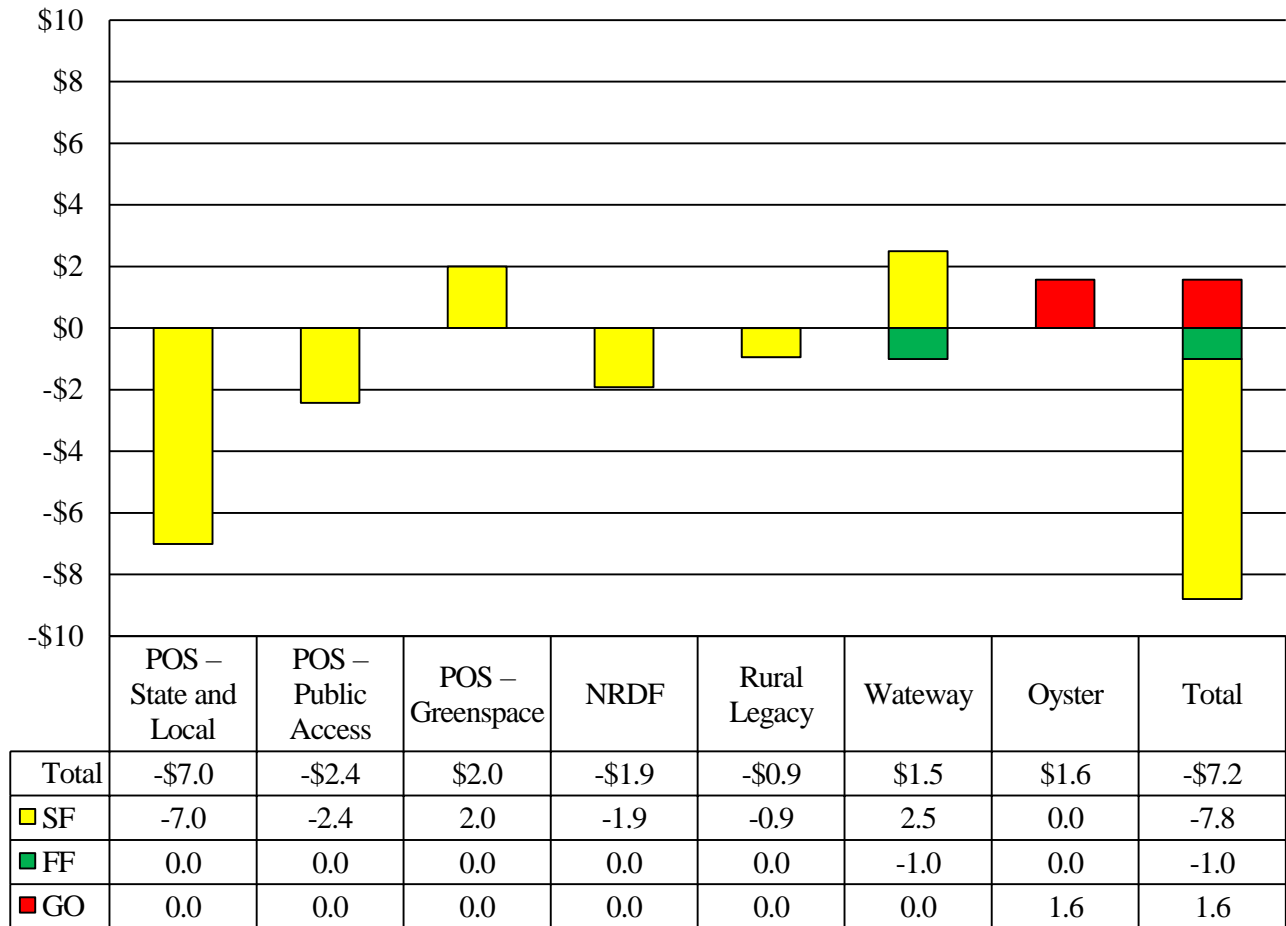
**Program Changes by Fund**

Exhibit 4 illustrates DNR’s capital programs with changes by fund between fiscal 2025 and 2026. The two programs that do not have a change are Ocean City Beach Maintenance and Community Parks and Playgrounds, which remain at \$2.0 million in special funds and \$5.0 million

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in GO bonds, respectively. The Critical Maintenance Program does not receive funding in either fiscal 2025 or 2026 due to the availability of Park System Critical Maintenance Fund funding, which received an appropriation of \$70.0 million in fiscal 2024 that must be spent by July 1, 2029.

**Exhibit 4**  
**Department of Natural Resources Capital Funding Changes**  
**Fiscal 2025-2026**  
**(\$ in Millions)**



FF: federal funds  
 GO: general obligation bonds  
 NRDF: Natural Resources Development Fund  
 POS: Program Open Space  
 SF: special funds

Source: Department of Budget and Management; Department of Legislative Services

## Budget Reconciliation and Financing Act of 2025

The Budget Reconciliation and Financing Act (BRFA) of 2025 includes three provisions affecting DNR’s pay-as-you-go (PAYGO) program. The BRFA provisions are as follows:

- ***POS Balance Used for MPS Operating Expenses:*** authorizes the Governor in fiscal 2026 only to appropriate up to \$16.4 million from the POS State land acquisition fund balance for operating expenses in MPS. Corresponding budget bill language on the MPS – Statewide Operations’ fiscal 2026 special fund appropriation makes \$16.4 million of the appropriation contingent on the enactment of the BRFA provision. This authorization reduces the amount of funding available for POS State land acquisition.
- ***Waterway Improvement Fund (WIF) Support for the Natural Resources Police (NRP):*** increases the amount of WIF special funds that may be used to support NRP marine operations from \$2.0 million to \$2.1 million in fiscal 2026 and every year thereafter. Corresponding budget bill language on the NRP – General Direction special fund appropriation makes \$100,000 of the appropriation contingent on the BRFA authorizing the Governor to appropriate an additional \$100,000 from the WIF to support NRP marine operations. This authorization potentially reduces the amount of funding available for the WIF.
- ***Critical Maintenance Funding Transferred from Dedicated Purpose Account (DPA):*** authorizes the Governor on or before June 30, 2025, to transfer to the General Fund from the DPA, among other items, \$11.0 million in PAYGO funds budgeted in the fiscal 2023 operating budget for the Facilities Renewal – State Agencies allocation to DNR for critical maintenance. The original appropriation was \$25.0 million. The BRFA of 2024 authorized the transfer of \$14.0 million. Therefore, there is no more critical maintenance funding for DNR budgeted in the DPA.

## Program Open Space – Land Acquisition and Local Program

***Program Description:*** Title 5, Subtitle 9 of the Natural Resources Article established POS for the purpose of expediting the acquisition of outdoor recreation and open space areas and the provision of recreation facilities before land is devoted to other purposes. The POS appropriation has historically been split between the State (land acquisition and operation) and local governments (acquisition, development, and planning projects). State acquisitions tend to place a greater emphasis on natural resource management. In addition, POS funds are allocated to capital improvements and critical maintenance, which are described as separate programs. Primary funding for POS has historically been provided by the State transfer tax of 0.5% of the consideration paid for the transfer of real property from one owner to another. POS administers the Heritage Conservation Fund, which is used to acquire land that provides habitat for rare, threatened, and endangered species.



