



Larry Hogan, Governor  
Boyd Rutherford, Lt. Governor  
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**Maryland Department of Natural Resources  
Fiscal Year 2020 Operating Budget  
Response to Department of Legislative Services Analysis**

House Appropriations Committee  
House Transportation and the Environment Subcommittee  
Delegate Tawanna P. Gaines  
February 27, 2019

Senate Budget and Taxation Committee  
Senate Public Safety, Transportation and Environment Subcommittee  
Senator Douglas J.J. Peters  
March 1, 2019

**Issues**

***Transfer Tax Repayment Funding Plan for DNR's Operating Budget:*** The transfer tax replacement plan includes \$5.7 million in the Dedicated Purpose Account (DPA) that is allocated to DNR's operating budget for MPS. Of the \$5.7 million, \$2.0 million would replace reductions in MPS's budget that were made to meet revenue projections, since the transfer tax repayment amount was budgeted in the DPA. By leaving \$2.0 million in DNR's operating budget, DNR would receive the funding that would have been supported without the additional funding from the DPA.

***DLS [Department of Legislative Services] recommends that \$3,670,449 in general funds in the DPA [Dedicated Purpose Account] currently programmed for DNR be repurposed to defray the need for more expensive taxable debt in the DHCD [Department of Housing and Community Development].***

**Agency Response:**

The proposed reduction would prevent the Maryland Park Service from receiving core state park operating funds via Chapter 10 of 2016 (Program Open Space – Transfer Tax Repayment – Use of Funds). Without these funds, which are already budgeted, the Maryland Park Service will be hindered in providing basic public access and visitor services in new parks such as Wolf Den Run, Sang Run, and Bohemia River State Parks, and it will be unable to address a backlog of needed purchases, including (1) replacement of 65 vehicles that have over 100,000 miles, (2) procurement of ten pieces of heavy equipment needed to maintain 140,000 acres of park land and facilities, and (3) replacement of degraded day use and campground infrastructure required to keep up with heavy visitor use.

The Maryland Park Service is submitting an application in 2019 for a National Gold Medal Award by the National Recreation & Parks Association. This award recognizes park systems that demonstrate excellence in long-range planning, resource management, and innovative

approaches to delivering superb park and recreation services. The Maryland Park Service will be evaluated on a variety of criteria including the ability to ensure that all people have access to the benefits of parks, that parks help improve health and wellness, and that parks protect open space and connect people to nature. Reducing funding resources could compromise the efforts of the Maryland Park Service to successfully meet the criteria of a Gold Medal Award and position itself as a national leader in the parks and recreation industry.

In addition, funding for the three additional engineers included in the \$5.7 million budget will be negatively impacted as a result of the DLS cut. The Critical Maintenance Program (CM) has only nine engineers to cover the entire state of Maryland, and CM projects are only a part of their total workload. The CM engineers perform stabilization projects, agency requested projects, waterway projects, project review, internal review of projects, property evaluations, cost estimates, and administration-requested projects. Without additional staff the entire design, procurement and construction process within the DNR Critical Maintenance Program will continue to lag, and Engineering and Construction Services will be forced to continue to put off CM projects until they reach an emergency state.

Based on the DLS 2018 annual report on the *Effect of Long-term Debt on the Financial Condition of the State*, the \$3.7 million cut proposed here would likely save the state less than \$10,000 in annual true interest cost, while causing multiple negative impacts to the thousands of Marylanders who visit our state parks.

***Whistleblower Program Report:*** Fiscal 2019 Budget Bill language restricted \$150,000 in general funds pending the submission of a report on how DNR will establish and fund a whistleblower program. The submitted report notes that DNR is working with the nonprofit Maryland Wildlife Crimestoppers to run a new anti-poaching program and that it is transferring money to the nonprofit from the existing anti-poaching account.

