

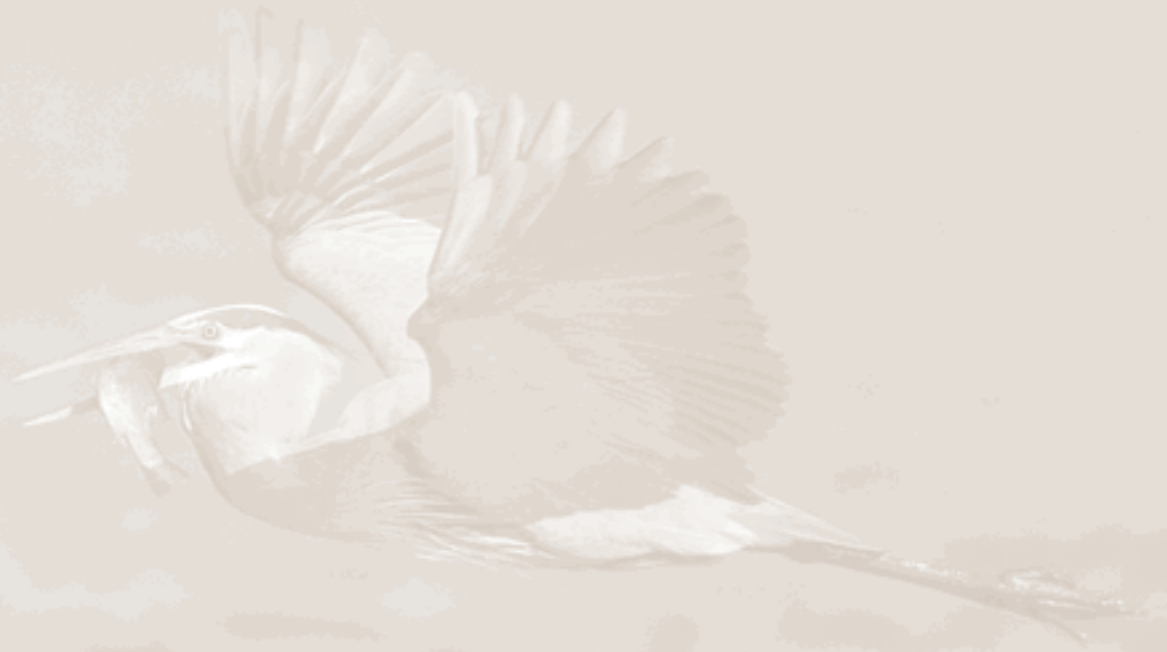


# Resolve

CHESAPEAKE BAY COMMISSION • ANNUAL REPORT 2008



CHESAPEAKE BAY COMMISSION  
*Policy for the Bay*



re•solve (v). to make a decision; to  
determine; to decide by vote or  
express by resolution; *to find the  
will to finish the task at hand*

## A Dedication



*“At the end of the day, each of us has a point where wisdom and integrity draw the line. Finding that point, I suggest, is a good definition of our responsibility to the people.”*

— JOSEPH V. GARTLAN, JR., 1925–2008

COMMISSION MEMBER 1980–1999

VIRGINIA SENATOR JOE GARTLAN EPITOMIZED *resolve*. HE FOUGHT tenaciously for those who often could not fight for themselves — children, people with mental disabilities — and the environment. Senator Gartlan served as chairman of the Chesapeake Bay Commission three times, in 1981, 1983 and 1985, and remained a driving force as a member for 19 years. Without his contributions, the 1983 Chesapeake Bay Agreement may not have been signed—and a host of important Bay initiatives that followed may never have seen the light of day.

Our 2008 Annual Report is dedicated in memory of Senator Gartlan and his legacy of leadership and resolve.

# Resolve

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Introduction **Leadership for the Bay**

**T**HE CHESAPEAKE IS A TREASURE WE CANNOT AFFORD TO LOSE. When our children and grandchildren look back on this time, what will they see? Will they see that we faltered? That we failed? That our legacy, and with it our pride, was lost?

With every discouraging headline about the state of the Chesapeake Bay, we face the choice of giving in or digging in — of letting inertia take hold, or vowing to use resources more efficiently, target funds more wisely, and live more lightly on the land.

We can reverse the bay's decline. We know what must be done. The question now is whether we have the resolve to call on the people, to gather our resources, and to mobilize new technologies.

