

March 1, 2023

The Honorable Kumar P. Barve
Environment & Transportation Committee
House Office Building, Room 251,
6 Bladen St., Annapolis, MD, 21401

RE: MBIA Letter of Opposition to HB 530 Natural Resources – Forest Mitigation Banks and the Forest Conservation Fund– Alterations

Dear Chairman Barve:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB 530 Natural Resources – Forest Mitigation Banks and the Forest Conservation Fund – Alterations**. MBIA **Opposes** the act.

This bill would change the definition of qualified conservation to mean any project that uses qualified conservation for which an application was submitted on or before December 31, 2020. MBIA requests that the date be removed from the bill. This bill as currently written does allow new forest banks to be established but the demand is limited to only projects that were approved prior to December 31, 2020 many of these projects have already reached completion and new projects will still not qualify for the forest banks.

Mitigation banking is used as a second to last option for fulfilling mitigation requirements. It is only used when forest is not saved on site and you can't plant offsite. By the time a project has reached the banking stage the options for moving forward are extremely limited and placing further restrictions does not necessarily produce more forest and raises costs by sending projects to fee in lieu. MBIA recommends that the restriction on when projects qualify for use of forest banks be removed.

For these reasons, MBIA respectfully requests the Committee give this bill, in its current form, an unfavorable report. However, we would support the bill should the date be removed from the legislation to allow for the creation of new banks. This is an important tool used to build new housing and it needs to be restored. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Environment & Transportation Committee