Dana M. Stein

Legislative District 11
Baltimore County

Vice Chair
Environment and Transportation
Committee

Subcommittees

Chair, Environment

Natural Resources, Agriculture and Open Space



The Maryland House of Delegates 6 Bladen Street, Room 251 Annapolis, Maryland 21401 410-841-3527 · 301-858-3527 800-492-7122 Ext. 3527 Fax 410-841-3509 · 301-858-3509 Dana.Stein@house.state.md.us

## Testimony of Delegate Dana Stein in Support of House Bill 1176

## Agriculture - Maryland Healthy Soils Grant Program

Chairman Barve and members of the House Environment and Transportation Committee:

Maryland farmers have always been in the forefront of healthy soils practices. These are the planting of cover crops, use of no-till practices, installation of natural filter systems, and others that reduce nutrient runoff. By improving soil quality, they also increase farm productivity. The Maryland Department of Agriculture has been an advocate of healthy soils practices and has established a Healthy Soils Advisory Committee.

In recent years, there's been growing recognition that in addition to all of the other benefits of healthy soil programs, these practices help sequester carbon in the ground. When in 2017, the legislature codified the establishment of a healthy soils program within the Department, we said that one of its purposes was to increase carbon sequestration.

House Bill 1176 will increase funding for healthy soil practices that sequester carbon by repurposing a tax credit that supports asphalt production to instead support carbon-friendly healthy soil practices. One of the tax credits on our books is an exemption from sales and use tax on sales of machinery and utilities used to produce and operate machinery to produce bituminous concrete, generally known as asphalt. This is a composite material commonly used to surface roads, parking lots, and driveways. <sup>1</sup>

This is an activity that creates lots of emissions. It's also one that will have a surge of business in coming years as we expand roads in the State.

<sup>&</sup>lt;sup>1</sup> "Bituminous concrete is a type of construction material used for paving roads, driveways, and parking lots. It's made from a blend of stone and other forms of aggregate materials joined together by a binding agent. This binding agent is called "bitumen" and is a by-product of petroleum refining. It has a thick, sticky texture like tar when heated, then forms a dense solid surface once it dries. Bituminous concrete is also widely known as asphalt in many parts of the world." https://www.wisegeek.com/what-is-bituminous-concrete.htm

So my thought is that it would be much better to re-purpose the \$300,000 used for this tax break to instead help farmers and the environment. My bill will set up a \$300,000 grant program within the Department of Agriculture to fund healthy soils practices that are most efficient at sequestering carbon. The Department will report each year on how the funds are expended.

While \$300,000 is not a huge amount, it will be helpful in advancing practices that are good for farmers and the environment. For these reasons, I urge a favorable report.