# **HOUSE BILL 1133**

M3, M1 1lr2286

By: Delegate Bridges

Introduced and read first time: February 5, 2021 Assigned to: Environment and Transportation

#### A BILL ENTITLED

## 1 AN ACT concerning

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# Tree Planting – Urban Trees Program and Commission for the Innovation and Advancement of Carbon Markets and Sustainable Tree Plantings

FOR the purpose of establishing the policy of the State to support and encourage certain tree-planting efforts, with a goal of planting and helping to maintain in the State's underserved areas a certain number of sustainable trees of species native to the State by the end of a certain year; specifying that this goal is in addition to certain trees planted under certain programs and includes certain tree plantings accomplished through certain State programs and nonprofit and private efforts; making the Department of the Environment responsible for tracking the State's progress toward meeting certain tree-planting goals and requiring the Department of the Environment to serve as the lead agency to receive certain data; requiring the Department of the Environment and the Chesapeake Bay Trust to jointly make a certain report to certain committees of the General Assembly on or before a certain date each year; establishing an Urban Trees Program administered by the Chesapeake Bay Trust; providing for the purpose of the Urban Trees Program; requiring the Trust to make grants to qualified organizations for certain purposes; specifying certain eligible Program expenses for the Urban Trees Program; providing for the funding of the Urban Trees Program; requiring the Trust to seek certain funds, grants, and donations for the purpose of the Urban Trees Program; requiring a certain grant agreement to specify the allowed uses of certain funds and include provisions for the verification of certain information; requiring the Trust to report certain information concerning certain grant awards to the Department of Natural Resources and the Department of the Environment on or before a certain date each year; requiring the Department of the Environment to make certain transfers from the Bay Restoration Fund for certain purposes in certain fiscal years, after funding certain eligible costs; providing that certain funds transferred from the Bay Restoration Fund are supplemental to and may not take the place of certain other funding; establishing the Commission for the Innovation and Advancement of Carbon Markets and Sustainable Tree Plantings; providing for the composition, chair, and staffing of the Commission; prohibiting a member of the Commission from



	4	HOUSE BILL 1188
1		receiving certain compensation, but authorizing the reimbursement of certain
$\frac{2}{3}$		expenses; requiring the Commission to develop certain plans and recommendations regarding certain matters; requiring the Commission to report its findings and
4		recommendations to the Governor and the General Assembly on or before a certain
5		date; defining certain terms; providing for the application of certain provisions of this
6		Act; providing for the effective date of certain provisions of this Act; providing for the
7		termination of certain provisions of this Act; and generally relating to urban tree
8		planting in the State.
9	ВҮа	dding to
10		Article – Environment
11		Section 2–1212
12		Annotated Code of Maryland
13		(2013 Replacement Volume and 2020 Supplement)
14	BY r	epealing and reenacting, without amendments,
15 10		Article – Natural Resources Section 8–1901
16 17		Annotated Code of Maryland
18		(2012 Replacement Volume and 2020 Supplement)
19	BY a	dding to
20	Бги	Article – Natural Resources
$\frac{1}{21}$		Section 8–1911
22		Annotated Code of Maryland
23		(2012 Replacement Volume and 2020 Supplement)
24	BY r	epealing and reenacting, without amendments,
25		Article – Environment
26		Section 9–1605.2(i)(1) and (2)(xii)
27		Annotated Code of Maryland
28		(2014 Replacement Volume and 2020 Supplement)
29	BY r	epealing and reenacting, with amendments,
30		Article – Environment
31		Section 9–1605.2(i)(2)(xiii)
32		Annotated Code of Maryland
33		(2014 Replacement Volume and 2020 Supplement)
34	BY a	dding to
35		Article – Environment
36 27		Section 9–1605.2(i)(11)
37		Annotated Code of Maryland

39 BY repealing and reenacting, without amendments, 40 Article – Environment

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(2014 Replacement Volume and 2020 Supplement)

