



CHESAPEAKE BAY COMMISSION · MARCH 2022

FEDERAL AGENCY BUDGET REQUEST FISCAL YEAR 2023

AS CONGRESS BEGINS DELIBERATIONS ON THE FY 2023 FEDERAL budget, the Chesapeake Bay Commission offers this report to identify the federal funding required to continue the success of watershed restoration. All levels of government, our citizens, and the private sector are united in achieving this singular goal. We also highlight four priorities where targeted action will strategically accelerate the pace and intensity of our work to achieve the 2025 Clean Water Act deadline.

The Bay's Congressional delegation is to be thanked for their work on the Infrastructure and Jobs Act; they have been steadfast in their commitment to restore the watershed and its living resources. The funding and report language included in the Consolidated Appropriations Act, 2022 is significant as well. Continued success depends on maintaining, and in some cases enhancing or directing, the federal funding that provides the catalyst for the restoration efforts. Each federal dollar spent leverages three more from state, local and private partners.

Who We Are and What We Do

The Chesapeake Bay Commission is a tri-state legislative commission with bipartisan membership from Maryland, Pennsylvania and Virginia. We work to advance policy at all levels of government to restore and protect the Chesapeake Bay watershed. We are the only legislative branch member of the Chesapeake Bay Program Partnership. The joint federal-state effort is producing real results in cleaner water, healthier fisheries and greater economic and environmental resilience. It is a model receiving global recognition.



Chesapeake Bay Commission
Policy for the Bay

FY 2023 Budget Request Summary

Interior, Environment and Related Agencies

- ✓ EPA — Geographic Programs — Chesapeake Bay: \$91,000K
- ✓ EPA — Nonpoint Source (Sec. 319) Grants: \$180,000K
- ✓ EPA — Pollution Control (Sec. 106) Grants: \$235,000K
- ✓ EPA — Clean Water State Revolving Loan Fund: \$2,750,000K
- ✓ DOI-USGS — Land Management Research Program: \$60,003K
- ✓ DOI-NPS — Chesapeake Bay Gateways and Trails Program: \$3,000K
- ✓ DOI-USFWS — Chesapeake Watershed Investments for Landscape Defense (WILD): \$15,000K
- ✓ DOI-USFWS — Cooperative Landscape Conservation: \$16,030K
- ✓ DOI-USFWS — Habitat Conservation — Coastal Programs: \$15,616K
- ✓ USDA-Forest Service — Forest Stewardship Program: \$18,000K
- ✓ Land and Water Conservation Fund (all agencies): \$900,000K

Energy and Water Development

- ✓ USACE-Construction — Chesapeake Bay Environmental Restoration and Protection: \$6,000K
- ✓ USACE-Construction — Chesapeake Bay Oyster Recovery: \$5,000K
- ✓ USACE-Investigations — Coordination with Other Water Resource Agencies: \$1,000K
- ✓ USACE-Construction — Mid-Bay Islands: \$104,000K
- ✓ USACE-Construction — Continuing Authorities Program — Aquatic Ecosystem Restoration (Sec. 206): \$15,000K; Emergency Streambank and Shoreline Protection (Sec. 14): \$10,000K

Commerce and Justice, Science and Related Agencies

- ✓ NOAA-NMFS — Habitat Conservation and Restoration: \$61,500K
- ✓ NOAA-NMFS — Regional Councils and Fisheries Commissions: \$43,000K
- ✓ NOAA-Office of Education — B-WET Regional Programs: \$12,000K
- ✓ NOAA-Office of Oceanic and Atmospheric Research — National Sea Grant College Program: \$158,000K

Agriculture, Rural Development, Food & Drug Administration and Related Agencies

- ✓ USDA-NRCS — Conservation Operations: \$1,200,000K
- ✓ USDA-NRCS/FSA — 2018 Farm Bill Programs: Full Funding of Mandatory Programs

Defense

- ✓ DOD-Stormwater Infrastructure (see narrative)
- ✓ DOD-Readiness and Environmental Protection Integration Program: \$175,000K

The Commission's Top Budget Priorities

✓ ENVIRONMENTAL PROTECTION AGENCY Geographic Programs — Chesapeake Bay: \$91,000K (FY22 level \$88,000K)

These monies maintain the nucleus of the federal-state partnership to restore the Bay. Program funds are used to coordinate the complex science and monitoring efforts that drive restoration. As we near the 2025 deadline, the challenge and urgency of our work grows. The request level equals the authorized levels in the recently enacted America's Conservation Enhancement Act.

