

TO: Education, Health and Environmental Affairs Committee

FROM: Lani Hummel

RE. HB 991 Natural Resources – Forest Mitigation Banks – Qualified Preservation

POSITION: OPPOSE

I respectfully OPPOSE HB 991 and request an UNFAVORABLE report from the Education, Health, and Environmental Affairs Committee.

If enacted, HB 991 will codify practices that result in greater forest loss during development without providing an effective preservation benefit. This bill is premature and should be held by the Committee until the forest mitigation study directed by the General Assembly via SB 729 of 2019 is completed.

Maryland's Forest Conservation Act (FCA) was passed in 1991 to reduce forest loss from development, the single largest driver of forest loss in the state. The FCA requires replanting trees to offset a bare minimum of losses on development sites, which leads to a smaller net loss of forest than if the law did not exist.

If adopted, HB 991 would authorize forest mitigation banks to offer credit for placing a preservation easement on trees that already exist, rather than planting new trees. This would allow development projects to remove up to 100% of the forest with no replanting required at all. And, it would do so at an unsoecified ratio, which could be half or less that required by the very limited authorization in existing law.

This committee has identified a number of key questions that need answers before expanding any authorization for forest mitigation banking within the FCA. In 2019 SB 729 was passed by the General Assembly to require a technical study that will include stakeholder feedback and analyze the following:

- Capacity and location of active banks
- Regulation of siting and creation of new banks
- Geographic limitations on the use of mitigation banks
- Relationship between fee-in-lieu rates under the FCA and the market for forest mitigation banks
- Determination of whether the use of forest mitigation banks could provide water quality improvements and other benefits

This information is critical to identifying the appropriate role of mitigation banks in maintaining forest cover across the state.

In summary, HB 991 would codify a major mitigation policy without the information this committee identified as critical for updating mitigation standards within the FCA. And, it would make these changes without setting any parameters or priorities for the development risk, location, or ecological value of existing forest offered for credit.

For these reasons, I respectfully request an UNFAVORABLE report from the Committee on HB 991.

Thank you for your consideration.