1	Section $9-1605.2(i)(1)$
$\overline{2}$	Annotated Code of Maryland
3	(2014 Replacement Volume and 2020 Supplement)
4	(As enacted by Chapters 366 and 367 of the Acts of the General Assembly of 2017)
5	BY repealing and reenacting, with amendments,
6	Article – Environment
7	Section 9–1605.2(i)(2)(xi) and (xii)
8	Annotated Code of Maryland
9	(2014 Replacement Volume and 2020 Supplement)
10	(As enacted by Chapters 366 and 367 of the Acts of the General Assembly of 2017)
11	DV adding to
11	BY adding to
12	Article – Environment
13	Section 9–1605.2(i)(2)(xiii) and (10)
14	Annotated Code of Maryland
15	(2014 Replacement Volume and 2020 Supplement)
16	(As enacted by Chapters 366 and 367 of the Acts of the General Assembly of 2017)
17	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
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18	That the Laws of Maryland read as follows:
19	Article – Environment
20	2–1212.
20	2–1212.
21	(A) (1) It is the policy of the State to support and encourage
22	PUBLIC AND PRIVATE TREE-PLANTING EFFORTS, WITH A GOAL OF PLANTING AND
23	HELPING TO MAINTAIN IN THE STATE'S UNDERSERVED AREAS, AS DEFINED IN §
24	8–1911 OF THE NATURAL RESOURCES ARTICLE, 500,000 SUSTAINABLE TREES OF
25	SPECIES NATIVE TO THE STATE BY THE END OF CALENDAR YEAR 2030.
26	(2) THIS GOAL:
27	(I) IS IN ADDITION TO ANY TREES PLANTED UNDER PROGRAMS
28	DESCRIBED IN THE 2019 DRAFT GREENHOUSE GAS EMISSIONS REDUCTION PLAN;
29	AND
30	(II) INCLUDES NATIVE TREE PLANTINGS ACCOMPLISHED
31	THROUGH STATE PROGRAMS AND THROUGH THE EFFORTS OF NONPROFIT AND
32	PRIVATE ORGANIZATIONS.
33	(B) THE DEPARTMENT:

IS RESPONSIBLE FOR TRACKING THE STATE'S PROGRESS TOWARD

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# 1 MEETING THE GOAL ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION; AND

- 2 (2) SHALL SERVE AS THE LEAD AGENCY TO RECEIVE DATA FROM THE
- 3 CHESAPEAKE BAY TRUST REGARDING TREE PLANTINGS ACCOMPLISHED THROUGH
- 4 THE URBAN TREES PROGRAM.
- 5 (C) ON OR BEFORE DECEMBER 1, 2021, AND EACH DECEMBER 1
- 6 THEREAFTER, THE DEPARTMENT AND THE CHESAPEAKE BAY TRUST JOINTLY
- 7 SHALL REPORT TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL
- 8 AFFAIRS COMMITTEE AND THE HOUSE ENVIRONMENT AND TRANSPORTATION
- 9 COMMITTEE, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT
- 10 ARTICLE, ON THE STATE'S PROGRESS TOWARD MEETING THE GOAL ESTABLISHED
- 11 UNDER SUBSECTION (A) OF THIS SECTION.

### 12 Article - Natural Resources

- 13 8-1901.
- 14 (a) In this part the following words have the meanings indicated.
- 15 (b) "Board" means the Board of Trustees of the Chesapeake Bay Trust.
- 16 (c) "Trust" means the Chesapeake Bay Trust.
- 17 **8–1911.**
- 18 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
- 19 INDICATED.
- 20 (2) "PROGRAM" MEANS THE URBAN TREES PROGRAM.
- 21 (3) "QUALIFIED ORGANIZATION" MEANS:
- 22 (I) A NONPROFIT ORGANIZATION;
- 23 (II) A SCHOOL;
- 24 (III) A COMMUNITY ASSOCIATION;
- 25 (IV) A SERVICE, YOUTH, OR CIVIC GROUP;
- 26 (V) AN INSTITUTION OF HIGHER EDUCATION;
- 27 (VI) A COUNTY OR MUNICIPALITY; OR

