



POSITION STATEMENT

Bill: HB 1560 Forest Conservation - Incentives - Pilot Program and Fund

Position: Informational

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Dear Chair Marc Korman,

The Maryland-National Capital Park and Planning Commission (M-NCPPC or “the Commission”) has not taken an official vote on this bill. However, staff have offered an informational statement for the committee to consider.

What this Bill Does. This bill requires the Department of Natural Resources to establish and implement a pilot program for ecosystem value-oriented forest management plans to provide additional incentives for enrolling in and extending commitments to forest conservation and management. This bill also establishes the Forest Ecosystem Value Incentives Fund as a special, nonlapsing fund to finance the pilot program; requiring interest earnings of the Fund to be credited to the Fund.

Recommended Suggestions

Overlap with the Forest Conservation Act. There is concern that the current bill could overlap with the forest conservation law requirements and that double-dipping could occur with the Forest Ecosystem Value Incentives Fund and the Forest Conservation Fund. Furthermore, there

could also be an overlap with forest banking. We recommend the current bill be amended to clarify that the Forest Ecosystem Value Incentives Fund cannot be utilized to satisfy Forest Conservation Requirements under the Forest Conservation Act. We also recommend that the bill is amended to eliminate any double dipping between the two funds—if forest is being planted with funds from the Forest Conservation Fund then it cannot also receive money from the Forest Ecosystem Value Incentives Fund. The bill should be clear that any property taking advantage of a Forest Ecosystem Value Incentive Fund cannot be subject to the Forest Conservation Act.

Page 5 Line 24: Additional language or a definition should be provided for the State-designated targeted ecological areas that the pilot program would apply to.

Page 6 Line 18: This section of the bill is too vague for what types of projects the Department will assess a fee. It states data centers and utility line construction for data centers but then leaves it open to other projects that cause significant loss of ecological value of forest land. That could be any type of development. I think this needs to be clearer on whether development that has forest conservation requirements will also need to pay this ecosystem fee. This section needs to clarify which projects would be subject to both paying an Ecosystem Value Incentive Fee and completing Forest Conservation requirements.

Page 6 Line 22: This section is too vague regarding the types of “other” projects the assessment of loss of forest ecosystem value would apply to. Additional language should be provided to narrow the scope.

Page 7 Line 12: This section of the bill indicates that the forest management plan must be in place for at least 20 years. Further clarification is needed to show how property owners will be incentivized to keep the forest past the 20 year time frame and whether the 20 years can be restarted on a property.

Page 8 Line 24: There needs to be something clearly stated that allows the Forest Conservation Law at the State and County level to coexist with these properties. It is unclear if they are allowing tree/forest removal as part of the management plan and how that would interface with forest conservation enforcement since removal of a certain amount of forest automatically triggers the Forest Conservation Law.

Page 11 Line 12- Is this fund allowed to be used for personnel costs? That is not clear within the bill. The Forest Conservation Fund cannot be used for personnel costs, and that is clearly stated.