



## House Bill 599

### *Forest Conservation Act – Exemption, Reforestation Rate, and Forest Conservation Fund - Alterations*

MACo Position: **OPPOSE**

Date: February 22, 2017

To: Environment & Transportation Committee

From: Leslie Knapp, Jr. and Kevin Kinnally

The Maryland Association of Counties (MACo) **OPPOSES** HB 599. The bill's new reforestation and afforestation regime would increase costs on local governments, businesses, and citizens without showing a demonstrable need for the bill's strict requirements.

HB 599 makes three alterations to Maryland's Forest Conservation Act (FCA). First, the bill increases the minimum reforestation rate from ¼ acre for every acre removed to 1 acre for every acre removed. This will impose new costs and potentially significant hurdles on development and redevelopment projects undertaken by both governments and private entities.

The bill also limits an existing exemption under the FCA for the clearing of public utility rights of way and land for electric generating stations to areas of 1 acre or less of forest. This will increase utility costs on local governments, businesses, and citizens of the state.

Finally, the bill authorizes the Department of Natural Resources (DNR) or a local jurisdiction with a forest conservation program to increase the rates under the fee-in-lieu by 20% for each acre for which money is contributed in lieu of meeting the program's reforestation or afforestation requirements. This can further exacerbate the costs described above and introduce significant uncertainty in the cost projections for long-term or multi-stage projects. Any changes to the base fee-in-lieu will introduce significant cost spikes where the 20% increase is applied and the project developer was relying on the fee-in-lieu.

While the bill poses fiscal challenges to a variety of stakeholders, Maryland appears to be maintaining its tree canopy coverage established under Maryland's "No Net Loss of Forest" policy established by HB 706 of 2013. According to DNR's Forest Action Plan 2016-2020, Maryland had a statewide tree canopy cover of almost 50%, exceeding the "No Net Loss" policy of maintaining 40% or more tree canopy cover. This raises the question of why is the bill needed.

HB 599 would increase costs on local governments, energy prices, development, and redevelopment without demonstrating a significant tree loss under the State's "No Net Loss of Forest" policy. Accordingly, MACo requests the Committee give HB 599 an **UNFAVORABLE** report.