- 1 (VII) A FOREST CONSERVANCY DISTRICT BOARD. 2 "UNDERSERVED AREA" MEANS AN AREA OF THE STATE FALLING 3 WITHIN THE BOUNDARIES OF: (I)AN URBAN AREA THAT IS: 4 5 1. DELINEATED AS AN URBAN AREA BY THE U.S. CENSUS BUREAU; AND 6 7 2. UNDER THE AUTHORITY OF A LOCAL HOUSING 8 **AUTHORITY; AND** 9 (II) 1. A NEIGHBORHOOD THAT WAS, AT ANY POINT IN TIME, REDLINED OR GRADED AS "HAZARDOUS" BY THE HOME OWNERS' LOAN 10 11 CORPORATION; 12 2. A CENSUS TRACT WITH AN AVERAGE RATE OF UNEMPLOYMENT FOR THE MOST RECENT 24-MONTH PERIOD FOR WHICH DATA ARE 13 14 AVAILABLE THAT EXCEEDS THE AVERAGE RATE OF UNEMPLOYMENT FOR THE 15 STATE; OR 16 3. A CENSUS TRACT WITH A MEDIAN HOUSEHOLD INCOME FOR THE MOST RECENT 24-MONTH PERIOD FOR WHICH DATA ARE 17 AVAILABLE THAT IS EQUAL TO OR LESS THAN 75% OF THE MEDIAN HOUSEHOLD 18 19 INCOME FOR THE STATE DURING THAT PERIOD. THERE IS AN URBAN TREES PROGRAM ADMINISTERED BY THE TRUST. 20 **(B)** THE PURPOSE OF THE PROGRAM IS TO PLANT AND MAINTAIN NATIVE 21 22 SPECIES OF TREES IN UNDERSERVED AREAS, IN FURTHERANCE OF THE GOAL 23ESTABLISHED UNDER § 2–1212 OF THE ENVIRONMENT ARTICLE. 24**(1)** THE TRUST SHALL MAKE GRANTS TO QUALIFIED ORGANIZATIONS FOR TREE-PLANTING PROJECTS IN UNDERSERVED AREAS. 25
- 27 SUPPLIES, SITE PREPARATION, AND OTHER EXPENSES AND MATERIALS RELATED TO 28 PLANNING, IMPLEMENTING, AND MAINTAINING TREE-PLANTING PROJECTS IN 29 UNDERSERVED AREAS.

ELIGIBLE PROGRAM EXPENSES INCLUDE PERSONNEL COSTS,

(E) (1) THE PROGRAM SHALL BE FUNDED WITH:

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determined by the Department.

$\frac{1}{2}$	(I) THE AMOUNT SPECIFIED IN § 9–1605.2(I)(11)(I) OF THE ENVIRONMENT ARTICLE; AND
3 4	(II) ANY ADDITIONAL FUNDS THAT MAY BE ALLOCATED BY THE TRUST THROUGH ITS ANNUAL BUDGET PROCESS.
5 6 7	(2) THE TRUST SHALL SEEK FEDERAL FUNDS AND GRANTS AND DONATIONS FROM PRIVATE SOURCES TO BE MADE TO THE TRUST FOR THE PURPOSE OF THE PROGRAM.
8 9	(F) A GRANT AGREEMENT REGARDING FUNDS FROM THE TRUST FOR THE PROGRAM SHALL:
10 11	(1) SPECIFY THE ALLOWED USE OF THE FUNDS PROVIDED UNDER THE GRANT; AND
12 13	(2) INCLUDE PROVISIONS FOR VERIFICATION THAT TREE-PLANTING PROJECTS ARE BEING IMPLEMENTED AND MAINTAINED AS PLANNED.
14 15 16 17	(G) ON OR BEFORE OCTOBER 1 EACH YEAR, THE TRUST SHALL REPORT TO THE DEPARTMENT AND THE DEPARTMENT OF THE ENVIRONMENT ON THE GRANTS AWARDED BY THE PROGRAM DURING THE IMMEDIATELY PRECEDING FISCAL YEAR INCLUDING:
18	(1) THE NAMES AND DESCRIPTIONS OF GRANT RECIPIENTS;
19 20	(2) THE NUMBER AND LOCATION OF TREES PLANTED BY GRANT RECIPIENTS; AND
21 22	(3) ANY OTHER INFORMATION REQUIRED BY THE DEPARTMENT OF THE ENVIRONMENT.
23 24	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:
25	Article – Environment
26	9–1605.2.