Report language should be as follows (this includes funding from the Infrastructure and Jobs Act): *\$20,500,000 for nutrient and sediment removal grants, \$25,500,000 for small watershed grants to control polluted runoff from urban, suburban and agricultural lands, and \$22,708,000 for state-based implementation in the most effective basins.*

✓ U.S. FISH AND WILDLIFE SERVICE Chesapeake Watershed Investments for Landscape Defense (WILD): \$15,000K (FY22 level \$4,000K)

America's Conservation Enhancement Act created the Chesapeake WILD program in 2020. The law authorizes up to \$15 million in grants from the U.S. Fish and Wildlife Service (USFWS) for restoring fish and wildlife habitat in the Chesapeake Bay watershed. The Commission supports fully funding this program to enhance USFWS's critical role in the broader Bay partnership.

✓ U.S. DEPARTMENT OF AGRICULTURE Natural Resources Conservation Service (NRCS) — Conservation Operations: \$1,200,000K (FY22 level \$904,396K)

Conservation technical assistance (CTA) is the foundation of NRCS's ability to deliver effective

conservation. By working with agricultural producers to prepare and implement conservation plans, sediment and nutrient loads to our waterways are directly reduced.

In the jurisdictional Phase III Watershed Implementation Plans, 80 percent of the pollutant load reductions are planned to come from the agricultural sector. This can only happen with increased CTA. The Commission also supports targeted, enhanced CTA to the Susquehanna River basin and other high-impact agricultural basins in the Bay watershed.

✓ U.S. GEOLOGICAL SURVEY Land Management Research Program: \$60,003K, with \$7,900K for Chesapeake Bay Activities (FY22 level \$58,103K, with \$6,000K for Chesapeake Bay Activities)

Decision makers at all levels rely on U.S. Geological Survey (USGS) science to devise and implement plans to reduce the impacts of nutrients, sediment and toxic contaminants, improve habitat for freshwater fisheries and waterfowl, and focus land protection. USGS monitoring and analysis allow us to determine the effectiveness of our strategies.

As we approach 2025 restoration deadlines, an increase in funding for the Land Management Research Program will allow USGS to provide additional scientific analysis needed by federal and state agencies to:

- 1) target and accelerate water-quality improvements;
- 2) better address multiple restoration outcomes; and
- 3) enhance efforts for land conservation in concert with partner organizations.

The following language is requested within the committee narrative for the Land Management Research Program: *"and \$7,900,000 is provided for the Chesapeake Bay."*

FY 2023 Budget Request, Line-by-Line

Interior, Environment and Related Agencies Subcommittee

ENVIRONMENTAL PROTECTION AGENCY

✓ Geographic Programs — Chesapeake Bay: \$91,000K (FY22 level \$88,000K)

See Page 3 for program narrative.

✓ Nonpoint Source (Sec. 319) Grants: \$180,000K (FY22 level \$178,000K)

An overwhelming majority of Americans — 215 million (more than 70 percent) — live within 2 miles of a polluted lake, river, stream or coastal area. States have identified more than 600,000 miles of rivers and streams, more than 13 million acres of lakes and more than 500,000 acres of wetlands that do not meet state water quality goals. The Chesapeake region is no exception, with 21 percent of streams sampled ranked in poor or very poor condition. Pennsylvania alone has 17,544 miles of rivers and streams impaired for aquatic life, fifth most in the U.S. The Sec. 319 grants are a key resource in the effort to improve and protect our nation's waters. In FY 2021 this program provided \$8.9 million for Bay watershed restoration.

✓ Pollution Control (Sec. 106) Grants: \$235,000K (FY 22 level \$231,000K)

This national program helps states in the Chesapeake Bay watershed manage the federal water pollution permit program, or NPDES. Under the Clean Water Act, it is unlawful to discharge any pollutant into U.S. waters without a NPDES permit. Without adequate funding, this permit process gets bogged down, resulting in business losses and reduced permit monitoring and enforcement. In FY 2021, this program provided \$11.5 million for Bay restoration.

✓ Clean Water State Revolving Loan Fund: \$2,750,000K (FY22 level \$1,688,826K)

Financial support for this program was substantially increased by the Infrastructure and Jobs Act through gradually increasing capitalization grants. Additionally, the Act also increased the authorized funding level for the program each year from FY 2022 to FY 2026. The Commission requests federal funding at the authorized level for FY 2023.

This program provides low-cost financing to local communities to improve water-related infrastructure and local water quality. States have the flexibility to fund a range of projects that address their highest priority water quality needs. Using a combination of federal and state funds, state programs provide loans to eligible recipients to: construct municipal wastewater facilities; control nonpoint sources of pollution; build decentralized wastewater treatment systems; create green infrastructure projects; protect estuaries; and fund other water quality projects. In FY 2021, this program provided \$123 million for Bay restoration, but it is estimated with the enhancements from the Infrastructure and Jobs Act that Bay watershed funding could reach \$309 million in FY 2026.

