



House Bill 1409

Payment in Lieu of Taxes - State Forests, State Parks, and Wildlife Management Areas

MACo Position: **SUPPORT**

To: Environment and Transportation Committee

Date: March 8, 2016

From: Andrea Mansfield

The Maryland Association of Counties (MACo) **SUPPORTS** HB 1409. This bill would establish an Open Space Incentive Program which would provide counties an annual payment of \$250,000 for each unit of open space attributed to State forests, State parks, and wildlife management areas. One unit of open space is the equivalent of 10,000 acres. The payments that counties currently receive from a portion of revenues generated from State forests and parks are eliminated.

MACo believes HB 1409 will serve as an appropriate incentive to counties to preserve their State forests, parks, and wildlife management areas. As State lands or designated wildlife areas, these properties are exempt from the local property tax, which is the counties' top revenue source. These revenues fund a large portion of county expenditures from which these lands benefit, including law enforcement, emergency management services, stormwater infrastructure, and roadways. Providing services to these areas without revenues for this specific purpose draws funds away from other parts of the county budget.

A program has existed to provide some level of payment to counties with State forest and park lands through revenues derived from these areas, including net revenues from concession operations, but these payments have been reduced significantly in recent years to balance the State's budget.

HB 1409 would provide a consistent revenue stream to offset losses in property tax revenues and fund the public services provided in these areas. For this reason, MACo would urge a **FAVORABLE** report on HB 1409.