



March 9, 2026

The Honorable, Marc Korman, Chair
House Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, Maryland 21401

The Honorable, Ben Barnes, Chair
House Appropriations Committee
120 Taylor House Office Building
Annapolis, Maryland 21401

Unfavorable: HB 1560 – Forest Conservation Incentives – Pilot Program and Fund

Dear Chair, Korman, Chair Barnes and Committee Members:

The NAIOP Maryland Chapters represent approximately 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate. On behalf of our member companies, I am writing to recommend your unfavorable report on HB 1560.

This bill directs the Department of Natural Resources (DNR) to publish a formal methodology for calculating the total ecological value of forestland, the value lost when forest is cleared and how these values should be considered in compensation, conservation incentives and eco-system impact fees. By December 1, 2026, the bill requires that DNR, *“immediately pursue laws and policies to generate ecosystem value impact fee revenues.”*

The bill also requires an appropriation of \$10 million annually, \$2 million of which would be used for planning and policy development. This mandatory appropriation would be in addition to approximately \$520 million spent in FY25 on forest preservation, land protection, green infrastructure and ecosystem restoration programs.

The 2022 Forest Technical Study noted that several data sources converge on the following finding: forest area in Maryland has been slightly decreasing over 5- and 20-year intervals but with a trend toward stabilization in the past 10 years. This stabilization was attributed, in part, to the Forest Conservation Act.

In 2023, following the release of that report, the General Assembly adopted SB 526 / HB 723 – The Forest Preservation and Retention Act – tightening reforestation ratios, increasing mitigation requirements, elevating protection of high-quality forests, and reinforcing the policy direction to achieve “no net loss” of forest cover. These changes to the Forest Conservation Act enacted through SB 536 / HB 723 have not been implemented yet.

HB 1560 would impose new ecosystem impact fees adding to the cost and complexity of Maryland’s forest and land conservation programs before the last major reform bills have been implemented.

For these reasons, NAIOP respectfully requests your unfavorable report on HB 1560.

Sincerely,

Tom Ballentine, Vice President for Policy
NAIOP – Maryland Chapters, *The Association for Commercial Real Estate*

cc: Environment and Transportation Committee Members
Appropriations Committee Members
Nick Manis – Manis, Canning Assoc.