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<b>Fund Sources:</b>						
<b>(\$ in Millions)</b>	<b>2025 Approp.</b>	<b>2026 Request</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>SF</b>	\$44.785	\$37.770	\$68.036	\$92.552	\$98.435	\$104.903
<b>FF</b>	5.000	5.000	5.000	5.000	5.000	5.000
<b>Total</b>	<b>\$49.785</b>	<b>\$42.770</b>	<b>\$73.036</b>	<b>\$97.552</b>	<b>\$103.435</b>	<b>\$109.903</b>

<b>Fund Uses (\$ in Millions):</b>				
<b>Project (Jurisdiction)</b>	<b>Est. Cost</b>	<b>Prior Auth.</b>	<b>2026 Request</b>	<b>Future Request</b>
Baltimore City Direct Grant – Special Funds (Baltimore City)	\$106.000	\$56.000	\$10.000	\$40.000
POS – Federal Funds (Statewide)	59.750	34.750	5.000	20.000
POS – Local – Acquisition and Development Projects – Special Funds (Statewide)	739.946	502.764	25.472	211.710
Program Open Space – Heritage Conservation Fund (Statewide)	19.488	N/A	2.298	17.190
<b>Total</b>	<b>\$925.184</b>	<b>\$595.514</b>	<b>\$42.770</b>	<b>\$288.900</b>

- Changes:** The fiscal 2026 allowance reflects \$24.5 million less than the planned amount for fiscal 2026 due to a reduction in transfer tax revenue, which is partially offset by an increase of \$2.0 million in federal funds. No funding is provided for POS – State land acquisition because there is a substantial encumbered balance as a result of receiving increased funding in the capital budget from fiscal 2022 to 2024. This encumbered balance will allow for continued land acquisitions through fiscal 2026. In addition, funding is prioritized for the POS – Public Access Program because there continues to be high demand for public access to open space and DNR lands, including State forests, parks, and wildlife management areas.
- Encumbrances and Expenditures:** There is \$5.7 million still to be encumbered from before fiscal 2021 and \$78.7 million left to be expended. On average, about \$95.9 million was encumbered each year from fiscal 2021 to 2024. The fiscal 2025 spending plan is to encumber \$109.0 million, leaving \$225.2 million remaining unencumbered at the beginning of fiscal 2026. HB 717, a departmental bill, would authorize the Governor to transfer funds from the POS – State land acquisition balance to DNR if (1) the balance is more than \$80.0 million at the end of a given fiscal year and (2) DNR’s existing special fund sources are insufficient to cover existing salaries for positions responsible for operating and maintaining land administered and managed by the department. After such a fund transfer, the remaining balance must be at least \$80.0 million. HB 717 also would require DNR to include in its budget request funding for new positions at a ratio of 1 position per 400 acres of newly acquired land.

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- Other Comments:** No funding is budgeted for POS – State land acquisition other than the funding budgeted for the Heritage Conservation Fund, because funding is prioritized for the POS – Greenspace Equity Program and POS – Public Access Program. The POS – State land acquisition cost is estimated to be \$8,000 per acre. The fiscal 2025 spending plan includes the use of some POS – State funding for Conservation Reserve Enhancement Program easement purchases in fiscal 2025. The local POS distribution is shown in **Appendix 2**.

**Program Open Space – Public Access Program**

**Program Description:** The POS – Public Access Program funding comes from the POS – State share of the transfer tax and is used to enhance public access to existing recreational and open space sites. Projects may include entrance roads, parking, trails, water access, health and safety, and general access improvements. The funding for POS – Public Access Program was included in the POS – Land Acquisition and Local Program prior to fiscal 2024 but was broken out beginning in fiscal 2024 to increase transparency.

<b>Fund Sources:</b>						
<b>(\$ in Millions)</b>	<b>2025 Approp.</b>	<b>2026 Request</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>SF</b>	\$8.063	\$5.638	\$12.000	\$12.000	\$12.000	\$12.000
<b>Total</b>	<b>\$8.063</b>	<b>\$5.638</b>	<b>\$12.000</b>	<b>\$12.000</b>	<b>\$12.000</b>	<b>\$12.000</b>

<b>Fund Uses (\$ in Millions):</b>				
<b>Project (Jurisdiction)</b>	<b>Est. Cost</b>	<b>Prior Auth.</b>	<b>2026 Request</b>	<b>Future Request</b>
Freedmans State Park – Entrance, Road, and Parking Improvements (Montgomery)	\$2.000	\$0.000	\$2.000	\$0.000
St. Clements Island State Park – Pier and Bulkhead Replacement (St. Mary’s)	2.000	0.000	2.000	0.000
Sang Run State Park – General Store Renovation (Garrett)	1.500	0.000	0.638	0.862
Wills Mountain State Park – Entrance, Road, and Parking Improvements (Allegany)	1.000	0.000	1.000	0.000
<b>Total</b>	<b>\$6.500</b>	<b>\$0.000</b>	<b>\$5.638</b>	<b>\$0.862</b>

- Changes:** The fiscal 2026 allowance reflects \$17.9 million less than the planned amount for fiscal 2025 due to a reduction in the transfer tax revenue. The 2025 CIP reflects a reduction of \$10.0 million for fiscal 2027 through 2029, reducing the planned amounts from \$22.0 million to \$12.0 million, and reflects the addition of \$12.0 million in fiscal 2030. The POS – State land acquisition funding is prioritized for this purpose, because there continues to be high demand for public access to open space and DNR lands.

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- ***Encumbrances and Expenditures:*** The fiscal 2025 spending plan reflects \$31.7 million in beginning balance from fiscal 2024, \$8.1 million in the fiscal 2025 appropriation, and the encumbering of \$23.9 million, leaving \$15.9 million for fiscal 2026. The program encumbered \$1.8 million in fiscal 2023 and \$0.7 million in fiscal 2024.
- ***Projects Selected:*** The fiscal 2026 budget includes funding for four projects in four jurisdictions. Freedman's State Park – Entrance, Road, and Parking Improvements in Montgomery County is one of the two largest projects in fiscal 2026. Chapter 39 generally pertains to Freedman's State Historical Park and the Port of Deposit State Historical Park. Chapter 39 as it relates to Freedman's State Historical Park authorized DNR to enter into a memorandum of understanding or partnership agreement with a local government, bicounty agency, or nonprofit organization to establish or manage a partnership park (a unit of the State park system managed by DNR in partnership with a local government, bicounty agency, or nonprofit organization) and required DNR to (1) establish the Freedman's State Historical Park as a partnership park that seeks to educate the public about and preserve and interpret the lives and experiences of Black Americans, both before and after the abolition of slavery; (2) have the park consist of specified properties in northeastern Montgomery County; (3) establish a specified stakeholder advisory committee for the two parks to advise the department on the scope and management of the park; and (4) report to the General Assembly by January 1, 2023, on property suitable for inclusion in the park and the funding needed to establish and promote the park.

