

**Department of Legislative Services**  
 Maryland General Assembly  
 2022 Session

**FISCAL AND POLICY NOTE**  
**Third Reader - Revised**

House Bill 876 (Delegate Stein)  
 Environment and Transportation Education, Health, and Environmental Affairs

**Maryland Forestry Education Fund – Establishment**

This bill establishes the Maryland Forestry Education Fund, a special fund administered by the Maryland Forestry Foundation. In general, the purpose of the fund is to provide small grants and specified training, education, and outreach opportunities for forest landowners, district forestry boards, local governments, and businesses. Beginning in fiscal 2024, the Governor must include in the annual budget bill an appropriation of \$250,000 to the fund. **The bill takes effect July 1, 2022.**

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$250,000 annually beginning in FY 2024 due to the mandated appropriation. Special fund revenues and expenditures increase correspondingly. **This bill establishes a mandated appropriation beginning in FY 2024.**

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
SF Revenue	\$0	\$250,000	\$250,000	\$250,000	\$250,000
GF Expenditure	\$0	\$250,000	\$250,000	\$250,000	\$250,000
SF Expenditure	\$0	\$250,000	\$250,000	\$250,000	\$250,000
Net Effect	\$0	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** Local grant revenues and expenditures likely increase beginning in FY 2024. Local governments likely also benefit from the additional training and education provided under the bill.

**Small Business Effect:** Minimal overall, but potential meaningful impact on some small businesses in the forestry industry, as discussed below.

## Analysis

**Bill Summary:** The fund consists of money appropriated in the State budget to the fund, interest earnings, and any other money from any other source accepted for the benefit of the fund.

The stated purpose of the fund is to expand and enhance (1) the Maryland Forestry Foundation's capacity to provide education and resources that support forest landowners in the State; (2) the ability of district forestry boards and the knowledge of local governments to achieve environmental, economic, and social sustainability of forest health and the sustainable management of forest resources; and (3) the ability of businesses to test innovative best management practices in forestry. The fund may be used only for:

- providing training and education to forest landowners, district forestry boards, and local governments to ensure they are well-informed on advances and developments in (1) healthy forest management; (2) ecological service markets; (3) emerging forestry threats; (4) climate science; (5) forest conservation; (6) urban forestry; (7) sustainability science; (8) forestry policy; (9) forestry practices; and (10) resource options that promote the multiple benefits of forest management;
- providing outreach and engagement that builds local capacity and institutionalizes sustainability efforts within communities and the district forestry boards, including holding a forest sustainability conference once every two years, implementing a peer-to-peer learning exchange, and providing healthy forest presentations;
- developing and expanding a healthy forest education and conservation program;
- improving the outreach of district forestry boards by providing education, recognition, strategies, and actions the boards can implement;
- providing small grants to district forestry boards, forest landowners, local governments, and businesses to test innovative best management practices in forestry;
- recognizing the efforts forest landowners and local governments make toward achieving healthy, sustainable forest management; and
- expenses related to the administration of the fund.

Money expended from the fund for specified outreach, training, education, and grants is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for forestry education and outreach.

**Current Law:** It is the policy of the State to encourage economic management and scientific development of its forests and woodlands to maintain, conserve, and improve the soil resources of the State so that an adequate source of forest products is preserved for the people.

The mission of the Forest Service within the Department of Natural Resources (DNR) is to restore, manage, and protect Maryland's trees, forests, and forested ecosystems to sustain the State's natural resources and connect people to the land. Among other activities, the Forest Service (1) promotes the use of sustainable forestry management and urban tree planting; (2) provides education on forest sustainability to landowners, communities, organizations, and government agencies; (3) supports the maintenance of diverse forest economic activities and the forest products industry to provide for ecological and economic benefits of the State's forests; (4) uses a variety of outreach mechanisms and partnerships to communicate forestry information to targeted audiences; and (5) works with government agencies, utilities, community groups, and citizens to expand and protect urban tree resources.

Among its forestry-related duties, DNR is required to divide the State into districts based on the character and extent of the timber stand, similarity of forest problems, convenience of administration, and other pertinent factors. Within each district, DNR must establish a district forestry board, commonly referred to as a [forest conservancy district board](#). DNR must appoint at least five members; the appointments must include, if possible, a person who represents each of the major types of forestry and woodworking interests and at least one person who represents farm woodland owners, as specified.

District forestry boards must (1) promote private forestry by assisting landowners in forest management, planting trees, conservation and development of tree crops, and protection of forests from fires, insects, and diseases; (2) provide landowners with the services of a forester and advise them regarding their forest and tree crop problems; (3) assist county assessors in their appraisal of forest lands for tax purposes; (4) disseminate forest conservation information and collect data concerning forest conservation problems; (5) secure the cooperation and assistance of the United States and any of its agencies and State agencies in conservation of forest resources; (6) advise private forest land owners on the construction of flood control measures, seeding and planting of waste slopes, abandoned or eroded lands, and development of wildlife by planting food or cover producing trees, bushes, and shrubs; and (7) receive and pass on proposed work plans for cutting forest lands.

Among other duties and powers, district forestry boards must also cooperate with other government agencies to achieve better forest growth and promulgate conservation measures.

**State Fiscal Effect:** General fund expenditures increase by \$250,000 annually beginning in fiscal 2024 due to the bill's mandated appropriation to the Maryland Forestry Education Fund. Special fund revenues and expenditures increase correspondingly, as the mandated funding is appropriated to the fund and spent in accordance with the bill. The bill requires that expenditures from the fund may be made only in accordance with the State budget.

Accordingly, even though the fund is administered by the Maryland Forestry Foundation, which is a nonprofit organization, this analysis assumes that the special funds flow through the State budget.

Although the fund is administered by the Maryland Forestry Foundation, DNR advises that a coordinator in DNR's Forest Service currently acts as a liaison between the foundation and the forestry boards and that, under the bill, DNR may be asked to assist the foundation in administering the fund. DNR further advises that if asked to assist, it may need to hire a natural resources manager to do so. The Department of Legislative Services disagrees. One of the authorized uses of the fund is to pay the expenses related to the administration of the fund. Thus, it is assumed that the foundation is able to hire its own staff to administer the fund as needed. It is further assumed that any additional coordination activities for DNR resulting from the bill are minimal and absorbable with existing DNR resources.

**Local Fiscal Effect:** To the extent local governments receive a grant under the program, local revenues and expenditures increase correspondingly beginning in fiscal 2024. In addition, local governments likely benefit from the additional training and outreach provided under the bill.

**Small Business Effect:** Businesses are eligible to receive small grants from the fund to test innovative best management practices in forestry. Accordingly, small business foresters benefit to the extent they receive a grant under the program. They may also benefit indirectly from the additional training and outreach provided to forest landowners, district forestry boards, and local governments to the extent it results in an increase in the demand for forestry-related services.

**Additional Comments:** The [Maryland Forestry Foundation](#) is a nonprofit organization that (1) promotes sustainable forestry through legislative advocacy; (2) administers a tree-planting operation on private property in the State; (3) supports several urban forestry programs; (4) manages college fellowships in the field of natural resources; and (5) acts as the fiduciary agent for Maryland Forestry Board programs.

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## Additional Information

**Prior Introductions:** None.

**Designated Cross File:** None..

**Information Source(s):** Caroline and Prince George's counties; Maryland Association of Counties; Maryland Municipal League; Department of Budget and Management; Department of Natural Resources; Maryland Forestry Foundation; Department of Legislative Services

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