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By: Senators Young, Conway, Madaleno, Manno, Nathan–Pulliam, and Pinsky Introduced and read first time: January 26, 2017 Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments Senate action: Adopted Read second time: March 14, 2017

CHAPTER _____

1 AN ACT concerning

- Forest Conservation Act Exemption, Reforestation Rate, and Forest
 Conservation Fund Alterations
 Task Force on the Forest Conservation Act Offset Policy
- $\mathbf{5}$ FOR the purpose of altering the exemption from the application of the Forest Conservation 6 Act for the cutting or clearing of public utility rights-of-way or land for certain 7 electric generating stations; increasing the acreage that must be planted in order to 8 meet the reforestation requirement under the Act; authorizing a certain increase in 9 the rate that is paid to the Forest Conservation Fund in lieu of meeting certain 10 reforestation or afforestation requirements; making a stylistic change; and generally 11 relating to the Forest Conservation Act establishing the Task Force on the Forest Conservation Act Offset Policy; providing for the composition, chair, and staffing of 12 13the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the 14 Task Force to review, study, and develop findings and recommendations regarding 1516 forest conservation in Maryland; authorizing the Task Force to consult with certain entities in carrying out its duties; requiring the Task Force to report its findings and 1718 recommendations to the Governor and General Assembly on or before a certain date; 19 providing for the termination of this Act; and generally relating to the Task Force on 20the Forest Conservation Act Offset Policy.
- 21 BY repealing and reenacting, without amendments,
- 22 Article Natural Resources
- 23 Section 5-1602(a)
- 24 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



	2 SENATE BILL 365
1	(2012 Replacement Volume and 2016 Supplement)
$2 \\ 3$	BY repealing and reenacting, with amendments, Article – Natural Resources
4	Section 5–1602(b)(5), 5–1606(b) and (d), and 5–1610(c)
5	Annotated Code of Maryland
6	(2012 Replacement Volume and 2016 Supplement)
7	Preamble
8 9	<u>WHEREAS</u> , Forests and trees are critical for ameliorating the impacts of climate change and can mitigate greenhouse gas emissions by carbon sequestration; and
10 11	WHEREAS, Forests provide habitat for hundreds of wildlife species, including habitat needed for rare, threatened, and endangered species; and
12 13	WHEREAS, The ecosystem value of Maryland's forests is in the tens of billions of dollars; and
14 15 16 17 18	WHEREAS, Trees and forests in developed areas provide a plethora of benefits including mitigation of urban stormwater runoff, sequestration of carbon, avoidance of energy-related emissions, mitigation of air pollutants such as ozone and particulate matter, reduction of the urban heat island effect, and contributions to community livability; and
$19 \\ 20 \\ 21$	<u>WHEREAS</u> , Forest is the most beneficial land use for water quality by retaining sediment and removing nutrient pollution from air, stormwater runoff, and shallow groundwater; and
$\frac{22}{23}$	<u>WHEREAS</u> , Forests are under intense development–related pressure for residential, commercial, and industrial conversion due to the demands of a growing population; and
$\begin{array}{c} 24 \\ 25 \end{array}$	<u>WHEREAS, Maryland consistently loses thousands of acres of forest annually to</u> <u>development in accordance with the Forest Conservation Act; and</u>
26 27 28 29	WHEREAS, Recommendations of the Task Force to Study a No Net Loss of Forest Policy in 2009 and the Sustainable Forestry Council in 2011 identified areas of the Forest Conservation Act that need to be amended to move the State closer to its "no net loss of forests" statutory policy adopted in the Forest Preservation Act of 2013; and
30 31	<u>WHEREAS</u> , Multiple recommendations from these groups have not been enacted; <u>now, therefore</u> ,
$\frac{32}{33}$	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows :

Article - Natural Resources

1 $\frac{5-1602}{5-1602}$

2	(a) Except as provided in subsection (b) of this section, this subtitle shall apply to
3	any public or private subdivision plan or application for a grading or sediment control
4	permit by any person, including a unit of State or local government on areas 40,000 square
5	feet or greater.
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6	(b) The provisions of this subtitle do not apply to:
7	(5) The cutting or clearing of public utility rights of way or land for
8	electric generating stations licensed pursuant to § 7–204, § 7–205, § 7–207, or § 7–208 of
9	the Public Utilities Article, provided that:
-	
10	(i) Any required certificates of public convenience and necessity
11	have been issued in accordance with § 5–1603(f) of this subtitle; [and]
12	(ii) The cutting or clearing of the forest is conducted so as to
13	minimize the loss of forest; AND
1.4	
14	(III) THE CUTTING OR CLEARING OF THE FOREST DOES NOT
15	RESULT IN THE CUTTING, CLEARING, OR GRADING OF MORE THAN 1 ACRE OF
16	FOREST;
17	5–1606.
11	
18	(b) (1) There is a forest conservation threshold established for all land use
19	categories as provided in subsection (c) of this section.
20	(2) The forest conservation threshold means the percentage of the net tract
21	area at which the reforestation requirement changes from a ratio of [1/4] 1 acre planted for
22	every 1 acre removed to a ratio of 2 acres planted for every 1 acre removed.
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23	(d) (1) Subject to the provisions of paragraph (2) of this subsection, for all
24	existing forest cover measured to the nearest 1/10 acre cleared on the net tract area above
25	the applicable forest conservation threshold, the area of forest removed shall be reforested
26	at a ratio of [1/4] 1 acre planted for every 1 acre removed.
27	(2) Each acre of forest retained on the net tract area above the applicable
28	forest conservation threshold shall be credited against the total number of acres required
29	to be reforested under paragraph (1) of this subsection.
_0	to se reference analer paragraph (1) of this subsection.
30	5–1610.
31	(c) (1) Except as provided in subsection (h) of this section, if any person subject
32	to this subtitle demonstrates to the satisfaction of the appropriate State or local authority

	4	SENATE BILL 365				
$\frac{1}{2}$		quirements for reforestation or afforestation on-site or off-site cannot be accomplished, the person shall contribute money to the Fund:				
3		((1)] (I) On or before September 30, 2014:				
4 5	cents per sq	[(i)] 1. For a project inside a priority funding area, at a rate of 30 uare foot of the area of required planting; and				
6 7	36 cents per	[(ii)] 2. For a project outside a priority funding area, at a rate of square foot of the area of required planting; and				
8 9	AFTER-Sept	[(2) After] (II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, tember 30, 2014:				
10 11	adjusted for	[(i)] 1. For a project inside a priority funding area, at a rate inflation as determined by the Department annually by regulation; and				
12 13	is 20% high	f(ii)] 2. For a project outside a priority funding area, at a rate that er than the rate set under item f (2)(i)] 1 of this f subsection] ITEM .				
$14 \\ 15 \\ 16 \\ 17$	(2) The rates established under paragraph (1)(11) of this subsection may be increased by 20% for each acre for which money is contributed to the Fund in Lieu of meeting the requirements for reforestation or afforestation.					
18	<u>(a)</u>	There is a Task Force on the Forest Conservation Act Offset Policy.				
19	<u>(b)</u>	<u>The Task Force consists of the following members:</u>				
$\begin{array}{c} 20\\ 21 \end{array}$	<u>the Senate;</u>	(1) <u>two members of the Senate of Maryland, appointed by the President of</u>				
$\frac{22}{23}$	<u>the House;</u>	(2) two members of the House of Delegates, appointed by the Speaker of				
24		(3) the Secretary of Natural Resources, or the Secretary's designee;				
25		(4) <u>the Secretary of Planning, or the Secretary's designee:</u>				
$\frac{26}{27}$	<u>Maryland N</u>	<u>(5)</u> <u>two municipal government representatives, designated by the</u> Iunicipal League;				
$\frac{28}{29}$	Association	(6) <u>two county government representatives, designated by the Maryland</u> of Counties; and				