### **Program Open Space – Greenspace Equity Program**

***Program Description:*** Chapter 487 of 2023 (Natural Resources – Greenspace Equity Program – Establishment) established the POS – Greenspace Equity Program. The purpose of the program is to enhance the public health and livability of overburdened communities and underserved communities by implementing projects to preserve, create, and enhance community greenspace. Funding comes from the POS – State share, and the Governor is required to appropriate funding as follows: fiscal 2025, up to \$5.0 million; fiscal 2026, up to \$7.0 million; and fiscal 2027 and thereafter, up to \$10.0 million. Eligible applicants are (1) land trusts or nongovernmental organizations located or working in either an overburdened or an underserved community in which a project is proposed to be implemented and (2) a county or municipality. DNR is required to make grants to eligible applicants for community greenspace projects located (1) in an overburdened community; (2) in an underserved community; or (3) on a property that is owned by an eligible applicant or for which the applicant holds a conservation easement and is located in a census tract adjacent to an overburdened or underserved community. The funding may also be used for (1) appraisals, environmental assessments, site clearance or development, and other due diligence expenses related to implementing a project; (2) administrative and compliance costs; and (3) stewardship projects.

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<b>Fund Sources:</b>						
<b>(\$ in Millions)</b>	<b>2025 Approp.</b>	<b>2026 Request</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>SF</b>	\$5.000	\$7.000	\$10.000	\$10.000	\$10.000	\$10.000
<b>Total</b>	<b>\$5.000</b>	<b>\$7.000</b>	<b>\$10.000</b>	<b>\$10.000</b>	<b>\$10.000</b>	<b>\$10.000</b>

- **Changes:** The fiscal 2026 POS – Greenspace Equity Program authorization is consistent with the amount programmed in the 2024 CIP. The 2025 CIP reflects the full amount of the funding authorized for the program by Chapter 487. Projects will be determined based on the applications received.
- **Encumbrances and Expenditures:** The fiscal 2025 spending plan reflects \$0 in beginning balance from fiscal 2024 – the beginning of the program; \$5.0 million in fiscal 2025 appropriation; and the encumbering of \$5.0 million, leaving \$0 for fiscal 2026. No funding has been encumbered or expended from the fiscal 2025 authorization.
- **Other Comments:** The program received 40 applications for \$12 million for the fiscal 2025 grant application cycle. DNR planned to take fiscal 2025 projects to BPW in January 2025, but this does not appear to have happened.

**Program Open Space – Natural Resources Development Fund**

**Program Description:** State law allows up to 25.0% of POS funds allocated to the State to be used for capital development projects and for operating expenses at State forests and parks. The Natural Resources Development Fund provides support for designing and constructing development projects on DNR property. Capital development projects include shower buildings, building renovations, road parking and trail improvements, and general park improvements. In addition, the Natural Resources Development Fund provides funding for dam and bridge rehabilitations and water and wastewater projects on DNR property through the Maryland Environmental Service’s (MES) Infrastructure Improvement Fund capital program. Nonbudgeted funds come from the POS – Public Access Program and the Park System Capital Improvement and Acquisition Fund.

<b>Fund Sources:</b>						
<b>(\$ in Millions)</b>	<b>2025 Approp.</b>	<b>2026 Request</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>SF</b>	\$12.294	\$10.376	\$17.234	\$19.373	\$18.998	\$19.194
<b>FF</b>	0.000	0.000	2.000	0.000	0.000	0.000
<b>GO Bonds</b>	0.000	0.000	0.000	5.000	5.000	0.000
<b>Total</b>	<b>\$12.294</b>	<b>\$10.376</b>	<b>\$19.234</b>	<b>\$24.373</b>	<b>\$23.998</b>	<b>\$19.194</b>

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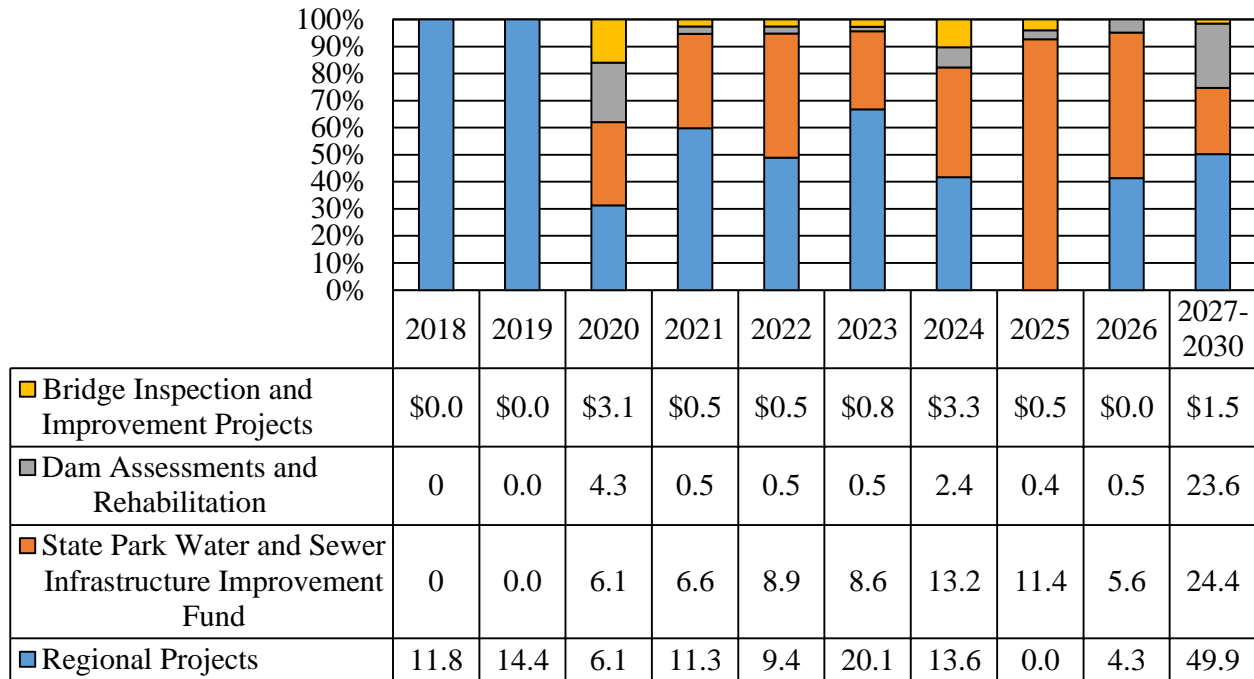
<b>Fund Uses (\$ in Millions):</b>				
<b>Project (Jurisdiction)</b>	<b>Est. Cost</b>	<b>Prior Auth.</b>	<b>2026 Request</b>	<b>Future Request</b>
State Park Water and Sewer Infrastructure Improvement Fund (Statewide)	\$80.194	\$50.255	\$5.585	\$24.354
Mt. Nebo Wildlife Management Area – Natural Resources Police New Office, Garage, and Storage Facility (Garrett)	5.641	0.293	4.290	1.058
Dam Assessments and Rehabilitation (Statewide)	32.643	8.571	0.501	23.572
<b>Total</b>	<b>\$118.478</b>	<b>\$59.119</b>	<b>\$10.376</b>	<b>\$48.984</b>

