



Larry Hogan, Governor
Boyd Rutherford, Lt. Governor
Jeannie Haddaway-Riccio, Secretary

January 28, 2021

The Honorable Kumar Barve
Chair, Environment and Transportation Committee
Room 251, House Office Building
Annapolis, MD 21401

The Honorable Dana Stein
Vice Chair, Environment and Transportation Committee
Room 251, House Office Building
Annapolis, MD 21401

Re: Letter of Information – House Bill 583 – Climate Solutions Now Act of 2021

Dear Chair, Vice Chair, and Committee Members,

The Maryland Department of Natural Resources is providing the following information on House Bill 583. Among a slew of other provisions, this bill creates a new State goal of planting and maintaining five million trees by 2030. The department's Chesapeake and Atlantic Coastal Bays Trust Fund will provide \$1.25 million annually for forestry staff and a program coordinator housed in the Maryland Department of the Environment (MDE). MDE's Bay Restoration Fund will also provide a total of just over \$5 million annually towards the new State goal, with \$2.5 million to the Maryland Department of Agriculture for enhanced signing bonuses under the Conservation Reserve Enhancement Program. A State plan for meeting the five million tree goal will be created by the new Commission for the Innovation and Advancement of Carbon Markets, with their plan due by October 2022.

Currently, Maryland is committed to participating in two different watershed-wide tree planting goals of 900 miles per year of riparian forest buffers and 2,400 acres of urban tree canopy through the 2014 Chesapeake Bay Watershed Agreement. Additionally, meeting our larger Chesapeake Bay restoration and greenhouse gas reduction goals involve a wide array of tree planting practices. The Chesapeake Bay Program currently recognizes and tracks ten different tree planting best management practices all with different units of measure. It is challenging enough to meet and track the crowded field of existing goals. ***Adding another large-scale goal will have the result of confusing and hindering Maryland's continuing tree planting and maintenance progress.***

The scientific basis for selecting a goal of an additional five million trees is unclear. Given this number is surely arbitrary, ***HB 583 risks misallocating funds that could otherwise be better spent cleaning up the Chesapeake Bay.*** Planting any tree is helpful, but not all trees planted in all locations are of equal value. The Chesapeake Bay Program's tree planting Best Management Practices have undergone extensive technical review to identify their nutrient and sediment reduction benefits. While the state could conceivably plant five million trees, doing so randomly just to achieve a number goal would undoubtedly have less restoration benefits than strategically planting fewer trees in key areas and following approved Best Management Practices.

Other concerns around ***HB 583's misallocation of limited Chesapeake Bay restoration resources include the raiding MDE's Bay Restoration Fund and DNR's Chesapeake and Atlantic Coastal Bays Trust Fund.*** While MDE's Bay Restoration Fund has met its primary intended purpose of upgrading the major wastewater treatment plants the redistribution of its monies needs to be carefully considered and should allow for the "most bang for the buck" in Bay clean-up. This is especially true given the number of large legislative initiatives in the 2021 Legislative Session that -- whether right or wrong -- see these dollars as free money for pet causes. HB 583 should ensure that enough funding remains in the Bay Restoration Fund to meet our remaining Phase III Watershed Implementation Plan commitments on wastewater treatment plant performance. In the same vein, HB 583 appears to divert \$1.25 million annually from the Chesapeake and Atlantic Coastal Bays Trust Fund. In prior years, the General Assembly has backed the department to prevent raids on the fund because, by law, each dollar spent by the Chesapeake and Atlantic Coastal Bays Trust Fund must meet the greatest nutrient reduction possible.

It is entirely possible that ***the goal of planting 5 million trees on top of the department's efforts under the Greenhouse Gas Emissions Reduction Plan for approximately 9 million trees is not physically achievable*** given HB 583 parameters and the realities of tree planting in Maryland. The land area required to plant this many trees -- approximately 10,000 acres at typical tree planting densities -- is simply huge and must be done on private land where opportunities exist. HB 583 specifically states trees planted under this initiative are not to be harvested, and private landowners have to sign a legal agreement they will maintain the area in trees for 15 years. These restrictions and the lack of incentives (*see the Maryland Department of Agriculture's Letter of Information*) provided in the bill will result in very few landowners willing to participate. As a result, the State would need to purchase land just to plant trees at costs not even close to being covered in the legislation.

Thank you for allowing the department to submit this information on HB 583 for the committee's careful consideration.

Respectfully submitted,

James W. McKitrick
Director, Legislative and Constituent Services