



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

March 3, 2026

BILL NUMBER: **SENATE BILL 688 - FIRST READER**

SHORT TITLE: **ENVIRONMENT - STREAM AND FLOODPLAIN RESTORATION PROJECTS - REQUIREMENTS AND LIMITATIONS**

DEPARTMENT'S POSITION: **LETTER OF CONCERN**

EXPLANATION OF DEPARTMENT'S POSITION

The Department would like to express concerns with Senate Bill 688 for the consideration of the committee. This bill would create a disproportionate regulatory burden on stream restoration by imposing unique costs and bureaucratic hurdles that are not required for other conservation methods. The bill also postpones the crediting for these projects until post-monitoring construction shows improvement in biological indices or ecological function, thereby creating a significant financial risk for local and state governments.

The bill's requirements will also increase project costs, due to additional permitting and post-construction monitoring. This would in turn reduce the number of projects that could be supported through existing funding streams, including the Chesapeake and Coastal Bays Trust Fund, the Whole Watershed Program, Resilience through Restoration, and other programs supported by the agency. Additionally, by increasing costs and financial risks, the bill will effectively eliminate a scientifically proven tool for managing damaged waterways and meeting Chesapeake Bay restoration goals, ultimately leaving the region's largest sources of sediment and phosphorus unaddressed.

Also of note is the fiscal and operational strains SB 688 imposes on the Department by mandating a complex "alternatives analysis" and enhanced post-construction monitoring for stream restoration projects. While the administrative burden officially rests on permit applicants, the Department anticipates that the resulting costs, including a projected 25% increase for engineering and 3–8% for "functional lift" monitoring, will be embedded directly into project grants such as the Chesapeake and Coastal Bays Trust Fund and the Whole Watershed Program. This financial burden is expected to increase the project costs, potentially reducing the total number of feasible restoration projects.

Finally, SB 688 directs restoration designs to minimize disturbance to floodplains for any stormwater management practice. Without a definition of the stormwater management practices that apply, it is unclear if the requirements within the bill, "alternatives analysis" and post-construction monitoring, would also apply to living shorelines, thereby increasing the costs and permit requirements for living shorelines. Imposing these requirements on living shorelines would create the same aforementioned significant fiscal barriers to implementation.

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BACKGROUND INFORMATION

Stream restoration is an important strategy in meeting the Chesapeake Bay goals and meeting the state's Total Maximum Daily Load (TMDL). Many of our state's streams are incised, trapping water in deep, narrow channels that are disconnected from the floodplain. This results in both the direct transport of sediment, phosphorus and nitrogen into the streams and can increase issues from flash flooding for communities. Stream restoration raises the stream bed and reconnects the channel to the floodplain, allowing adjacent wetlands to absorb sediment and nutrients, as well as providing allocation space for floodwaters.

Stream restoration has been implemented as a successful tool to meet our Chesapeake Bay goals to date. Restoring stream banks has been a key strategy in Maryland achieving 100% of its sediment reduction goal and 100% of its phosphorus goal, since phosphorus binds to soil particles. Stream restoration also promotes denitrification in the soils and contributes to the state's remaining nitrogen credits.

BILL EXPLANATION

The bill requires the Department of the Environment to:

1. Prioritize stormwater management practices that capture runoff at the source, promoting infiltration and delaying the release of water into stream channels.
2. Restricts restoration projects that involve heavy equipment to mechanically alter a stream's profile.
3. Adds new hurdles for project approval (e.g. Alternatives analysis, ecological proof, and 5-year monitoring).
4. Adds Public and Technical Accountability - Public Engagement and DNR consultation