In this subsection, "eligible costs" means the additional costs that would

be attributable to upgrading a wastewater facility to enhanced nutrient removal, as

1	(2) Funds in the Bay Restoration Fund shall be used only:
2 3	(xii) For costs associated with the implementation of alternate compliance plans authorized in $\S$ 4–202.1(k)(3) of this article; and
4 5	(xiii) After funding any eligible costs identified under item (iv)1 and 2 of this paragraph, for [costs]:
6 7 8 9	1. COSTS associated with the purchase of cost–effective nitrogen, phosphorus, or sediment load reductions in support of the State's efforts to restore the health of the Chesapeake Bay, not to exceed \$4,000,000 in fiscal year 2018, \$6,000,000 in fiscal year 2019, and \$10,000,000 per year in fiscal years 2020 and 2021; AND
10 11	2. THE TRANSFERS REQUIRED UNDER PARAGRAPH (11) OF THIS SUBSECTION.
12 13 14 15	(11) (I) IN FISCAL YEARS 2022 THROUGH 2030, THE DEPARTMENT SHALL TRANSFER FROM THE BAY RESTORATION FUND \$10,000,000 EACH FISCAL YEAR TO THE CHESAPEAKE BAY TRUST FOR THE URBAN TREES PROGRAM ESTABLISHED UNDER § 8–1911 OF THE NATURAL RESOURCES ARTICLE.
16 17 18 19	(II) FUNDS TRANSFERRED IN ACCORDANCE WITH THIS PARAGRAPH ARE SUPPLEMENTAL TO AND MAY NOT TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR THE PROGRAMS AND INITIATIVES SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH.
20 21	SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:
22	Article – Environment
23	9–1605.2.
24 25 26	(i) (1) In this subsection, "eligible costs" means the additional costs that would be attributable to upgrading a wastewater facility to enhanced nutrient removal, as determined by the Department.
27	(2) Funds in the Bay Restoration Fund shall be used only:
28 29 30	(xi) Subject to the allocation of funds and the conditions under subsection (h) of this section, for projects related to the removal of nitrogen from on—site sewage disposal systems and cover crop activities; [and]
31 32	(xii) For costs associated with the implementation of alternate compliance plans authorized in § 4–202.1(k)(3) of this article; AND

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- 1 (XIII) AFTER FUNDING ANY ELIGIBLE COSTS IDENTIFIED UNDER 2 ITEM (IV)1 AND 2 OF THIS PARAGRAPH, FOR THE TRANSFERS REQUIRED UNDER PARAGRAPH (10) OF THIS SUBSECTION. 3 4 IN FISCAL YEARS 2022 THROUGH 2030, THE DEPARTMENT (10) (I) SHALL TRANSFER FROM THE BAY RESTORATION FUND \$10,000,000 EACH FISCAL 5 YEAR TO THE CHESAPEAKE BAY TRUST FOR THE URBAN TREES PROGRAM 6 ESTABLISHED UNDER § 8–1911 OF THE NATURAL RESOURCES ARTICLE. 7 8 (II)FUNDS TRANSFERRED IN ACCORDANCE WITH THIS 9 PARAGRAPH ARE SUPPLEMENTAL TO AND MAY NOT TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR THE PROGRAMS AND INITIATIVES 10 SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH. 11 12 SECTION 4. AND BE IT FURTHER ENACTED, That: 13 There is a Commission for the Innovation and Advancement of Carbon 14 Markets and Sustainable Tree Plantings. The Commission consists of the following members: 15 (b) 16 (1) the Secretary of the Environment, or the Secretary's designee; 17 (2)the Secretary of Natural Resources, or the Secretary's designee; the State Treasurer, or the State Treasurer's designee; 18 (3)19 one representative of the Maryland Association of Counties, selected by (4) 20 the Maryland Association of Counties; 21(5)one representative of the Maryland Municipal League, selected by the 22Maryland Municipal League; 23 one representative of the Commission on Environmental Justice and Sustainable Communities, selected by the Commission on Environmental Justice and 2425Sustainable Communities: 26 one representative of the Chesapeake Bay Foundation, selected by the Chesapeake Bay Foundation; 27
- 30 (9) one representative of Blue Water Baltimore, selected by Blue Water 31 Baltimore;