- Changes:** The decrease in fiscal 2026 funding relative to the amount programmed for fiscal 2025 reflects the decrease in transfer tax revenues. The 2025 CIP reflects reduced special funds in the out-years as a result of a downward revision in the transfer tax and no change in the GO bonds programmed in fiscal 2028 and 2029.
- Encumbrances and Expenditures:** There is still \$2.8 million to be encumbered and \$3.9 million to be expended from before fiscal 2021. The fiscal 2025 spending plan reflects \$57.0 million in beginning balance from fiscal 2024; \$12.3 million in the fiscal 2025 appropriation; and the encumbering of \$46.3 million, leaving \$22.9 million for fiscal 2026. Encumbering \$46.3 million in fiscal 2025 appears to be optimistic, given the recent trend of encumbering approximately \$12.3 million per year between fiscal 2021 and 2024.
- Projects Selected:** The fiscal 2026 spending plan provides funds for one project in one jurisdiction and two statewide programs: Dam Assessments and Rehabilitation, which includes funding for the design of repairs to three DNR dams and to continue evaluations throughout the State; and the State Park Water and Sewer Infrastructure Improvement Fund, which includes funding for four projects managed by MES. The one stand-alone project to be developed is the Mt. Nebo Wildlife Management Area – NRP New Office, Garage and Storage Facility project in Garrett County. This project provides for a facility in western Maryland where NRP can have office space and store vehicles and equipment, which is needed due to the higher activity levels associated with Wolf’s Den State Park. The project is being rescoped to include a new detached two-bay garage, which appears to increase the total project cost and delay the design schedule, perhaps into fiscal 2027. The current plan was to complete design between July 2024 and July 2025 and then begin construction in February 2026.
- Concerns:** As shown in **Exhibit 5**, before fiscal 2020, the Natural Resources Development Fund was used solely for new amenities on DNR-managed lands – regional projects. While there were occasional dam and bridge projects, funding was not allocated to dam or bridge programs. In fiscal 2020, funding was allocated for the first time to dedicated programs for bridge inspection and improvement projects, dam assessments and rehabilitations, as well

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as the State Park Water and Sewer Infrastructure Improvement Fund administered by MES. Since fiscal 2020, a greater proportion of funding has been allocated to the State Park Water and Sewer Infrastructure Improvement Fund. However, beginning in fiscal 2026, there is a shift to more regional projects than previously planned, which reduces the amount of funding available to the State Park Water and Sewer Infrastructure Improvement Fund. Looking forward, while the proportion of funding for dam assessments and rehabilitations increases substantially in fiscal 2027 through 2030, there is a higher proportion of funding for regional projects than for State Park Water and Sewer Infrastructure Improvement Fund projects. The reason for this shift is that the 2024 CIP programmed \$22.0 million in transfer tax special funds programmed for the Greenbrier State Park – Water Treatment and Wastewater Treatment Plant Upgrade project between fiscal 2026 and 2030. This funding has been changed to GO bonds in the 2025 CIP to provide more funding for the capital development projects traditionally funded by the Natural Resources Development Fund.

**Exhibit 5  
Natural Resources Development Fund Allocation by Purpose  
Fiscal 2018-2030**



Note: The fiscal 2027 to 2030 funding for Dam Assessments and Rehabilitation includes \$10.0 million in general obligation bonds to begin repairs and improvements to dams at Seneca Creek State Park and Cunningham Falls State Park.

Source: Department of Budget and Management

- **Comments:** The 2025 capital budget bill includes a preauthorization of \$1,008,000 in fiscal 2027 to complete construction of the Mt. Nebo Wildlife Management Area – NRP New Office, Garage and Storage Facility project.

### Rural Legacy Program

**Program Description:** The purpose of the Rural Legacy Program is to protect agricultural and natural resources land from sprawl development and thus, to promote resource-based economies and develop greenbelts. Program funds are used to purchase conservation easements on land based on Rural Legacy Areas recommended by the Rural Legacy Board and approved by BPW.

<b>Fund Sources:</b>						
<b>(\$ in Millions)</b>	<b>2025 Approp.</b>	<b>2026 Request</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>SF</b>	\$15.329	\$14.384	\$17.764	\$20.087	\$20.644	\$21.257
<b>Total</b>	<b>\$15.329</b>	<b>\$14.384</b>	<b>\$17.764</b>	<b>\$20.087</b>	<b>\$20.644</b>	<b>\$21.257</b>

- **Changes:** The decrease in funding relative to the programmed amount for fiscal 2026 reflects the decrease in transfer tax revenues.
- **Encumbrances and Expenditures:** There is no funding to be encumbered from before fiscal 2021 and only \$0.3 million to be expended. The spending plan is to encumber the fiscal 2025 \$15.3 million appropriation, leaving no funding for fiscal 2026. The program has encumbered \$24.5 million on average between fiscal 2021 and 2024.
- **Performance Measures:** The Rural Legacy Program has funded approximately 19% of the grant amounts requested since the program’s inception.
- **Other Comments:** The fiscal 2026 cost per acre for the Rural Legacy Program is estimated to be \$4,500, which would allow for the preservation of approximately 3,324 acres.

### Ocean City Beach Maintenance

**Program Description:** The Ocean City Beach Maintenance Fund was established to fund annual maintenance for the Ocean City beach replenishment project. When the fund was established, the State entered into a funding agreement with Worcester County and Ocean City. The funding agreement stipulates that not less than \$1.0 million from the State and not less than \$500,000 each from the county and the city must be provided annually. Periodic nourishment, usually on a four-year cycle, is deemed the most cost-effective method of maintaining the beach over a 50-year period, with the costs usually shared as 53% federal and 47% State, Worcester County, and Ocean

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City. Transfer tax revenue within POS or GO bonds are used to fund the State’s contribution to this effort.

