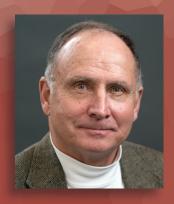


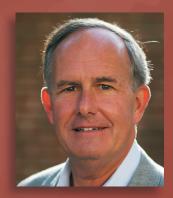
WHO WE ARE



VICE-CHAIR
Keith Gillespie
Pennsylvania House
of Representatives



CHAIRSarah K. Elfreth
Maryland State Senate



VICE-CHAIR Lynwood W. Lewis, Jr. Senate of Virginia

ITH A MEMBERSHIP OF LEGISLATORS, STATE OFFICIALS AND PROMINENT citizens from Maryland, Pennsylvania and Virginia, the Chesapeake Bay Commission is a bipartisan organization whose purpose is to craft and promote legislation and policies to foster the restoration of the Bay and its watershed.

2022 MEMBERS

→ The Hon. Sarah K. Elfreth, Chair	Maryland State Senate
→ The Hon. Keith Gillespie, Vice-Chair Pennsylvania House of Representatives	
◆ The Hon. Lynwood W. Lewis, Jr., Vice-Chair	Senate of Virginia
→ The Hon. Robert S. Bloxom, Jr.	Virginia House of Delegates
The Hon. Tony Bridges	
→ The Hon. David L. Bulova	
G. Warren Elliott	Pennsylvania Citizen Representative
The Hon. Guy Guzzone	
The Hon. Jeannie Haddaway-Riccio	Secretary of Natural Resources, Maryland
The Hon. Emmett W. Hanger, Jr.	
The Hon. Johnathan D. Hershey	
→ The Hon. Sara Love	Maryland House of Delegates
→ The Hon. Scott Martin	Senate of Pennsylvania
The Hon. Patrick McDonnell Secretary	
The Hon. Thomas McLain "Mac" Middleton	Maryland Citizen Representative
Missy Cotter Smasal	Virginia Citizen Representative
The Hon. Dana M. Stein	Maryland House of Delegates
The Hon. P. Michael Sturla	Pennsylvania House of Representatives
The Hon. Gene Yaw	Senate of Pennsylvania
Rear Admiral Charles W. Rock	Naval Liaison

◆ Member of the Executive Committee

OUR MISSION: POLICY FOR THE BAY

N THE 1980s, PROMPTED BY THE DECLINING HEALTH AND PRODUCTIVITY

of the Chesapeake Bay, the General Assemblies of Maryland, Virginia and Pennsylvania

created the Chesapeake Bay Commission to lead their legislative efforts to restore

the estuary.

The Commission is composed of 21 members, seven from each state. Five members of each delegation are state legislators, representing the diversity of the watershed's people, places, and political identities. Each governor selects a member of his or her cabinet to serve and each legislature appoints a citizen representative, filling out the membership.

The Commission's charge is to address the full gamut of issues that affect the health and well-being of the Bay watershed and its people. During its 41-year history, the Commission has successfully navigated a web of scientific, ecological, social, and economic concerns to provide a unified voice for a unified purpose: the restoration of the Chesapeake. The Commission's members have spearheaded the adoption of innumerable laws and policies in their states and advocated for the investment of millions of dollars to promote that goal.

The Commission's work and influence extend beyond the geographic boundaries of its three member states. As an integral partner in the multi-jurisdictional Chesapeake Bay Program, the Commission has been a signatory to every Bay Agreement and provides leadership for many Bay Program initiatives. The Commission also serves as a liaison to the U.S. Congress and federal agencies on policy and budgetary matters related to the restoration of the Bay and its watershed.

The pages that follow provide the highlights of the Commission's achievements in 2021, reflecting the ongoing legacy of a unique institution and the results that truly informed, collaborative, and bipartisan state leaders can achieve.

THE COMMISSION IN ACTION 2021



Fair Hill Farm owners Ed and Matt Fry (left and foreground) share the importance of federal and state financial and technical support for conservation efforts on their 1,200-head dairy farm.





Pa. Rep. John Hershey, Md. Sens. Guy Guzzone and Sarah Elfreth, Choptank Riverkeeper Matt Pluta, and Pa. Rep. Mike Sturla marvel at the abundance of life in a farm-field restored wetland.









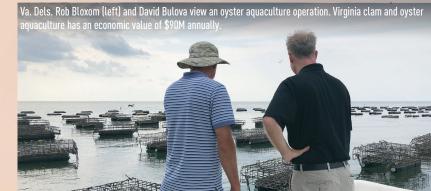


After 17 months of virtual meetings, the Commission resumed in-person work in September. Md. members Sen. Sarah Elfreth, Del. Dana Stein and Sen. Guy Guzzone.



At the 2021 meeting of the Chesapeake Executive Council, CBC Chair Va. Del. David Bulova (right), announces the Commission's efforts to enhance Federal support for stormwater management on military installations.





