



Senate Bill 927

Program Open Space Trust Fund Act of 2016

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: March 9, 2016

From: Leslie Knapp, Jr.

The Maryland Association of Counties (MACo) **SUPPORTS** SB 927. The bill would move State and local Program Open Space (POS) and other important land preservation programs back to full funding through the Maryland transfer tax distribution formula.

For almost every year since FY 2002, funds that would normally flow through the transfer tax distribution formula to POS and land preservation programs such as the Maryland Agricultural Land Preservation Fund, Rural Legacy Program, and the Heritage Conservation Fund have instead been transferred into the General Fund. While some of this funding was replaced through General Obligation bonds, these programs have still seen a net loss of nearly \$670 million in funding since FY 2002.

SB 927 would fully restore that funding going forward and require that any future funding diversions after FY 2017 be subject to a repayment plan over three years. The need for local POS funding is well documented – Maryland’s 23 counties and Baltimore City have identified over \$1.8 billion in need-based priorities for land acquisition and the development and rehabilitation of park and recreation facilities.

Furthermore, SB 927 reflects the recommendations of the Land Preservation Workgroup, which was formed at the direction of the General Assembly and met throughout the interim of 2015. This Workgroup of diverse stakeholders reached the following conclusions in its final report:

Notwithstanding the diversity of issues addressed and differing priorities among interests represented on the workgroup, the group wants to emphasize three major recommendations:

- *Restore full funding of Maryland’s land preservation programs with transfer tax revenue at the earliest possible opportunity.*
- *Make no changes to the transfer tax allocation formula in statute.*
- *Amend the statute to give the local governments more flexibility in spending POS-Local funds on the acquisition and development projects that best meet their recreation and open space needs.*

Both MACo and the Maryland Association of County Park and Recreation Administrators (MACPRA) have consistently supported the funding restoration of local-side POS. SB 927 accomplishes this and is consistent with the recommendations of the Land Preservation Workgroup. Accordingly, MACo urges the Committee to issue a **FAVORABLE** report on SB 927.