1	<u>(7)</u>	<u>the fo</u>	ollowing 14 representatives, appointed jointly by the President of		
2	the Senate and th	e Spea	<u>ker of the House:</u>		
3		<u>(i)</u>	four representatives from conservation organizations;		
4		<u>(ii)</u>	one representative from a land preservation organization;		
5		<u>(iii)</u>	one representative from a wildlife conservation organization;		
6		<u>(iv)</u>	one representative from the Sustainable Forestry Council;		
7		<u>(v)</u>	one representative from the nursery industry in the State:		
8		<u>(vi)</u>	one representative from the public health sector;		
9		<u>(vii)</u>	two representatives from the utility industry:		
10 11	(viii) <u>two representatives from the commercial and residential</u> <u>development industry; and</u>				
$\begin{array}{c} 12 \\ 13 \end{array}$	(ix) <u>one faculty member from a State college or university urban</u> forestry or planning program.				
$\begin{array}{c} 14 \\ 15 \end{array}$	(c) <u>The President of the Senate and the Speaker of the House shall designate</u> jointly the chair or cochairs of the Task Force.				
16	<u>(d)</u> <u>The</u>	Depart	ment of Legislative Services shall provide staff for the Task Force.		
17	<u>(e)</u> <u>A me</u>	ember o	<u>f the Task Force:</u>		
18	<u>(1)</u>	may	not receive compensation as a member of the Task Force; but		
$\begin{array}{c} 19\\ 20 \end{array}$	(2) Travel Regulation		titled to reimbursement for expenses under the Standard State covided in the State budget.		
21	<u>(f)</u> <u>The '</u>	Task F	orce shall:		
22	<u>(1)</u>	<u>revie</u>	w and study the following issues:		
$\begin{array}{c} 23\\ 24\\ 25\end{array}$	(i) the amount and nature of historical and projected future changes in forested land due to development under the Forest Conservation Act, including changes due to activities exempt from the Act;				
26 27 28 29		-	the amount and nature of forest clearing based on the type and nt, such as differentiating low-density development from ciated with proximity to core public infrastructure and population		

$\frac{1}{2}$	(iii) <u>the capacity of Priority Funding Areas to accommodate</u> reforestation efforts, and alternatives for offsetting losses;
$3 \\ 4 \\ 5$	(iv) <u>the status and effectiveness of fee–in–lieu programs in offsetting</u> forest loss, considering the actual costs to local jurisdictions to undertake tree plantings: and
$rac{6}{7}$	(v) mechanisms for ensuring timely reporting and maintenance of public records required annually under the Forest Conservation Act; and
	(2) develop findings and recommendations for legislation to implement the findings and recommendations of the Task Force to Study a No Net Loss of Forest Policy's Final Report of 2009 and the Sustainable Forestry Council's Report on Policies to Achieve a No Net Loss of Forests in Maryland of 2011 related to the Forest Conservation Act, which may include:
$\begin{array}{c} 13\\14 \end{array}$	(i) <u>altering Forest Conservation Act mitigation ratios and allowable</u> exemptions to fully offset all forest loss;
$\begin{array}{c} 15\\ 16 \end{array}$	(ii) <u>encouraging forest mitigation banking and other options to more</u> <u>efficiently replace forest lost to development;</u>
$\begin{array}{c} 17\\18\end{array}$	(iii) <u>enhancing protection for contiguous forest patches greater than</u> 200 acres; and
19 20	(iv) adjusting fee–in–lieu programs as necessary to ensure all forest loss is offset or otherwise benefiting Maryland's forest goals.
$21 \\ 22 \\ 23 \\ 24$	(g) <u>The Task Force may consult with the Chesapeake Bay Program, the U.S.</u> <u>Forest Service, and other government agencies or academic institutions to obtain</u> <u>information about data, models, and policies useful in carrying out the duties of the Task</u> <u>Force.</u>
$25 \\ 26 \\ 27$	(h) On or before December 1, 2017, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.
28 29 30 31	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October June 1, 2017. It shall remain effective for a period of 1 year and, at the end of May 31, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.