WORKING IN THE STATES 2021

HE CHESAPEAKE BAY COMMISSION HAS long been a catalyzing force for change in watershed policy among the states. This work is done primarily through passage of state legislation and publication of policy reports that spur meaningful change. In 2021 the Commission's state legislative work focused on funding, climate resiliency, agriculture, and diversity, equity, inclusion and justice.

HISTORIC INVESTMENTS IN STATE FUNDING

In 2021, Commission members championed initiatives in Maryland, Virginia and Pennsylvania to provide critical funding to not merely support restoration but also to maximize results.

- In Maryland, Commission members played key roles in the adoption of the Clean Water Commerce Act of 2021. This act modifies the use of the state's Bay Restoration Fund. Derived from a fee on wastewater system users, \$20M of the Fund will annually target outcome-based nitrogen reductions, focusing on those sectors which achieve the most effective reductions.
- In Virginia, members worked with the Governor to dedicate \$185M towards water quality improvements. Later in the year, members also worked with the Governor to dedicate an additional \$305 million of Virginia's apportionment from the federal American Rescue Plan Act (ARPA) to upgrade wastewater treatment plants, eliminate combined sewer overflows, and fix failing well and septic systems. Many

- of these dollars will be spent in the Bay watershed.
- In Pennsylvania, Commission members sponsored legislation that would establish a new Clean Streams Fund dedicated to reducing nonpoint pollution statewide. Initial funding of \$250M is proposed to come from the state's ARPA allocation.

INTEGRATION OF CLIMATE CHANGE AND RESILIENCY POLICY

Concerns about climate change are dominating discussions of environmental policy, requiring a new view of the work and priorities to restore the Bay watershed. It is no longer sufficient, for example, to evaluate conservation practices only for their pollution reduction benefits; determining whether they help ameliorate the root causes of climate change and provide resiliency must also be a part of the evaluation.

Many Commission members have long been active in the climate change space. During 2021, the Commission began to integrate members' climate work more strategically with traditional restoration initiatives. The Commission forged a partnership with the Virginia Coastal Policy Center (VCPC) at the College of William & Mary's Law School to review a wide variety of policy options.

The VCPC work prompted the Commission to dive deeper into the issues of resiliency to determine what policy actions could have the most meaningful impact to the region. Topics identified for research in partnership with the VCPC were:

- Cooperative regional resilience efforts.
- Better incorporation of the private sector in resilience efforts.
 - The use of overlay districts, such as those in Norfolk, Va., to encourage development away from sensitive areas.
 - A gap analysis of state programs and policies concerning climate resiliency.

Climate change initiatives championed by members during the 2021 state legislative sessions included more



frequent updating of stormwater regulations based on the increased precipitation brought about by climate change; establishing a state task force to address carbon sequestration; and requiring transportation projects to address resilience. Many more initiatives related to planning, funding, land conservation and local government authority will be proposed in 2022. Establishing resiliency in the face of rapid climate change will take many years — the Commission sees this as an iterative policy process, one that must be tied closely to initiatives taken at the national and even international scale.

AGRICULTURE POLICY: AN ONGOING PRIORITY

Given its importance to achieving the Chesapeake Bay Total Maximum Daily Load (TMDL), agriculture has been a central focus of the Commission's work for decades; 2021 was no different. Legislative initiatives promoted by Commission members included:

- In Pennsylvania, the legislature is considering a new statewide Agricultural Conservation Assistance Program (ACAP) administered by the State Conservation Commission and county conservation districts. The program would be funded through the proposed Clean Stream Fund.
- In Maryland, the Clean Water Commerce
 Act not only removed the prohibition on
 using the Act's funds for agricultural best
 management practices (BMPs), but now
 dedicates an additional \$7M a year to this
 purpose. The Maryland legislature codified
 a specific goal for farmland preservation
 and increased the state's cost-share
 dollars to 100 percent for priority on-theground conservation projects that prevent
 or control agricultural nonpoint water
 pollution.
- In Virginia, legislation created an enhanced tax credit for the implementation of certified agricultural conservation plans and a refundable tax credit for the purchase of conservation tillage and precision agriculture equipment.



DIVERSITY, EQUITY, INCLUSION AND JUSTICE

The Chesapeake Bay Program Executive Council adopted a Policy Directive on diversity, equity, inclusion, and justice (DEIJ). The DEIJ Directive catalyzes a Bay Program reexamination of all its work through a DEIJ lens. As a Council member, the Commission takes this responsibility seriously and worked to apply these principles in its 2021 legislative efforts.

- In Maryland, the Delegation sponsored the Clean Water Commerce Act of 2021, providing a specific set-aside of funding for communities disproportionately impacted by environmental degradation. Members also sponsored a substantive rewrite of the legislation governing the state's Commission on Environmental Justice and Sustainable Communities. Finally, with the support of all the delegation, the legislature adopted a new law to require and fund the planting of 500,000 trees in underserved areas by 2031.
- In Pennsylvania, the proposed Clean Streams Fund legislation would establish a new Municipal Stormwater Assistance Program. This program places a funding priority on environmental justice communities.

