



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

March 11, 2026

BILL NUMBER: HOUSE BILL 1560 - FIRST READER

SHORT TITLE: FOREST CONSERVATION - INCENTIVES - PILOT PROGRAM AND FUND

DEPARTMENT'S POSITION: LETTER OF INFORMATION

EXPLANATION OF DEPARTMENT'S POSITION

The Department supports the intent of HB 1560 to formally recognize and monetize the ecological benefits of Maryland's forests, such as carbon sequestration, water quality, and climate resilience.

The bill requires the Department to develop a science-based methodology to quantify the ecological value of forest lands, including benefits such as carbon sequestration, water quality, biodiversity, and climate resilience. Development of this methodology would require interdisciplinary technical work, coordination with other State agencies, and ongoing updates to ensure scientific and policy relevance.

In addition, the Department must create and implement a new pilot program, financed through the Forest Ecosystem Value Incentives Fund, to support ecosystem value-oriented forest management plans. These plans would provide enhanced financial incentives to private forest landowners who enter long-term forest conservation and management agreements and would require more complex planning, review, and oversight than existing forest stewardship plans.

Finally, the bill directs the Department to explore "ecosystem value impact fees" for activities resulting in significant forest loss, such as data centers. Quantifying these fees and coordinating with other state agencies represents a new policy responsibility. While the bill mandates a \$10 million fund for landowner incentives, it does not provide for the permanent administrative and monitoring staff required for the program's success.

BACKGROUND INFORMATION

HB 1560 expands beyond traditional timber and land conservation frameworks by offering compensation that reflects the additional ecological value provided by privately owned forests, which comprise approximately 75% of the state's 2.4 million acres of forest land.

BILL EXPLANATION

House Bill 1560 requires the Department to establish and implement a new pilot program for ecosystem value-oriented forest management plans. The program aims to provide enhanced financial incentives to private forest landowners who enter into long-term (minimum 20-year) forest conservation and management agreements. The bill also establishes the Forest Ecosystem Value Incentives Fund, a special nonlapsing fund, with a mandated \$10 million appropriation in fiscal year 2028 to finance these incentives and program development.

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