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DIVISION OF PLANNING & PERMITTING

Department of Development Review & Planning

Steven C. Horn, Division Director Michael L. Wilkins, Director

HB 530 - Natural Resources – Forest Mitigation Banks and the Forest Conservation Fund	
– Alterations	
DATE:	March 1, 2023
COMMITTEE:	House Environment and Transportation Committee
POSITION:	Favorable
FROM:	Michael Wilkins, Frederick County Department of
	Development Review and Planning Director

As the Director of the Frederick County Department of Development Review and Planning, within the Division of Planning and Permitting, I respectfully request a favorable report on HB 530 - Natural Resources – Forest Mitigation Banks and the Forest Conservation Fund – Alterations.

In my role, I manage Frederick County's forest banking program and work closely with stakeholders impacted by state and local forest conservation policies. I am proud of the strong conservation policies Frederick County has enacted and come to this body with the changes proposed in HB 530 to help local governments throughout Maryland make the most out of our forest conversation program and fund.

This bill makes two key changes to existing law. First, by removing the approval deadline of December 31, 2020, for a forest conservation plan, counties and municipalities will be able to continue to save existing forests and preserve existing forest ecosystems through the banking program. Since the adoption of the changes to the Forest Banking Program in the "Trees Solution Now Act of 2021," Frederick County has to reject proposals to permanently preserve existing forest along streams, wetlands, and floodplains, leading to forest banking plans that establish newly planted forest easements along portions of high priority hydrological systems while leaving the existing forest adjacent to the planting unprotected. Removing the ability to place existing forest into the banking program discourages entry into the program. Many applicants use the sale of the existing forest credit to finance the planting and maintenance of new forest on the property. Prior to the change in State law, Frederick County permanently preserved 2,500 acres of existing forest in priority conservation areas and the majority of these forest banks included new forest plantings to establish important stream buffers.

Second, it extends the timeframe that local jurisdictions have to use forest conservation funds for reforestation or afforestation from two years (or three growing periods) to five years (or six growing periods) to provide sufficient time to effectively use these funds for planting projects. Spending these funds within 2 years is challenging for a number of reasons;

• There have been many state, local, and non-profit tree planting programs established since the creation of the fee-in-lieu program. While these numerous tree planting programs are of great benefit for increasing forest coverage across the state, they have made it more challenging for local forest conservation programs to efficiently utilize monies within 2 years due to the various programs competing for planting sites.

- It takes a significant amount of time to find suitable planting sites, negotiate with property owners, write and execute legal agreements, create reforestation plans, and obtain surveyor and tree planting services through the RFP processes.
- When planting projects are identified there are times when the project must be placed on hold until the appropriate amount of funds are collected. In some cases it may take longer than 2 years to acquire the necessary funds. Having to return money after two years would jeopardize these planting efforts.

These changes will help Frederick County and our municipalities by providing tools and flexibility for forest conservation projects. It will also benefit key stakeholders including farmers and landowners while prioritizing the need to protect sensitive areas like stream buffers and vulnerable habitats.

Thank you for your consideration of HB 530. I urge the committee to give this bill with a favorable report.

Respectfully,

Michael Wilkins Director, Development Review and Planning Frederick County, MD Division of Planning and Permitting 30 North Market Street, Frederick, MD 21701 301-600-2329 mwilkins@FrederickCountyMD.gov