FEDERAL LIAISON ACTIVITIES 2021

HE COMMISSION'S CHARTER CALLS ON it to represent regional Bay interests as they are affected by the federal government. Commission members have a long history of successfully working with their federal peers to advance national policy and budgets that complement their work at the state level. This role is particularly important when there is a Presidential transition. In 2021, the Commission outlined for the new Administration a set of federal priorities for the Bay restoration that included: fully fund Bay restoration programs; enhance support for farm and forest conservation initiatives; leverage investments in agricultural conservation practices designed to accomplish water quality and climate change benefits; and invest in stormwater infrastructure. Having a clear and consistent message provided strong benefits when communicating to new faces.

INFLUENCING THE INFRASTRUCTURE ACT

Passage of the Infrastructure Investment and Jobs Act, intended to improve the nation's ailing infrastructure, was a top priority for the incoming Administration. The Commission worked to help shape this legislation to maximize benefits to the watershed. Signed into law in November, the final bill provides many positive elements to improve the health of the watershed, including:

■ Additive appropriations for the EPA-Chesapeake Bay Program in the amount of \$238M over five years for:

1) conservation practice implementation in

- areas providing the most benefit to the Bay;
 2) the watershed grant programs; and
 3) enhanced Chesapeake Bay Program
 Office services.
- Additive appropriations for the Clean Water State Revolving Fund (CWSRF) totaling \$11.7B nationally over the next five years. Based on historic allocations, the Bay region's share could be \$878.5M. The CWSRF is the primary federal tool to finance stormwater and wastewater infrastructure.
- Increased funding levels for programs that play a significant role in Bay restoration, including: 1) \$492M for the federal Coastal Resiliency Fund; 2) \$400M for community-based restoration; and 3) \$1.9B for the U.S. Army Corps of Engineers' ecosystem restoration efforts.

CONTINUED SUCCESS WITH FEDERAL FUNDING

In 2021, the Commission's efforts in the federal appropriation process continued to achieve results exceeding expectations. While all funds inventoried below are subject to final Congressional action in 2022 or 2023, the Commission has successfully positioned Bay restoration for an influx of substantial new federal dollars.

Chesapeake Bay Program

Chesapeake Bay Program funding maintains the nucleus of the federal-state partnership to restore the Bay. The President's proposed FY22 budget increased these dollars from a base of \$73M

annually to more than \$90M annually. Much of the additive funding generated by the Commission's federal work will apply to state-based implementation in the "most effective basins" and the grant programs that support complementary local government, academic and nonprofit work.



Most Effective Basins

The scale of funding needed for watershed restoration demands that each dollar spent achieve maximum results. This has been a consistent mantra of the Commission, Hence, the Commission has used this framework to advocate successfully for targeting of funding to the "most effective basins" - those places where the dollars make the greatest impact. As an example, with the Susquehanna River providing half of the Bay's fresh water, Pennsylvania plays a defining role in the ongoing Chesapeake Bay restoration. A targeted investment in only seven Pennsylvania counties would achieve half of the needed reductions and help restore over 19,000 miles of locally impaired streams.

Healthy soil on farmlands, supported by the Chesapeake Resilient Farms Initiative, will provide increased climate resiliency and improved water quality.

WILD Act

Created in 2020, the Chesapeake Watershed Investments for Landscape Defense (WILD) authorizes grants for restoring fish and wildlife habitat throughout the watershed. The House version funds the program at \$15M, with the Senate at \$5M. The Commission supports funding at \$15M and hopes WILD will grow over time.

Chesapeake Ecosystem Science and Monitoring

Decision-makers at all levels rely on U.S. Geological Survey (USGS) monitoring and science to devise and implement plans to reduce the impacts of nutrients, sediment and toxic contaminants, improve habitat for freshwater fisheries and waterfowl, and target land protection. Funding has increased from nearly \$13M to over \$16M with Commission advocacy.

NEW DOLLARS FOR RESILIENT FARMS INITIATIVE

Since the Commission's creation, nutrient pollution has been reduced by 25 percent. According to current modeled estimates, an additional 50 million pounds of nitrogen pollution must be reduced to restore clean water. Eighty-five percent of those

reductions are to come from the agricultural sector. The estimated federal share for accomplishing this reduction from the agricultural sector is approximately \$74M a year for ten years. The Commission is championing the creation of a Chesapeake Resilient Farms Initiative (CRFI), modeled on the USDA Mississippi River Basin Healthy Watersheds Initiative. CRFI would provide federal funds and technical assistance to support the states' water quality improvement plans, targeting funds to key sub-watersheds and priority practices — favoring on-the-ground practices in the most effective basins that have the co-benefits of increasing farm resiliency to weather extremes and reducing greenhouse gases.

DEPARTMENT OF DEFENSE STORMWATER INFRASTRUCTURE

Stormwater remains the only pollutant source in the Chesapeake Bay watershed that continues to increase. As the second largest landholder in the watershed, the Department of Defense plays a vital role in reducing stormwater loads. The Commission's advocacy in 2021 resulted in the creation of several new funding opportunities for military installations in the Chesapeake Bay watershed to execute new stormwater infrastructure projects.