<b>Fund Sources:</b>						
<b>(\$ in Millions)</b>	<b>2025 Approp.</b>	<b>2026 Request</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>SF</b>	\$2.000	\$2.000	\$2.000	\$2.000	\$2.000	\$2.000
<b>Total</b>	<b>\$2.000</b>	<b>\$2.000</b>	<b>\$2.000</b>	<b>\$2.000</b>	<b>\$2.000</b>	<b>\$2.000</b>

- **Encumbrances and Expenditures:** There is still \$3.1 million to be encumbered and \$3.8 million to be expended from before fiscal 2021. The spending plan reflects an opening balance of \$8.1 million for fiscal 2025, the addition of the \$2.0 million in State and local funding, and \$7.0 million in encumbrances for the fiscal 2026 dune replenishment project, which leaves \$3.1 million available for fiscal 2026.
- **Projects Selected:** The next planned beach replenishment project is scheduled for fiscal 2025 to 2026. The total estimated project cost is \$18 million, which would require a State contribution of approximately \$9.5 million based on the State’s 53% portion of the total project cost shared with the U.S. Army Corps of Engineers (USACE).
- **Performance Measures:** DNR has placed approximately 13.3 million cubic yards of sand on the Ocean City shoreline. According to USACE, the protective beach, dunes, and bulkhead prevented approximately \$1.5 billion in potential storm damages to the Ocean City infrastructure from Hurricane Sandy.
- **Other Comments:** The combination of the awarding of the three-year maintenance contract projected for fiscal 2025 and the beach replenishment project over fiscal 2025 and 2026 will reduce Ocean Beach Maintenance Fund’s unencumbered balance considerably. If \$7.0 million is encumbered in fiscal 2025 for the beach replenishment project, this would leave \$3.1 million for fiscal 2026. The addition of the fiscal 2026 appropriation raises the balance to \$5.1 million, which is then reduced to approximately \$2.6 million after \$2.5 million is spent for the remaining balance on the beach replenishment project.

### **Waterway Improvement Program**

**Program Description:** The Waterway Improvement Program (WIP) finances projects to expand and improve public boating access throughout the State. The 5.0% excise tax paid on the sale of motorized vessels within the State and 0.5% of the motor vehicle fuel tax support the fund. Funding is provided in the form of grants and/or long-term, interest-free loans to local governments, DNR, and some federal government agencies: (1) grants (100.0%) not to exceed \$5,000; (2) grants (100.0%) less than \$100,000; (3) public navigation improvement and DNR boating facility construction grants (100%) of unlimited amounts; (4) matching grants with a maximum State



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cost-share (50%); and (5) interest-free loans (100%) with a 25-year maximum. Additional funding specifications are provided for dredging/navigation projects and boating access facility and boating safety projects.

<b>Fund Sources:</b>						
<b>(\$ in Millions)</b>	<b>2025 Approp.</b>	<b>2026 Request</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>SF</b>	\$21.500	\$24.000	\$24.000	\$16.000	\$16.000	\$16.000
<b>FF</b>	2.500	1.500	1.500	1.500	1.500	21.500
<b>Total</b>	<b>\$24.000</b>	<b>\$25.500</b>	<b>\$25.500</b>	<b>\$17.500</b>	<b>\$17.500</b>	<b>\$17.500</b>

<b>Fund Uses (\$ in Millions):</b>				
<b>Project (Jurisdiction)</b>	<b>Est. Cost</b>	<b>Prior Auth.</b>	<b>2026 Request</b>	<b>Future Request</b>
Somers Cove Marina – Bulkhead Replacement and Facility Improvements (Somerset) (73.4% State Share)	\$22.330	\$5.880	\$4.500	\$6.000
Statewide – Emergency Dredging and Navigation Needs (Statewide)	1.659	0.000	1.659	0.000
Swan Harbor Farm – Dredge Material Placement Site Remediation (Harford)	1.500	0.000	1.500	0.000
Queenstown Creek Phase II Dredging and Beneficial Use Dredged Material Placement (Queen Anne’s)	1.500	0.000	1.500	0.000
U.S. Fish and Wildlife Services Boating Access Projects (Statewide)	1.500	0.000	1.500	0.000
Hart Miller and Pleasure Islands Channel Dredging and Beneficial Use Dredged Material Placement (Baltimore County)	1.100	0.000	1.100	0.000
Sweden Point Marina Renovations (Charles)	1.000	0.000	1.000	0.000
Point Lookout State Park – Marina Improvements (St. Mary’s)	1.000	0.000	1.000	0.000
Shad Landing Marina Improvements (Worcester)	1.000	0.000	1.000	0.000
Statewide – Shore Erosion Control Projects (Statewide)	0.500	0.000	0.500	0.000
Remaining Projects	10.241	0.000	10.241	0.000
<b>Total</b>	<b>\$43.330</b>	<b>\$5.880</b>	<b>\$25.500</b>	<b>\$6.000</b>

- Changes:** The funding plan for the WIP has changed once again as a result of updated revenue forecasts and the large fund balance in the WIF, which supports the program. The large balance is due to vessel excise tax revenues accrued during the COVID-19 pandemic because of increased boat sales. The fiscal 2026 through 2027 planned amounts have been increased by \$2.5 million in special funds for each year. The fiscal 2028 and 2029 special fund planned amounts are consistent at \$16.0 million and the addition of planned fiscal 2030 funding also reflects \$16.0 million in special funds. The fiscal 2026 through 2030 appropriations are reduced by \$1.0 million in federal funds from the U.S. Department

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of the Interior’s (DOI) Sportfishing and Boating Safety Act (*i.e.*, Boating Infrastructure Grants) funding.

- **Encumbrances and Expenditures:** There is still \$7.4 million to be encumbered and \$11.8 million to be expended from before fiscal 2021. The program is encumbering about \$12.7 million per year. The spending plan reflects an opening balance of \$18.2 million for fiscal 2025, the addition of the \$24.0 million in State and local funding, and \$24.0 million in encumbrances, which leaves \$18.2 million available for fiscal 2026.
  
- **Projects Selected:** Chapters 558 and 559 of 2024 established the Whole Watershed Fund to provide funding to accelerate restoration of the Chesapeake and Atlantic Coastal Bays and their watersheds. The Whole Watershed Fund is authorized to receive funding from a number of State agricultural and environmental special funds. The Administration noted in its CHESBAY – Chesapeake Bay Overview analysis hearing testimony that \$1.25 million of the WIP fiscal 2026 special fund appropriation is for a Whole Watershed Act project. However, there does not appear to be a project for that amount in the fiscal 2026 project list. There are two projects that fit the Whole Watershed Act description of either enhanced water quality monitoring or, in this case, beneficial use of dredged material: \$1.5 million for the Queenstown Creek Phase II Dredging and Beneficial Use Dredged Material Placement in Queen Anne’s County and \$1.1 million for the Hart Miller and Pleasure Islands Channel Dredging and Beneficial Use Dredged Material Placement project. **DNR should comment on which project in the fiscal 2026 project list is funded as part of the Whole Watershed Act.**
  
- **Other Comments:** The fiscal 2026 allowance supports 46 projects in 14 jurisdictions and 6 statewide projects. The federal funds are from the DOI Sportfishing and Boating Safety Act (*i.e.*, Boating Infrastructure Grants) funding.

### Community Parks and Playgrounds

**Program Description:** The program provides flexible grants to municipalities and Baltimore City (counties are no longer eligible) to (1) rehabilitate, expand, improve, or maintain existing parks; (2) purchase land to create new parks; (3) develop new parks; (4) purchase and install playground equipment in urban neighborhoods and rural areas throughout the State; or (5) be used for environmentally oriented parks and recreation projects. While land acquisition costs are considered, highest priority is given to capital costs that are associated with park and playground development and improvement. The projects should be consistent with the local Land Preservation and Recreation Plan.

