



House Bill 1560

Forest Conservation - Incentives - Pilot Program and Fund

MACo Position: **OPPOSE**

To: Environment and Transportation and
Appropriations Committees

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From: Dominic J. Butchko

The Maryland Association of Counties (MACo) **OPPOSES** HB 1560. This bill authorizes the Department of Natural Resources (DNR) to assess a new ecosystem value impact fee to support forest conservation programs. It also preempts local governments from adopting ordinances or regulations that are inconsistent with the requirements of an ecosystem value-oriented forest management plan.

In 2023 and 2024, counties worked closely with legislators on major updates to Maryland’s Forest Conservation Act. Those changes established a statewide policy of no net loss of trees and shifted forest conservation goals from the project level to the county level. Since then, however, Maryland’s persistent housing shortage has become an even more pressing concern. Across multiple reports and hearings—including the Comptroller’s 2025 Housing Report, which described the “Smith Island Cake Effect” — developers and other stakeholders have continued to identify growing regulatory burdens as a barrier to housing production.

HB 1560 effectively adds a new layer to the cake by establishing requirements that make housing development more difficult and more expensive. Counties have three primary concerns with this legislation.

Ecosystem Value Impact Fee – HB 1560 authorizes DNR to assess an “ecosystem value impact fee” on projects that cause a significant loss of the ecological value of forest land. The bill grants the department broad discretion to determine which lands qualify and how the fee would be calculated. Under existing law, most projects are already prohibited from disturbing forest unless they comply with Maryland’s recently strengthened Forest Conservation Act. As a result, projects already subject to more rigorous conservation and mitigation standards could also face additional, undefined, and potentially substantial state-imposed fees.

No Consideration For Growth Areas – As drafted, the bill does not require DNR to account for priority funding areas, designated growth areas, local comprehensive plans, or other places where future development is intended to occur when determining the ecological value of forest land. This would give the department broad authority to establish fees without regard to existing local planning decisions, state and county infrastructure investments, or long-term growth strategies.

County Regulations and Ordinances – The bill also preempts counties from enacting or applying ordinances or regulations that are inconsistent with an ecosystem value-oriented forest management plan. This is an unusual and unnecessary preemption of local authority, particularly because lands subject to these arrangements are already protected from the type of development the bill is intended to prevent. Requiring counties to revise local regulatory frameworks to conform to agreements they may not be party to would create unnecessary administrative burdens, increase regulatory uncertainty broadly, and further complicate local land use oversight.

Counties share the State’s goal of balancing responsible growth with sound environmental stewardship. However, as drafted, HB 1560 is overly broad and lacks sufficient guardrails or recognition of the state’s concurrent housing and infrastructure challenges. Accordingly, MACo urges the Committee to issue an **UNFAVORABLE** report on HB 1560.