



Committee: Environment and Transportation

Testimony on: HB 1560 Forest Conservation - Incentives - Pilot Program and Fund

Position: Unfavorable

Hearing Date: March 11, 2026

The Maryland Chapter of the Sierra Club recommends an unfavorable report for HB1560, the Forest Conservation - Incentives - Pilot Program and Fund. We appreciate the excellent intentions of the sponsor of this bill, which seeks to put a value on the ecosystem services of the forest, promote tree planting, and increase the forest canopy and working forests of Maryland. However, we are afraid that ultimately the bill could promote logging of forested lands that would otherwise continue to mature in a natural state.

We have two major concerns with this bill:

First, it creates incentives which could motivate or possibly require the owners of our oldest and most ecologically important forests to start managing them commercially and eventually log them in order to participate. To be eligible for benefits under an ecosystem value-orientated management plan, landowners must adopt a standard Forest Stewardship Plan, which historically has included planting, thinning, and logging.

Studies show that the older and more diverse the forest, the greater its value for carbon sequestration, water retention, biodiversity, wildlife habitat, climate resilience and soil health.¹ A mature tree sequesters carbon equivalent to perhaps thousands of new seedlings, and can take a 100 years or more to replace what has been cut. If there is no intent to promote or require logging, the legislation would benefit from stating this explicitly.

Second, the program would create a Forest Ecosystem Value Incentives Fund, which would be partially funded by an appropriation of \$10 million in Maryland's 2028 budget, to be managed first by the Forest Service, and later by the Maryland Forestry Foundation, a private entity. It sets a troubling precedent to give public money to a private group which could eventually operate independently with little public oversight. The Department of Natural Resources is directed to "immediately pursue laws and policies to generate forest ecosystem value impact fee revenues" collected from data centers, utility lines or other activities which result in forest loss. In effect the bill seeks to earmark fees which do not yet exist. Sierra Club might support charging impact fees on activities like this. But there may be many valid claims for damages, so

¹Moomaw WR, et al. (2019) Intact Forests in the United States: Proforestation Mitigates Climate Change and Serves the Greatest Good *Front. For. Glob. Change* 2.27. doi: 10.3389/ffgc.2019.00027/full <https://www.frontiersin.org/journals/forests-and-global-change/articles/10.3389/ffgc.2019.00027/full>

we do not think they should be prematurely earmarked for a fund which may not protect our oldest and most valuable forests.

The proposed Forest Ecosystem Value Incentives Fund provides financial incentives to private landowners who agree to legally binding “ecosystem value-oriented forest conservation and management plans.” The goal is laudable, but the implementation is less certain. It depends on the Forest Service and the private Maryland Forestry Foundation, which must approve and monitor these plans. Both have historically viewed forests primarily as a sustainable resource producing important commodities. The value of forests for diversity or climate is a more recent, secondary priority. The bill has good language saying that forests enrolled in the managed plans subsidized by the Ecosystem Value Incentives Fund must produce long-term ecological benefits, but the bill offers no basis for comparison, specifics or criteria about what this means.

Working forests do provide some ecosystem services for watershed and climate, but they are young forests, and sometimes monocrop plantations. The rotation time between planting and logging can sometimes be as short as 20 years, the same amount of time that landowners must commit to keeping their trees standing in this bill. Forests under management plans could be vulnerable to future logging and lack the diversity needed to broadly support our ecosystems. The bill could eventually increase our working forests at the expense of our last mature diverse forests which are so critical for carbon sequestration, achieving our climate goals² and promoting a healthy ecosystem.

The bill appears to seek to achieve two goals at once: to protect the ecological value in our forests and to make them profitable. However, there is an inherent tension in these goals which makes it very challenging to achieve both at once.

We recognize that in suburban or exurban areas, landowners under pressure from high property values and taxes could take advantage of the Forest Ecosystem Value Fund to keep their land forested rather than selling it to developers. A working forest offers more ecological benefits than a parking lot. But other landowners who might have been content to leave their natural, diverse forests alone to grow old might now be persuaded to manage them commercially instead. Moreover, Maryland already provides tax relief to landowners who put in place a Forest Conservation and Management Agreement.³

Sierra Club supports the effort to place value on forest ecosystem services and increase tree planting across the state. We do need to develop benefits and incentives for forest landowners, to promote preservation and maximize carbon sequestration. However, we think the guardrails in the current draft bill need to be stronger to ensure that the legislation best supports these public interests.

² Liu X, et al., Tree species richness increases ecosystem carbon storage in subtropical forests. *Proc Biol Sci.* 2018 Aug 22;285(1885):20181240.

³ <https://dnr.maryland.gov/forests/pages/programapps/fcmp.aspx>. See also <https://extension.umd.edu/resource/stewardship-planning-options/>

While we commend much of the intent of this bill, we believe these complex issues – including oversight of public funds and guardrails to promote long-term conservation – need more strengthening. We therefore respectfully urge an unfavorable report.

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