

# HOUSE BILL 530

M1

3lr1267

---

By: **Delegate Kerr**

Introduced and read first time: February 1, 2023

Assigned to: Environment and Transportation

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Natural Resources – Forest Mitigation Banks and the Forest Conservation Fund**  
3 **– Alterations**

4 FOR the purpose of altering the definition of “qualified conservation” for purposes of  
5 provisions of law related to forest mitigation banks; extending the deadline for the  
6 Department of Natural Resources to accomplish the reforestation or afforestation for  
7 which certain money is deposited to the Forest Conservation Fund; altering the  
8 development projects for which afforestation or reforestation credits granted may not  
9 exceed a certain percentage of forest conserved; establishing that money in the Fund  
10 that is encumbered within a certain time period may not revert to certain persons  
11 for certain use; and generally relating to forest conservation.

12 BY renumbering

13 Article – Natural Resources  
14 Section 5–1601(hh) through (qq)  
15 to be Section 5–1601(ii) through (rr), respectively  
16 Annotated Code of Maryland  
17 (2018 Replacement Volume and 2022 Supplement)

18 BY repealing and reenacting, without amendments,

19 Article – Natural Resources  
20 Section 5–1601(a) and 5–1610(b)  
21 Annotated Code of Maryland  
22 (2018 Replacement Volume and 2022 Supplement)

23 BY repealing and reenacting, with amendments,

24 Article – Natural Resources  
25 Section 5–1601(gg), 5–1607(b), and 5–1610(e)  
26 Annotated Code of Maryland  
27 (2018 Replacement Volume and 2022 Supplement)

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to  
2 Article – Natural Resources  
3 Section 5–1601(hh)  
4 Annotated Code of Maryland  
5 (2018 Replacement Volume and 2022 Supplement)

6 BY repealing and reenacting, with amendments,  
7 Chapter 645 of the Acts of the General Assembly of 2021  
8 Section 11

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
10 That Section(s) 5–1601(hh) through (qq) of Article – Natural Resources of the Annotated  
11 Code of Maryland be renumbered to be Section(s) 5–1601(ii) through (rr), respectively.

12 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
13 as follows:

14 **Article – Natural Resources**

15 5–1601.

16 (a) In this subtitle the following words have the meanings indicated.

17 (gg) “Qualified conservation” means the conservation of all or a part of an existing  
18 forest that:

19 (1) [Was] **HAS BEEN** approved [on or before December 31, 2020,] by the  
20 appropriate State or local forest conservation program for the purpose of establishing a  
21 forest mitigation bank; and

22 (2) Is encumbered in perpetuity by a restrictive easement, covenant, or  
23 another similar mechanism recorded in the county land records to conserve its character  
24 as a forest.

25 **(HH) “QUALIFIED PROJECT” MEANS A PROJECT THAT USES QUALIFIED**  
26 **CONSERVATION FOR WHICH AN APPLICATION WAS SUBMITTED OR APPROVED ON OR**  
27 **BEFORE DECEMBER 31, 2020.**

28 5–1607.

29 (b) Standards for meeting afforestation or reforestation requirements shall be  
30 established by the State or local program using one or more of the following methods:

31 (1) Forest creation in accordance with a forest conservation plan using one  
32 or more of the following:

33 (i) Transplanted or nursery stock;

1 (ii) Whip and seedling stock; or

2 (iii) Natural regeneration where it can be shown to adequately meet  
3 the objective of the forest conservation plan.

4 (2) **[The] FOR A QUALIFIED PROJECT, THE** use of qualified conservation  
5 completed in a forest mitigation bank, in which case, the afforestation or reforestation  
6 credit granted may not exceed 50% of the forest area encumbered in perpetuity.

7 (3) The use of street trees in a municipal corporation with a tree  
8 management plan, in an existing population center designated in a county master plan that  
9 has been adopted to conform with the Economic Growth, Resource Protection, and Planning  
10 Act of 1992, or in any other designated area approved by the Department as part of a local  
11 program, under criteria established by the local program, subject to the approval of the  
12 Department, using:

13 (i) Street trees as a permissible step in the priority sequence for  
14 afforestation or reforestation and, based on a mature canopy coverage, may grant full credit  
15 as a mitigation technique; and

16 (ii) Acquisition as a mitigation technique of an off-site protective  
17 easement for existing forested areas not currently protected in perpetuity, in which case  
18 the afforestation or reforestation credit granted may not exceed 50% of the area of forest  
19 cover protected.

20 (4) When all other options, both on-site and off-site, have been exhausted,  
21 landscaping as a mitigation technique, conducted under an approved landscaping plan that  
22 establishes a forest at least 35 feet wide and covering at least 2,500 square feet of area.

23 5-1610.

24 (b) There is a Forest Conservation Fund in the Department.

25 (e) (1) The Department shall accomplish the reforestation or afforestation for  
26 which the money is deposited within **[2] 5** years or **[3] 6** growing seasons, as appropriate,  
27 after receipt of the money.

28 (2) Money deposited in the Fund under subsection (c) of this section shall  
29 remain in the Fund for a period of **[2] 5** years or **[3] 6** growing seasons, and at the end of  
30 that time period, any portion that has not been used **OR ENCUMBERED** to meet the  
31 afforestation or reforestation requirements shall be returned to the person who provided  
32 the money to be used for documented tree planting in the same county or watershed beyond  
33 that required by this subtitle or other applicable statutes.

34 **Chapter 645 of the Acts of 2021**

**HOUSE BILL 530**

1           SECTION 11. AND BE IT FURTHER ENACTED, That, except as provided in  
2 Section 10 of this Act, this Act shall take effect June 1, 2021. Sections 1[, 2,] and 7 of this  
3 Act shall remain effective for a period of 3 years and 1 month and, at the end of June 30,  
4 2024, Sections 1[, 2,] and 7 of this Act, with no further action required by the General  
5 Assembly, shall be abrogated and of no further force and effect. Subject to Section 10 of this  
6 Act, Sections 3, 4, and 5 of this Act shall remain effective for a period of 10 years and 1  
7 month and, at the end of June 30, 2031, Sections 3, 4, and 5 of this Act, with no further  
8 action required by the General Assembly, shall be abrogated and of no further force and  
9 effect. Section 6 of this Act shall remain effective for a period of 2 years and 1 month and,  
10 at the end of June 30, 2023, Section 6 of this Act, with no further action required by the  
11 General Assembly, shall be abrogated and of no further force and effect.

12           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
13 1, 2023.