HB976 Testimony 2.26.2025.pdf Uploaded by: Steven Arentz Position: FAV

STEVEN J. ARENTZ

Legislative District 36

Kent, Queen Anne's,

Cecil, and Caroline Counties

Economic Matters Committee

Subcommittees

Alcoholic Beverages Unemployment Insurance Workers' Compensation

Joint Audit and Evaluation Committee

Chair, Queen Anne's County Delegation

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HB 976-FAVORABLE

THE MARYLAND HOUSE OF DELEGATES

February 26, 2025

Environment & Transportation Committee

Good afternoon, Mr. Chairman and the members of the Environment and Transportation Committee. I am here to present HB976-State and Private Wetlands-Nonwater Dependent Project-Definition

I have brought a few people to testify on the merits of this legislation.

This bill specifies that a vessel registered under Title 8, Subtitle 7 of the Natural Resources Article (the State Boat Act) is not considered a nonwater-dependent project for the purposes of wetlands licensing and permitting, regardless of how the vessel is used or operated.

While this may sound a bit confusing it is really something that needs to be done to allow for this to be defined better. Non Dependent Vessels exist currently in many forms at marinas today; they can be an office or used as a place for bands to perform as we see at several marinas across the State.

As we will discuss with the panel testimony if a vessel is registered and has paid the appropriate registration and fees to the Department of Natural Resources, there is no need for them to go through a wetland permitting.

I will mention the fiscal note does reflect a loss in revenue. This is a result of not having to get the wetlands license, but they have already paid the fees to DNR to license the vessel.

Thank you for your consideration, and I urge a Favorable vote on HB 976.

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Sincerely,

Steven J. Arentz

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CHESAPEAKE BAY FOUNDATION

Environmental Protection and Restoration
Environmental Education

House Bill 976

State and Private Wetlands - Nonwater-Dependent Project - Definition

Date: February 26, 2025 Position: UNFAVORABLE
To: Environment & Transportation Committee From: Dr. Allison Colden,
MD Executive Director

Chesapeake Bay Foundation (CBF) **OPPOSES** House Bill 976 which would alter the definition of "nonwater-dependent project" to exclude any "vessel" regardless of how the vessel is used or operated.

Development of nonwater-dependent projects in the tidal wetlands and waterways of the State are generally prohibited unless a permit is issued by the Maryland Department of the Environment (MDE). The purpose of the permitting program is to limit impacts to Maryland's tidal wetlands and shallow water habitats, including submerged aquatic vegetation (SAV).

Tidal wetlands and SAV are known as "blue carbon" habitats. Blue carbon habitats take up and sequester carbon at rates ten times higher than terrestrial forests¹ and are an important tool in the fight against climate change. They are also critically important habitat to important commercial and recreational fisheries species like blue crabs, bay scallops, and striped bass.²

The 2014 Chesapeake Bay Watershed Agreement set restoration goals for both SAV and tidal wetlands. In 2023, SAV extent was estimated at 82,937 acres, a far reach from the 185,000-acre restoration goal, though steadily improving. The wetlands restoration goal – to restore 85,000 acres of nontidal and tidal wetlands – is one of the Agreement outcomes that is considered "off course" and unlikely to be achieved by 2025.

By excluding all "vessels," regardless of their use, from the nonwater-dependent definition, HB 976 opens up the possibility for houseboats, barges, and any other stationary vessel to be exempt from the permitting required for other over-water structures. This extremely broad definition could have large-scale, permanent impacts on wetlands and SAV which are already falling behind Chesapeake Bay Program goals.

CBF urges the Committee's UNFAVORABLE report on HB 976.

For more information, please contact Matt Stegman, Maryland Staff Attorney, at mstegman@cbf.org.

Maryland Office • Philip Merrill Environmental Center • 6 Herndon Avenue • Annapolis • Maryland • 21403

¹ National Oceanic and Atmospheric Administration. 2022. "What is Coastal Blue Carbon?" Available online.

² Atlantic Coastal Fish Habitat Partnership. 2009. Species-Habitat Matrix. Available online.

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Position: INFO



Wes Moore, Governor
Aruna Miller, Lt. Governor
Josh Kurtz, Secretary
David Goshorn, Deputy Secretary

February 26, 2025

BILL NUMBER: House Bill 976 – First Reader

SHORT TITLE: State and Private Wetlands - Nonwater-Dependent Project - Definition

DEPARTMENT'S POSITION: LETTER OF INFORMATION

EXPLANATION OF DEPARTMENT'S POSITION

The Department requires vessels equipped with propulsion machinery to be registered unless exempted under Natural Resources Article, Section 8-712. This includes registered vessels that are no longer using their propulsion machinery including vessels that are dry-docked or stored on a lift for purposes other than navigating state waters. This bill would broaden the definition of nonwater-dependent projects.

