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Aruna Miller, Lt. Governor
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**Maryland Department of Natural Resources
Fiscal Year 2024 Operating Budget
Response to Department of Legislative Services Analysis**

**Senate Budget and Taxation Committee
Public Safety, Transportation, And Environment Subcommittee
Senator Sarah K. Elfreth
March 3, 2023**

**House Appropriations Committee
Transportation And The Environment Subcommittee
Delegate Marc Korman
March 2, 2023**

Federal Stimulus Funds (p. 12)

DLS recommends that DNR comment on potential funding opportunities available through the Inflation Reduction Act and DNR's planned efforts to pursue competitive funding.

Agency Response: The Inflation Reduction Act has made \$1.5 Billion available to the USFS State and Private Forestry's Urban and Community Forestry Program to provide multiyear, programmatic, competitive grants to the states' urban and community forestry programs. A minimum of 80% of federal funds awarded to States must be competitively subawarded to deliver urban and community forestry program benefits to disadvantaged communities as identified on federal mapping tools. The Maryland Forest Service will be pursuing potential funding of approximately \$30 million. In addition to these Urban and Community Forestry funds, another \$3.03 Million is being requested for Forest Legacy easement projects, \$250,000 for Wood Innovation Grant, and \$150,000 for a Forest Stewardship project. Total funding to be requested is \$33.53 million.

Issues

1. Tree Solutions Now Act Planning Begun and Recommendations Identified (p. 23)

DLS recommends that DNR comment on its role in realizing the recommendations outlined by the commission and the implications of the Forest Technical Study for the work of the Forest Service, particularly as it relates to the need for a landscape approach to forest conservation in order to combat forest fragmentation.

Agency Response: The department is reviewing the newly released Technical Study and agrees that the recommendations can impact the work of the Forest Service. The department envisions a multi unit strategy, in cooperation with other agencies, to address the landscape approach to forest conservation which may include tree planting on state parklands, strategic land acquisitions, grant funding awarded through the Bay Trust Grant program, and the development of new programs, possibly through carbon markets, that will entice landowners of fragmented forests to plant the gaps. The Technical Study indicated that 33% of Maryland forests were currently protected and that the original goal of maintaining 40% tree canopy could be realized in future years by continuing to add strategic land acquisitions and continuing to support local Transfer of Development Rights (TDR) and Purchase of Development Rights (PDR) programs. Gaps in corridors linking hubs of forest on the landscape, once identified, can be targeted by the department for plantings on private land through the 5 Million Trees program. Funding of the Lawn to Woodland program will support tree planting on suburban turf areas above the baseline tree planting goals already set by the Greenhouse Gas Reduction Act (GGRA). These solutions will go a long way to maintain the trend toward stabilization in the state's forest and tree canopy cover, slowing fragmentation in designated growth areas like Priority Funding Areas and other locally designated growth areas.

2. *Great Maryland Outdoors Act (p.23)*

DLS recommends that DNR comment on the status of implementing the provisions of Chapter 39 under the following categories:

(1) funding for parks, land conservation, State lakes, and forest-related purposes;

Agency Response: The Governor's proposed FY 2024 budget includes a historic increase for park operations - a \$7.9 million or 10% increase over FY 2023 and a \$25.8 million or 42% increase over FY 2022. Additional park staff positions have been allocated across the state to relieve understaffed parks and improve customer service.

The FY 2024 budget also includes \$36,873,928 for the Park System Capital Improvement and Acquisition Fund in addition to funds transferred in FY 2023. \$30 million shall be spent for state park land acquisition, including areas in the Central and Southern region that relieve overcrowding at existing state parks or provide public access at existing state parks, sites of significance to the history of African American, Asian, Indigenous, and Latino populations of the state, and public access for beachfront or waterfront property. The categories listed for state park land acquisition in the Great Maryland Outdoors Act (GMOA) are also eligible for funding through POS Stateside (an existing land preservation program) and are categories that are targeted for POS funding. The department is currently working to identify projects to be funded with the land acquisition portion of the Park System Capital Improvement and Acquisition Fund by reviewing the projects currently in the POS pipeline for acquisitions that will be managed by the Maryland Park Service and meet the criteria listed in the GMOA. DNR is also identifying new acquisition opportunities that meet the GMOA criteria. The FY 2023 budget included three new positions for the Land Acquisition and Planning Unit. Two positions have been filled and one is in the recruitment process. Once all the staff are hired and trained, they will support the department's acquisition work.