<b>Fund Sources:</b>						
<b>(\$ in Millions)</b>	<b>2025 Approp.</b>	<b>2026 Request</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>GO Bonds</b>	\$5.000	\$5.000	\$5.000	\$5.000	\$5.000	\$5.000
<b>Total</b>	<b>\$5.000</b>	<b>\$5.000</b>	<b>\$5.000</b>	<b>\$5.000</b>	<b>\$5.000</b>	<b>\$5.000</b>

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<b>Fund Uses (\$ in Millions):</b>				
<b>Project (Jurisdiction)</b>	<b>Est. Cost</b>	<b>Prior Auth.</b>	<b>2026 Request</b>	<b>Future Request</b>
Denton – Sharp Road Park New Playground (Caroline)	\$0.300	\$0.000	\$0.300	\$0.000
Snow Hill – Sturgis Park New Restrooms (Worcester)	0.298	0.000	0.298	0.000
Chesapeake City – Helen Titter Park New Playground (Cecil)	0.293	0.000	0.293	0.000
Funkstown – Jerusalem Park Improvements (Washington)	0.275	0.000	0.275	0.000
Ocean City – Northside Park Playground Phase II Improvements (Worcester)	0.267	0.000	0.267	0.000
Greensboro – Jesse Sutton Memorial Park Phase I Improvements (Caroline)	0.250	0.000	0.250	0.000
Mt. Airy – Prospect Park Improvements (Frederick)	0.250	0.000	0.250	0.000
Remaining Projects	3.067	0.000	3.067	0.000
<b>Total</b>	<b>\$5.000</b>	<b>\$0.000</b>	<b>\$5.000</b>	<b>\$0.000</b>

- **Encumbrances and Expenditures:** There is \$0 to be encumbered and \$0.6 million to be expended from before fiscal 2021. The fiscal 2025 spending plan reflects \$0.1 million in available balance from fiscal 2024, \$5.0 million in new fiscal 2025 authorization, \$5.1 million in fiscal 2025 encumbrances, and approximately \$0.1 million available as a result of reversions from two projects that came in under budget, leaving \$99,946 for fiscal 2026. The program has encumbered \$3.9 million on average between fiscal 2021 and 2024.
- **Performance Measures:** The program has funded approximately 37% of the total project funding requested between fiscal 2002 and 2025.
- **Other Comments:** The fiscal 2026 allowance would fund 26 projects in 15 jurisdictions.

### **Oyster Restoration Program**

**Program Description:** The Oyster Restoration Program provides funding to construct and rehabilitate oyster bar habitats and, through the operating budget, provides for aquaculture infrastructure improvements. Funding is guided by Maryland’s oyster plan, which includes goals to rehabilitate oyster bar habitats that were identified in a best oyster bar survey conducted in fall 2009 and to increase commercial oyster production by aquaculture. In addition, Maryland is guided by the 2014 Chesapeake Bay Watershed Agreement, which has the goal to restore native oyster habitats and populations in 10 tributaries by calendar 2025 and ensure their protection. The five sanctuaries picked by Maryland to meet the Chesapeake Bay Watershed Agreement goal of restoring five tributaries each in the Maryland and Virginia area are Harris Creek, Little Choptank River, Tred Avon River, Upper St. Mary’s River, and Manokin River.

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<b>Fund Sources:</b>						
<b>(\$ in Millions)</b>	<b>2025 Approp.</b>	<b>2026 Request</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>GO Bonds</b>	\$2.460	\$4.032	\$2.028	\$0.565	\$2.537	\$11.502
<b>Total</b>	<b>\$2.460</b>	<b>\$4.032</b>	<b>\$2.028</b>	<b>\$0.565</b>	<b>\$2.537</b>	<b>\$11.502</b>

<b>Fund Uses (\$ in Millions)</b>					
<b>Project</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Manokin River Sanctuary – Second Seeding	\$0.000	\$0.000	\$0.225	\$1.197	\$0.000
Nanticoke Sanctuary	1.800	0.000	0.000	0.000	0.000
Add Large Scale Sanctuary (Hooper Strait and Herring Bay)	0.892	1.688	0.000	0.000	10.162
Small Sanctuaries	0.300	0.300	0.300	0.300	0.300
Marylander’s Grow Oysters	0.040	0.040	0.040	0.040	0.040
Eastern Bay	1.000	0.000	0.000	1.000	1.000
<b>Total</b>	<b>\$4.032</b>	<b>\$2.028</b>	<b>\$0.565</b>	<b>\$2.537</b>	<b>\$11.502</b>

- Changes:** The fiscal 2026 funding is consistent with the planned amount for fiscal 2026 in the 2024 CIP. The 2023 CIP programmed \$1.0 million each year between fiscal 2025 and 2028 for the Eastern Bay restoration project as mandated by Chapters 30 and 574 of 2022. However, Chapters 30 and 574 specify that funding provided for the activities in Eastern Bay after fiscal 2026 is contingent on a five-year evaluation of the effectiveness of oyster replenishment, restoration, and aquaculture activities. The 2025 CIP reflects the addition of \$1.0 million for Eastern Bay in fiscal 2029 and 2030, pending the outcome of the five-year evaluation of effectiveness. The 2025 CIP also reflects DNR’s adoption of the Four Point Oyster Sanctuary Plan, which acknowledges the successes of the restoration of the five original sanctuaries under the 2014 Chesapeake Bay Watershed Agreement and expands the sanctuaries to be restored to include the Nanticoke River, Herring Bay, and Hoopers Strait. The plan includes monitoring the first five large-scale sanctuaries, evaluating underperforming sanctuaries, continuing and expanding oyster restoration in sanctuaries, and developing strategies to connect oyster restoration to watershed restoration. The inclusion of these three new sanctuaries is supported in the short term by two U.S. Department of Commerce – National Oceanic and Atmospheric Administration (NOAA) grants. The first grant continues until fiscal 2026 and funds the Horn Point oyster hatchery for oyster larvae production. In fiscal 2026, DNR plans to take advantage of the remaining NOAA funding for oyster spat production by pairing it with \$1.8 million in State GO bond funding to support the Nanticoke River Sanctuary, which only requires spat-on-shell restoration. In fiscal 2026, DNR also plans to use \$0.9 million in GO bond funding to develop the final restoration plans for the three new sanctuaries to be restored. The second NOAA grant is a \$10.0 million four-year grant awarded in July 2024. In fiscal 2027, the NOAA grant will construct new reef that will be planted with spat-on-shell using \$1.7 million in State GO bond funding. The 2025 CIP programs \$10.2 million in

fiscal 2030 for continuation of large-scale oyster restoration, presumably in the Herring Bay and Hooper Strait sanctuaries. **DNR should be prepared to brief the committees on how the potential loss of the federal funds will impact the program and any contingencies under consideration.**