BACKGROUND INFORMATION

None.

BILL EXPLANATION

The bill adds any vessel regardless of how it is used or operated to the definition of 'nonwater-dependent projects.'

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Position: INFO

Wes Moore *Governor* Aruna Miller *Lt. Governor*



Erik Fisher
Chair

Katherine Charbonneau
Executive Director

STATE OF MARYLAND CRITICAL AREA COMMISSION CHESAPEAKE AND ATLANTIC COASTAL BAYS

Bill #: HB 976

Position: Informational Only

Title: State and Private Wetlands - Nonwater-Dependent Project - Definition

Committee: Education, Energy, and Environment

Hearing Date: February 26, 2025

Dear Chairman Korman:

The Critical Area Commission for the Chesapeake and Atlantic Coastal Bays appreciates this opportunity to provide your committee with information regarding House Bill 976. While this bill is situated in the Environment Article, the language being amended mirrors Natural Resources Article §8-1808.4 (Structures on Piers in the Critical Area). If adopted, the definition of a nonwater-dependent project will not be the same between the two statutes, and conflicts may arise in their application regarding the permissions and limitations associated with such a project.

The Critical Area is defined to include "all waters of and lands under the Chesapeake Bay and its tributaries to the head of tide." A range of commercial activities are currently permitted as nonwater-dependent projects in the portions of the Critical Area designated as "Intensely Developed Area," provided that the local jurisdiction has adopted such provisions in its Critical Area program.

Exempting a vessel from the definition of nonwater-dependent projects could have the following effects on areas set aside for greater environmental protection within the Critical Area law and regulations:

- Allowance for a site to exceed the density limit within the Critical Area's Resource Conservation Area of one unit per 20 acres;
- Allowance of certain commercial uses (such as rental units) in the Resource Conservation Area, which are generally not permitted under current law;
- A new class of impacts to the Buffer not generally permitted, such as expanded vehicular access and/or the potential for disturbance to install and connect to upland septic systems; and
- Allowance of nonwater-dependent structures in the Resource Conservation Area and Limited Development area, which is currently prohibited under §8-1808.4.

Please do not hesitate to contact Lisa Hoerger, Legislative and Regulations Manager for the Commission, at 410-260-3478 or by email at lisa.hoerger@maryland.gov if you have any questions or wish to discuss this information in further detail.

MDE HB976 INF.docx.pdf Uploaded by: Jeremy D. Baker Position: INFO



The Maryland Department of the Environment Secretary Serena McIlwain

House Bill 976 State and Private Wetlands - Nonwater-Dependent Project - Definition

Position: Informational

Committee: Environment and Transportation

Date: February 26, 2025

From: Alex Butler, Deputy Director of Government Relations

The Maryland Department of the Environment (MDE) offers the following **INFORMATIONAL** testimony on HB 976.

Bill Summary

House Bill 976 provides that a vessel registered under Title 8, Subtitle 7 of the Natural Resources Article is not considered a "nonwater-dependent project," regardless of how it is used or operated. Under current law, nonwater-dependent projects are subject to strict permitting and licensing requirements when constructed over state or private wetlands.

Key Points

The Maryland Department of Natural Resources (DNR) is responsible for the registration of water vessels, and in order to receive such a registration, the vessel must meet certain requirements (such as having a means of mechanical propulsion, *etc.*). However, once a vessel is registered, it can subsequently be modified into a structure that serves a primary purpose other than a water vehicle, including residential or commercial uses.

House Bill 976 creates a broad exception where structures that would otherwise be classified as a non-water dependent project based on their use or operation would not be subject to environmental or public health safeguards simply by first being registered as a vessel. This could lead to a proliferation of permanently moored or stationary floating businesses or residences, including Airbnb rental units, tiki bars, and floating pools. Beyond environmental and public health concerns, such structures could pose ecological risks and degrade viewsheds.

MDE, the Critical Area Commission for the Chesapeake and Atlantic Coastal Bays, and the Board of Public Works review the existing non-water dependent project exception process. This process is designed to protect water quality and public health while allowing for limited exceptions for a single structure of up to 1,000 square feet per property parcel. Under HB 976, any structure initially registered as a vessel, no matter how it is subsequently modified, could circumvent this longstanding process.

MDE respectfully requests the Committee consider this INFORMATIONAL testimony on HB 976.

Contact: Alex Butler, Deputy Director of Government Relations

Email: alex.butler@maryland.gov