The Great Maryland Outdoors Act authorizes the Governor to extend “the termination of certain provisions of law relating to the State Lakes Protection and Restoration Fund.” The amount of funding for the State Lakes Protection and Restoration Fund provides for strategic projects to maintain the lakes and perform preliminary work for dredging operations.

The Governor’s proposed FY 2024 budget includes a \$1 million allocation for the Mel Noland Woodland Incentive Fund to be utilized for multiple forestry initiatives as specified in NR §5–307 (g)(1-10). Funds will be utilized to continue the Woodland Incentive Program (WIP) that provides cost-share assistance to woodland owners to implement forestry practices, including invasive species control, tree planting (reforestation, afforestation, streamside buffers) as well as assisting private landowners in developing sustainable Forest Stewardship Plans. Demand for cost-share assistance has exceeded available funding for the past several years. Funds will also be used to pay for staff salary associated with administering the fund; to fund the Mel Noland Fellows Program via the Maryland Forestry Foundation; to support activities of the Sustainable Forestry Council; to implement new educational programming for the Master Logger program in cooperation with the University of Maryland Cooperative Extension and other partners; to support an innovative Urban Careers Program with the Maryland Forestry Foundation and the University of Maryland; and to develop a new program to encourage landowners to enroll their woodland into long-term agreements to increase carbon sequestration for climate benefits in ecologically important areas via implementation of new Forest Stewardship Plans.

(2) park staff and volunteers;

The Governor’s proposed FY 2024 budget includes a significant increase for full time classified park staff, adding 75 new positions which represents a 27% increase in the classified workforce. These new positions will: bolster maintenance positions at large parks and complexes; break-up large, under-staffed park complexes; create a deeper bench of State Park Rangers and Park Technician positions to support work/life balance for employees; staff new parks and park area operations; and increase natural resource planning staff to support the increase in capital and critical maintenance funding, land acquisitions, and master planning for new parks and park areas. One of the 75 new positions is a statewide park Volunteer Coordinator position.

(3) management of parks and park infrastructure; and

In accordance with the Great Maryland Outdoors Act, DNR is (1) partnering with the Department of Legislative Services on an independent study of State parks, and (2) implementing a procurement to identify an independent contractor to help develop a long-range strategic plan for State parks.

(4) new parks/amenities and other considerations.

In accordance with the Great Maryland Outdoors Act, DNR (1) established and convened an advisory committee to guide the development of a new Freedman’s State Historical Park in Montgomery County; (2) submitted a report with recommendations concerning the creation of new Port of Deposit State Historical Park, using property on the former Bainbridge Naval Training

Center in Cecil County; and (3) submitted a report on the possibility of reopening Fort Tonoloway State Park.

The DNR Engineering and Construction Unit (E&C), responsible for all State Park critical maintenance and capital improvements, continues to work with DNR Human Resources (HR) to fill all vacant positions. E&C has several applicants to whom we are making offers, and has scheduled additional interviews. The high demand for engineers continues to be the main reason that applicants do not apply, or turn down our offers due to E&C's non-competitive salaries. We are currently working with HR to prepare a reclassification request to submit to DBM's Office of State Personnel, to raise all engineering positions by one pay grade to induce more qualified engineers to apply.

In addition, DLS recommends that DNR comment on the status of the Office of Outdoor Recreation and the plans for the Outdoor Recreation Apprenticeship Program.