- **Encumbrances and Expenditures:** There is \$0 to be encumbered and \$0.5 million to be expended from before fiscal 2021. The fiscal 2025 spending plan reflects \$2.2 million in beginning balance from fiscal 2024, the fiscal 2025 appropriation of \$2.5 million, and the encumbering of \$4.6 million in fiscal 2025, leaving a \$0 balance at the end of fiscal 2025. The program has been able to encumber \$12.5 million on average between fiscal 2021 and 2024, including \$12.0 million in fiscal 2022, \$12.4 million in fiscal 2023, and \$24.3 million in fiscal 2024.
- **Projects Selected:** The fiscal 2026 funding supports \$1.8 million for seeding restoration in the Nanticoke River Sanctuary; \$0.9 million for seeding restoration in Herring Bay and Hooper Strait sanctuaries, with the number of acres to be determined; \$1.0 million for Eastern Bay restoration activities to plant oyster seed as part of constructing restored oyster reefs in sanctuaries; \$0.3 million for seeding 15 acres of sanctuaries outside the five large-scale restoration projects; and \$40,000 for the Marylanders Grow Oysters Program.
- **Performance Measures:** The NOAA National Marine Fisheries Service’s 2021 Maryland Oyster Monitoring Report notes that four out of the six oyster metrics success criteria were monitored in fall 2021; reef height and reef footprint were not measured due to COVID-19-related restrictions. The vast majority of reefs monitored met the four criteria measured: oyster density; oyster biomass; multiple-year classes; and shell budget. This follows most reefs monitored meeting the criteria from fall 2015 through calendar 2021. Overall, 99% of six-year-old restored reefs met at least the minimum threshold oyster density and biomass, and 83% met the higher target density and biomass. No additional monitoring results appear to be available since NOAA’s 2021 report, although St. Mary’s River’s first three-year monitoring was scheduled for fall 2024. **DNR should comment on the outcome of the St. Mary’s River Sanctuaries first three-year monitoring that was scheduled for fall 2024.**
- **Concerns:** The expansion of the five original sanctuaries to include the Nanticoke River, Herring Bay, and Hoopers Strait add an out-year burden to the State’s capital budget. The Nanticoke River Sanctuary appears to be manageable given that the 240 acres of restorable bottom only require spat-on-shell restoration. However, the Hooper Strait Sanctuary has approximately 350 acres available for restoration, and the Herring Bay Sanctuary has approximately 1,000 acres. **DNR should comment on the long-term plan for oyster spat production and oyster substrate procurement to support the planned restoration work in the Hooper Strait Sanctuary and Herring Bay Sanctuary.**
- **Other Comments:** As for the overall oyster population in the Chesapeake Bay, the oyster biomass index decreased from 2.69 in fiscal 2022 to 2.37 in fiscal 2023 and then decreased

again to 2.21 in fiscal 2024. DNR has noted that the fiscal 2022 and 2023 values were the second- and third-highest values, respectively, on record since fiscal 1993 and were well above the average biomass for the time series. In addition, DNR has noted the *Maryland Oyster Population Status Report 2023 Fall Survey* reflected a spatfall intensity index of 86.8 spat, or juvenile oysters, per bushel, which was nearly four times the 39-year median of 23.6 spat per bushel and the fifth-highest index in that timeframe. The 2024 Fall Survey does not appear to be available. There does not appear to have been any progress on the plan to dredge Man O’War Shoals for oyster shells. Governor Wes Moore created Maryland’s Oyster Shell and Substrate Taskforce by executive order signed July 20, 2023. The task force was required to submit a report on recommendations for achieving a positive oyster shell and substrate environment by December 1, 2024. The report submitted on November 15, 2024, includes 30 recommendations under five categories. Perhaps the most ambitious recommendation is to purchase at least two million to five million bushels of domestic shell for future use.

## ***Issues***

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### **1. Slow Implementation of the Great Maryland Outdoors Act**

Chapter 39 made numerous changes to State law relating to (1) funding for parks, land conservation, State lakes protection and restoration, and forest-related purposes; (2) park staff and volunteers; (3) management of parks and park infrastructure; and (4) new parks/amenities and other considerations. DNR has been slow to implement the capital provisions in Chapter 39.

The status of the capital components of the Great Maryland Outdoors Act is as follows:

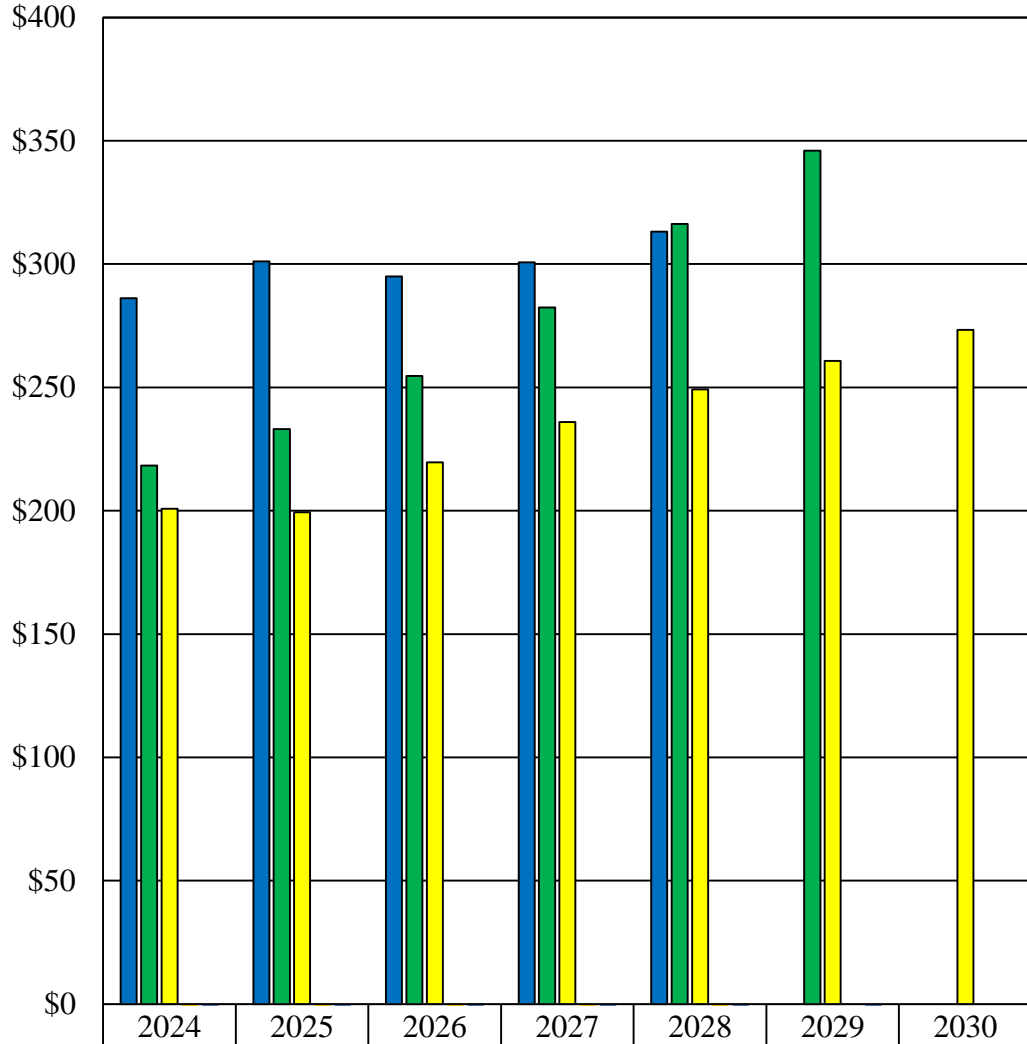
- ***Park System Critical Maintenance Fund:*** Chapter 402 extended the deadline to spend \$70.0 million in general funds appropriated in fiscal 2024 to address critical maintenance concerns on DNR-managed park lands from July 1, 2026, to July 1, 2029;
- ***Park System Capital Improvements and Acquisition Fund:*** The State provided \$80 million for the Park System Capital Improvement and Acquisition Fund in fiscal 2024 – \$36.9 million in general funds and \$43.1 million in POS – State land acquisition balance – but thus far has only encumbered \$2.9 million through BPW to install a new recreation communication board at the Seventh District Park playground in St. Mary’s County, although DNR notes that the additional funds have been obligated within DNR’s Engineering and Construction unit;
- ***Asset Management and Facility Condition Assessment:*** DNR has not procured the asset management software that would enable queries of the antiquated asset management database that was intended to be updated in coordination with the Department of General Services;