DEPARTMENT OF INTERIOR

U.S. Geological Survey

✓ Land Management Research Program: \$60,003K with \$7,900K for Chesapeake Bay Activities (FY22 level \$58,103K, with \$6,000K for Chesapeake Bay Activities)

See Page 3 for program narrative.

National Park Service

✓ Chesapeake Bay Gateways and Trails Program: \$3,000K (FY22 level \$3,000K)

This program helps with connecting people with the heritage of the watershed. The core functions are to:

- 1) develop a core set of "visitor hubs" to expand Chesapeake tourism;
- 2) increase programming and projects that get children and visitors outside; and
- 3) advance Chesapeake conservation and access goals.

We recommend specific report language to support this funding level.

U.S. Fish and Wildlife Service

✓ Chesapeake Watershed Investments for Landscape Defense (WILD): \$15,000K (FY22 level \$4,000K)

See Page 3 for program narrative.

✓ **Cooperative Landscape Conservation: \$16,030K**
(FY22 level \$12,802K)

These 22 public-private landscape cooperatives are a recognition that successful conservation requires voluntary, non-regulatory partnerships that span jurisdictional boundaries. The North Atlantic and Appalachian cooperatives develop the scientific information and tools needed to prioritize and guide regional conservation goals.

✓ **Habitat Conservation — Coastal Programs: \$15,616K** (FY22 level \$13,616K)

This is a voluntary habitat conservation program that provides technical and financial assistance, in collaboration with partners, for the benefit of protected species and resources. The Chesapeake Bay is one of 24 priority coastal ecosystems. Funding includes support for the Chesapeake Bay Nutria Eradication Project.

DEPARTMENT OF AGRICULTURE

Forest Service

✓ **Forest Stewardship: \$18,000K** (FY22 level \$12,000K)

This is the primary Forest Service program focused on private forestland management and conservation. Priority uses include restoring riparian forest buffers, adding urban tree canopy, and protecting high-value forest.

✓ **Land and Water Conservation Fund (all agencies): \$900,000K (mandatory funding)**

The LWCF is the nation's premier land conservation program. Through locally driven projects, it provides for the permanent protection of landscapes to safeguard the rivers and streams feeding into the Bay, while supporting local economies through recreation and tourism. Each year, a handful of top-ranked projects within the Bay watershed are selected for funding.

Energy and Water Development Subcommittee

U.S. ARMY CORPS OF ENGINEERS

✓ **Construction — Chesapeake Bay Environmental Restoration and Protection: \$6,000K** (FY22 level \$5,750K)

The U.S. Army Corps of Engineers (USACE) plays an important role in Chesapeake Bay restoration. The

Corps' Comprehensive Plan provides a strategic roadmap for investments in aquatic ecosystem restoration throughout the watershed. Under Section 510, USACE is provided an enhanced opportunity to partner with non-federal sponsors to design and construct projects.

✓ **Construction — Chesapeake Bay Oyster Recovery: \$5,000K** (FY22 level \$3,880K)

The Corps is also very active in oyster restoration. With current populations at less than one percent of historic levels, the Bay agreement targets oyster restoration as a key objective.

The Commission recommends report language to support this work: *Of the additional funding provided in this account for environmental restoration or compliance and other authorized project purposes, the Corps shall allocate not less than \$25,000,000 for multistate ecosystem restoration programs for which a comprehensive restoration plan is in development or has been completed, of which not less than \$5,000,000 shall be for projects or programs that restore and rehabilitate native oyster reefs.*

✓ **Investigations — Coordination with Other Water Resource Agencies: \$1,000K**

The DOD and the Corps are full partners in the joint federal-state Chesapeake Bay restoration effort. This funding supports Corps staff to serve their critical role as programmatic and technical advisors to the Partnership in their areas of expertise, such as oyster restoration, wetland creation and flood control.

✓ **Construction — Mid-Bay Island: \$104,000K**
(FY 22 level \$37,500)

Mid-Bay Island is the replacement to the Poplar Island project, which is reaching capacity. It will similarly serve as a valuable wetland habitat and dredged material placement site for the Port of Baltimore.

✓ **Construction — Continuing Authorities Program — Aquatic Ecosystem Restoration (Sec. 206): \$15,000K** (FY22 level \$15,000K)

✓ **Emergency Streambank and Shoreline Protection (Sec. 14): \$10,000K** (FY22 level \$10,000K)

These national programs provide funding for habitat restoration and for projects to reduce flood damage to public infrastructure in the Chesapeake Bay watershed.