Agency Response: The Office of Outdoor Recreation (OOR) continues efforts to enhance the quality of life for Maryland citizens and guests by championing and expanding the outdoor recreation industry. In 2022, the Office joined forces with advocates of environmental conservation, stewardship, education, workforce development, economic development, health, wellness, and equitable access for all. Right now, the outdoor recreation industry employs 7.6 million people nationally and over 72,000 in the state of Maryland. OOR is building a stronger economy by nurturing and supporting the outdoor recreation industry. The Office is a one-stop shop for Maryland's outdoor recreation industry to reach out to for questions or advice in all things related to outdoor recreation including tourism, economic development, structure, equitable access for all, balance between resource management and public participation, and more. The OOR works with legislators to create policies that benefit the outdoor recreation industry. The Executive Director works daily with those within the Department of Commerce and other state and federal organizations to assist in the tourism and economic development side of outdoor recreation. He also provides a forum for engagement with local stakeholders to gain perspective on opportunities and barriers to growing the outdoor recreation industry. For example, the office has recently teamed with the organization B360 from Baltimore City. B360 utilizes dirt bike culture to end the cycle of poverty, disrupt the prison pipeline, and build bridges in communities through STEM education, community engagement, career preparation, and events. We are teaming to better equip youth and young adults with the skills to secure educational and career opportunities, while changing the negative perception of dirt bike riders in Baltimore. B360 has a mission to repair and build relationships in the community, uncover new and unique career opportunities, provide and enhance career skills, bridge the STEM gap, and create events that unite communities in a safe and fun way.

The Office of Outdoor Recreation is also working to increase access to apprenticeship and internship opportunities and strengthen connections with colleges and vocational schools to provide skills, certifications, and training needed to support the growth of the outdoor recreation industry.

The \$1 million of general funds appropriated to the Office of Outdoor Recreation special fund will be used to provide a project management grant through a request for proposal (RFP) process to one or more governmental or nongovernmental organizations capable of managing outdoor recreation apprenticeship programs. The program will support and grow the outdoor recreation sector in the state and support workforce development as recommended by the MORE Commission. The RFP will be developed, and contracts awarded during FY 2024 after selection of one or more service providers who will fully meet the requirements identified in the RFP. The goal of the DNR Green Pathways Apprenticeship Program will be to provide opportunities for employment of students and recent graduate students of Maryland higher education institutions or trade schools participating in curricula focusing on the outdoor recreation industry. Candidates would serve as interns/apprentices (working during summer breaks, and other breaks in excess of one week, e.g., winter break, etc.) in Department of Natural Resources' positions for two to four years, and then be eligible for a full-time position. The program will target individuals from underserved communities.

3. *NRP Hiring and Promotion Plan Status Report*

DLS recommends that DNR comment on the status of reaching the first 20% increment for increasing the representation of minorities within NRP and the progress made both with its recent and upcoming recruitments and existing staff development.

Agency Response: NRP is slated to begin Basic Recruit Class #64 on March 8, 2023. The class will have fifteen officer candidates with a 40% diversity rate, or 6 candidates.

The announcement for Basic Recruit Class #65 is being temporarily delayed. This training academy should be held sometime in 2024. The recruitment for this announcement remains ongoing, with hopes of attracting a larger pool of applicants than in previous years and to allow more time for internal processes to be evaluated. The announcement will reopen later this year.

Operating Budget Recommended Actions (p. 25)

1. *Add language restricting funding pending submission of the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund annual work and expenditure plans.*

Agency Response: DNR respectfully disagrees with this recommendation. DNR has consistently submitted this report on time since the start of the program in FY 2009. The draft annual work and expenditure plans are developed by November 1st and are made available to DBM and DLS for comment and review, which is often requested. Once budget targets are finalized in December, the report is submitted to the State House for approval. The plan is submitted officially to the congressional library when the budget is finalized in April. DNR believes that withholding FY 2024 appropriation is unwarranted.

2. *Adopt narrative requesting a report on Chesapeake Bay restoration spending.*

Agency Response: DNR concurs with this recommendation.