***DLS recommends that DNR comment on the mechanism for the transfer of funding from the Catch-A-Poacher account to the Maryland Wildlife Crimestoppers. In addition, DLS recommends that DNR comment on the reward matrix and frequency of awards for the Maryland Wildlife Crimestoppers and on any measures that it is considering for determining the success of the program.***

**Agency Response:**

Currently, the Catch-A-Poacher account has a balance of \$5,005 (PCA G0923 - Special Fund 0326, Private Donations). This project was funded entirely by private donations to the department over many fiscal years. NRP will be working with Wildlife Crimestoppers to close out the remaining funds from DNR's Catch-A-Poacher Program. The transfer of funding from the Catch-A-Poacher program to the Maryland Wildlife Crimestoppers will be conducted by issuing a check.

Maryland Wildlife Crimestoppers has not yet developed a reward matrix however the need for a matrix was discussed at the Executive Board meeting on January 27, 2019. The Executive Board is currently reviewing the reward schedules of other states who participate in Wildlife Crimestoppers or Operation Game Thief (both programs are under the International Wildlife

**Crimestoppers umbrella) to determine the matrix that will be used in Maryland. This is an agenda item for the March 11, 2019 Executive Board meeting. To date, only one reward of \$250 has been made by the Executive Board. Prior to rewards being made, the reported incident must result in charges and a conviction of the person accused of committing the crime. Several incidents reported through Maryland Wildlife Crimestoppers in calendar year 2018 are either still under investigation or are awaiting adjudication. Incidents reported between January 1, 2019 and February 28, 2019, as well as pending from 2018, will be reviewed on March 11, 2019.**

**The primary mechanism for measuring success will be the number of incidents reported by the public using the Maryland Wildlife Crimestoppers “hotline”. Since September 21, 2018, the total number of poaching incidents reported has totaled 98, a significant increase from the average number of calls, less than 5 annually, received under the former poaching “hotline” (Catch-A-Poacher). Another measure of success will include the number of public events at which Maryland Wildlife Crimestoppers is promoted and the number of persons interested in becoming involved and who voluntarily making donation to the program. Catch-A- Poacher has not been promoted for many years and it is anticipated that active promotion of the program will raise awareness of how poaching can undermine the philosophy of fair chase, negatively impact fisheries and wildlife management strategies, and deny opportunities for ethical consumptive and non-consumptive resource users to enjoy our natural resources.**

***Contractual FTEs Could Be Converted to Regular Positions:*** DNR has approximately 34.0 contractual FTEs that could be converted to regular positions since the work has lasted longer than two years, as shown in **Exhibit 9**. Of these 34.0 contractual FTEs, 1.0 FTE would like to remain in the current status, so 33.0 contractual FTE conversions would be appropriate. ***DLS recommends that DNR comment on its future plans for contractual FTE conversions.***

**Exhibit 9**

**Possible Contractual FTE Conversions**

<b>Fiscal 2020 Unit</b>	<b>Number</b>	<b>Description</b>
Forestry Service	1.0	Filled by an employee who does not wish to be a regular employee.
Wildlife and Heritage Service	2.0	Filled by the same employees for over two years.
Licensing and Registration Service	1.0	Long-term contractual FTEs.
Natural Resources Police	11.0	Filled by the same employees for over two years.
Resource Assessment Service	4.0	Long-term contractual FTEs.
Chesapeake and Coastal Service	2.0	Long-term contractual FTEs

Fishing and Boating Services	13.0	
<b>Total</b>		<b>34.0</b>

that have been on contract for more than two years. One of them will be evaluated as part of the DNR's fiscal 2021 budget planning for contractual conversions. Long-term contractual FTEs.

**Agency Response:**

**Although the department acknowledges that this is not an ideal situation, conversions can be complicated given the department's funding structure. The department is reviewing its use of long term contractual FTEs and regular employee vacancies and evaluating possibilities for converting more contractual positions. The department is currently prioritizing contractual conversions for employees who both have been in the position for at least two years and wish to be made regular employees. We will continue to explore ways to avoid and reduce the use of long term contractual FTEs.**

**Operating Budget Recommended Actions**

1. Concur with Governor's allowance.

**Agency Response: Concur with DLS Recommendation.**