Commerce, Justice, Science and Related Agencies Subcommittee

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

National Marine Fisheries Service

- ✓ **Habitat Conservation and Restoration (HCR):**
\$61,500K (FY22 level \$55,000K)

NOAA's Chesapeake Bay Office is budgeted within HCR. In FY 2021, this program provided \$6.316 million to support critical fisheries efforts, such as population assessment, restoration and habitat improvement. Critical species such as oysters, blue crabs, striped bass and menhaden have huge social and economic importance. The Commission supports report language to specifically fund enhanced oyster restoration efforts within the Chesapeake Bay at \$3.4 million and an increase in funding to \$7.3 million to support this effort and fisheries science more generally.

- ✓ **Regional Councils and Fisheries Commissions:**
\$43,000K (FY22 level \$42,902K)

Regional fishery coordination is critical to the stewardship and sustainable harvest of our migratory fisheries, both commercial and recreational. Working with state representatives from the executive and legislative branches, policy and management plans are crafted based on the best science and stakeholder engagement.

Office of Education

- ✓ **Bay-Watershed Education and Training (B-WET)**
Regional Programs: \$12,000K (FY22 level \$8,250K)

NOAA's B-WET program is an environmental education program that promotes locally based STEM learning for K-12 students and teachers. B-WET provides competitive grants to encourage capacity building and partnerships. In FY 2021, this program provided \$2.794 million towards Chesapeake stewardship and environmental literacy. We request an increase to \$3 million for the Chesapeake given the success of this program.

Office of Oceanic and Atmospheric Research

- ✓ **National Sea Grant College Program: \$158,000K**
(includes Marine Aquaculture Program) (FY22 level \$89,500K)

The Sea Grant program works to enhance the practical use and conservation of coastal and marine resources to

create a sustainable economy and environment. Within the Bay watershed, priorities include research to support sustainable fisheries and aquaculture. In FY 2021, this program provided \$5.3 million towards Bay restoration. This request is consistent with that of the Sea Grant Association.

Agriculture, Rural Development, FDA and Related Agencies Subcommittee

U.S. DEPARTMENT OF AGRICULTURE

- ✓ **Natural Resources Conservation Service (NRCS) —**
Conservation Operations: \$1,200,000K (FY22 level \$904,396K)

See Page 3 for program narrative.

- ✓ **NRCS and Farm Service Agency (FSA): Full funding**
of mandatory programs authorized in 2018 Farm
Bill

Farm Bill programs provide the financial backbone of the region's agricultural conservation efforts. In FY 2021, \$86 million was programmed for cost-share assistance to Bay watershed farmers. These dollars are critical to achieving the pollution reductions necessary to achieve clean water throughout the watershed. Core programs include the Conservation Reserve Enhancement Program (CREP), the Environmental Quality Incentives Program (EQIP) and the Regional Conservation Partnership Program (RCPP), which have been further strengthened by the new Farm Bill.

Defense Subcommittee

DEPARTMENT OF DEFENSE

- ✓ **Stormwater Infrastructure**

Stormwater remains the only pollutant in the Chesapeake Bay watershed that continues to increase. Climate-related impacts, such as increased rainfall intensity, only exacerbate this problem. As the second largest federal landholder in the Chesapeake Bay watershed, the Department of Defense (DOD) plays a vital role in reducing stormwater loads, while at the same time enhancing climate resiliency. There are 137 DOD installations, sites, and facilities in the Chesapeake Bay watershed, and it is a challenge to ensure stormwater and natural resources Best Management Practices

(BMPs) are constructed, maintained and repaired. If the Department is unable to implement and maintain BMPs, it may result in failure to meet both targeted pollution reductions and permit requirements.

In FY 2022, the Commission supported legislation to reinforce and create new authorities for DOD to invest in stormwater infrastructure through programs like the Energy Resilience and Conservation Investment Program (ERCIP), the Military Installation Resilience (MIR) program and the Defense Community Infrastructure Program (DCIP) among others. The Commission supports robust funding for these programs in FY 2023 and additional report language directing DOD to utilize these new authorities to execute stormwater infrastructure projects on installations in the Chesapeake Bay watershed and around the country.

✓ **Readiness and Environmental Protection
Integration Program (REPI): \$175,000K**
(FY 22 level \$150,000K)

The REPI Program is the Department of Defense's key tool to protect the military's mission to avoid encroachment and land-use conflicts near installations. It provides funding for conservation easements to buffer the off-base impacts of military activities, such as flight or ordnance training. There are 14 installations with active REPI partnerships located in the Chesapeake Bay watershed; these land conservation efforts also help us meet our nutrient reduction goals.

In Conclusion

CONGRESS HAS SHOWN tremendous support for the Chesapeake Bay restoration effort. The Commission's FY 2023 funding recommendations will allow us to continue and enhance our progress. Watershed restoration can be achieved through the collaborative will, strength and determination of federal, state and local governments, their legislatures and the public.

Chesapeake Bay Commission

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