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- ***Inventory Assessment and Maintenance Prioritization:*** DNR is in the early pilot stages of taking the required inventory of all State land managed by the department; it is not clear what progress has been made on developing a maintenance project prioritization process modeled after the NPS asset priority index, and DNR does not appear to have developed or published on its website a list of maintenance projects in the State park system that are expected to cost more than \$25,000;
- ***Systemwide Survey of Historical and Cultural Resources:*** DNR is still working with Preservation Maryland on the statewide survey, which is intended to include an estimation of restoration, preservation, and maintenance costs;
- ***Five-year CIP:*** DNR does not appear to have published the Plan for MPS report – including information on critical maintenance projects and their prioritization – that was required to be submitted to the General Assembly by December 1, 2023; and
- ***Comprehensive Long-Range Strategic Plan:*** DNR did not publish and submit the plan to the General Assembly required by December 1, 2023, and also has not finished the Land Preservation and Recreation Plan that is being completed in coordination with the comprehensive long-range strategic plan and is required to be submitted to NPS by March 31, 2025, after initially being scheduled for completion by December 2023.

**DNR should comment on the status of and next steps for completing the capital components of the Great Maryland Outdoors Act and on what deadlines the General Assembly may hold DNR to account.**

**Appendix 1  
Transfer Tax Revenue Estimates  
Fiscal 2024-2030  
(\$ in Millions)**



■ Dec-22	\$286.1	\$301.1	\$295.0	\$300.7	\$313.2		
■ Dec-23	218.4	233.1	254.6	282.4	316.3	\$346.0	
■ Dec-24	200.8	199.4	219.6	236.0	249.2	260.7	\$273.3
■ Difference Dec-22	-85.3	-101.7	-75.4	-64.7	-64.0		
■ Difference Dec-23	-17.6	-33.7	-35.0	-46.4	-67.1	-85.3	

Note: The fiscal 2024 amount for the December 2024 estimate – \$200.8 million – reflects the actual revenues.

Source: Department of Budget and Management



**Appendix 2**  
**Program Open Space – Local Distribution**  
**Fiscal 2024-2026**

<b><u>Jurisdiction</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>	<b><u>2026</u></b>
Allegany	\$993,046	\$360,423	\$289,184
Anne Arundel	10,871,713	3,896,115	3,091,794
Baltimore City	17,223,945	12,611,840	12,057,189
Baltimore County	12,164,833	4,396,664	3,479,391
Calvert	1,076,333	387,608	307,846
Caroline	469,768	169,945	135,211
Carroll	2,414,703	872,595	691,395
Cecil	1,254,188	450,623	358,223
Charles	2,240,661	799,456	636,800
Dorchester	406,596	148,465	117,447
Frederick	2,592,988	938,484	745,503
Garrett	507,148	184,115	146,379
Harford	3,583,155	1,296,787	1,029,868
Howard	6,366,459	2,295,228	1,819,543
Kent	304,409	109,640	87,920
Montgomery	16,211,671	5,821,255	4,610,730
Prince George’s	13,218,796	4,772,889	3,775,630
Queen Anne’s	660,534	240,889	191,940
St. Mary’s	1,220,906	442,550	350,184
Somerset	288,984	104,921	82,900
Talbot	691,824	249,650	200,079
Washington	1,915,701	686,847	544,413
Wicomico	1,264,251	459,391	363,080
Worcester	1,247,376	450,209	359,744
<b>Total</b>	<b>\$99,189,988</b>	<b>\$42,146,589</b>	<b>\$35,472,393</b>

Note: The Baltimore City funding reflects the Baltimore City Direct Grant funding in the Program Open Space – State share allocation as follows: \$10.0 million for fiscal 2024 through 2026.

**Appendix 3**  
**County Land Acquisition Goal Attainment Status under**  
**Land Preservation, Parks, and Recreation Plans**  
**Calendar 2012, 2017, and 2022**

<u>Jurisdiction</u>	<u>2012</u>	<u>2017</u>	<u>2022</u>
Allegany	Met	Met	Met
Anne Arundel	Not Met	Not Met	Not Met
Baltimore City	N/A	N/A	Met
Baltimore County	Not Met	Not Met	Not Met
Calvert	Not Met	Not Met	Met
Caroline	Met	Met	Met
Carroll	Met	Met	Met
Cecil	Not Met	Met	Met
Charles	Not Met	Not Met	Not Met
Dorchester	Met	Met	Met
Frederick	Met	Not Met	Met
Garrett	Met	Met	Met
Harford	Not Met	Not Met	Not Met
Howard	Not Met	Not Met	Met
Kent	Met	Met	Met
Montgomery	Not Met	Not Met	Not Met
Prince George’s	Not Met	Not Met	Met
Queen Anne’s	Met	Met	Met
Somerset	Met	Met	Met
St. Mary’s	Not Met	Met	Met
Talbot	Met	Met	Met
Washington	Met	Met	Met
Wicomico	Met	Met	Met
Worcester	Met	Met	Met

Note: While the attainment status does not apply to Baltimore City, the Department of Natural Resources notes that Baltimore City met its land acquisition goals in the calendar 2022 Land Preservation, Parks, and Recreation Plan, based on user demand, population density, and land and facility distribution.

Source: Department of Natural Resources