selected by the Maryland League of Conservation Voters;

one representative of the Maryland League of Conservation Voters,

1 2 3	(10) one researcher from the University of Maryland, College Park Campus, who has expertise in forestry–based carbon sequestration, selected by the President of the University of Maryland, College Park;
4 5	(11) one representative of Patapsco Heritage Greenway, selected by Patapsco Heritage Greenway; and
6 7	(12) the President of the Maryland Forestry Foundation, or the President's designee.
8 9	(c) The Secretary of the Environment, or the Secretary's designee, shall chair the Commission.
10 11	(d) The Department of the Environment and, as necessary, the Department of Natural Resources shall provide staff for the Commission.
12	(e) A member of the Commission:
13	(1) may not receive compensation as a member of the Commission; but
14 15	(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.
16	(f) (1) The Commission shall develop:
17 18 19	(i) a plan to achieve the State's carbon mitigation goal of planting 500,000 native trees by 2030 in accordance with § 2–1212 of the Environment Article, as enacted by Section 1 of this Act;
20 21	(ii) a plan to ensure that trees planted under this Act are properly maintained;
22 23	(iii) recommendations regarding the establishment of a Maryland-based carbon offset market to support the State's tree-planting goals; and
24 25 26	(iv) recommendations on reviewing State policies to reduce and fully mitigate the clearing of trees during the construction of State highways and other transportation projects.
27	(2) The plans and recommendations shall include:
28 29 30	(i) science—based guidelines to inform a State strategy for using trees to maximize carbon sequestration, mitigate heat deserts, and improve water and air quality;

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recommendations regarding potential planting sites, including

- the impact that planting trees at these sites will have on private land and associated ecological services;
- 3 (iii) a list of native tree species that will be planted;
- 4 (iv) a review of existing programs and current resource capacity for 5 tree plantings;
- 6 (v) a plan for expanding or creating new capacities necessary to achieve the State's tree-planting goals;
- 8 (vi) an analysis of trees scheduled to be cut down and the impact that 9 will have on carbon sequestration;
- 10 (vii) an overview and analysis of logistical and policy barriers to achieving the State's tree-planting goals;
- 12 (viii) a plan for seeking private capital to support tree plantings and 13 forest conservation in the State;
- 14 (ix) a plan for establishing a State-based carbon offset market to support the State's tree-planting goals;
- 16 (x) recommendations for policy changes necessary to facilitate the 17 use of the Water Quality Revolving Loan Fund and Environmental Impact Bonds for tree 18 plantings; and
- 19 (xi) a plan for reviewing future transportation procurement to 20 minimize and fully mitigate tree clearing.
- 21 (g) On or before October 31, 2022, the Commission shall report its plan and 22 recommendations to the Governor and, in accordance with § 2–1257 of the State 23 Government Article, the General Assembly.
- SECTION 5. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect June 1, 2021. It shall remain effective for a period of 9 years and 1 month and, at the end of June 30, 2030, Section 1 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.
- SECTION 6. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect on the taking effect of the termination provision specified in Section 5 of Chapters 36 and 367 of the Acts of the General Assembly of 2017. If that termination provision takes effect, Section 3 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect. This Act may not be interpreted to have any effect on that termination provision.
  - SECTION 7. AND BE IT FURTHER ENACTED, That Section 4 of this Act shall take

- 1 effect June 1, 2021. It shall remain effective for a period of 2 years and 1 month and, at the
- 2 end of June 30, 2023, Section 4 of this Act, with no further action required by the General
- 3 Assembly, shall be abrogated and of no further force and effect.
- 4 SECTION 8. AND BE IT FURTHER ENACTED, That, except as provided in
- 5 Sections 5 through 7 of this Act, this Act shall take effect June 1, 2021.