The future waits. Our children wait. *Resolve.*



The numbered circles on this map show where each of the Commission members works. In the case of state legislators, their districts are drawn on the map. Governors' representatives are shown at their state capitals. Citizen representatives are shown at their homes.

## 2008 Members and Staff of the Commission

- 1 **The Hon. Arthur D. Hershey, Chairman \*** ..... Pennsylvania House of Representatives
- 2 **The Hon. John A. Cosgrove, Vice-Chairman \*** ..... Virginia House of Delegates
- 3 **The Hon. John F. Wood, Jr., Vice-Chairman \*** ..... Maryland House of Delegates
- 4 **The Hon. Michael W. Brubaker \*** ..... Senate of Pennsylvania
- 5 **The Hon. L. Preston Bryant, Jr.** ..... Secretary of Natural Resources, Virginia
- 6 **The Hon. Virginia P. Clagett** ..... Maryland House of Delegates
- 7 **The Hon. Russell H. Fairchild** ..... Pennsylvania House of Representatives
- 8 **The Hon. Bernie Fowler \*** ..... Maryland Citizen Representative
- 9 **The Hon. Brian E. Frosh** ..... Maryland State Senate
- 10 **The Hon. John R. Griffin** ..... Secretary of Natural Resources, Maryland
- 11 **The Hon. Emmett W. Hanger, Jr. \*** ..... Senate of Virginia
- 12 **The Hon. John Hanger** ..... Acting Secretary of Environmental Protection, Pennsylvania  
(beginning July 2008)
- 13 **The Hon. Irvine B. Hill** ..... Virginia Citizen Representative
- 14 **The Hon. James W. Hubbard \*** ..... Maryland House of Delegates
- 15 **The Hon. Lynwood W. Lewis, Jr.** ..... Virginia House of Delegates
- 16 **The Hon. L. Scott Lingamfelter** ..... Virginia House of Delegates
- 17 **The Hon. Kathleen A. McGinty** ..... Secretary of Environmental Protection, Pennsylvania  
(through July 2008)
- 18 **The Hon. Thomas McLain (Mac) Middleton** ..... Maryland State Senate
- 19 **The Hon. P. Michael Sturla** ..... Pennsylvania House of Representatives
- 20 **The Hon. Michael L. Waugh** ..... Senate of Pennsylvania
- 21 **The Hon. Mary Margaret Whipple** ..... Senate of Virginia (beginning May 2008)
- 22 **The Hon. George B. Wolff** ..... Pennsylvania Citizen Representative
- 23 **Rear Admiral Mark S. Boensel** ..... Naval Liaison

\* Executive Committee Member (two officers from each state plus the previous year's Chairman)

### Staff

- Ann Pesiri Swanson** ..... Executive Director
- Suzan Bulbulkaya** ..... Virginia Director
- Marel A. Raub** ..... Pennsylvania Director
- Matthew P. Mullin** ..... Maryland Director
- Paula W. Hose** ..... Administrative Officer



**CHAIRMAN**  
Representative  
Art Hershey  
(Pennsylvania)



**VICE CHAIRMAN**  
Delegate  
John Cosgrove  
(Virginia)



**VICE CHAIRMAN**  
Delegate  
John Wood, Jr.  
(Maryland)



## Chapter 1 **Policy for the Bay in 2008**

### **A Baywide Leader**

**T**HE CHESAPEAKE BAY COMMISSION IS THE POLICY LEADER in the Chesapeake Bay restoration effort. As representatives of the Maryland, Pennsylvania and Virginia legislatures, no regional body is more uniquely positioned to have direct and immediate impact on the policies that shape the Bay's future.

The Chesapeake Bay Commission is one of six signatories to the region-wide Bay agreements and a member of the Chesapeake Executive Council. Commission members — elected officials themselves — work on multiple levels to advance the Bay restoration. They consult with their respective governors, partner with colleagues in the General Assemblies, and petition the U.S. Congress to enact



DAVE HARP

The Commission devoted part of each of its quarterly meetings to the examination of biofuels before offering policy recommendations to the region's governors. All six watershed states supported the Commission's recommendations.

laws, policies and programs to benefit the Bay at the state and Federal levels.

By law, the Commission is charged with addressing the broad range of issues and policies that reflect the pollution sources, land uses and human impacts in the Bay region, an area spanning six states, a 64,000 square-mile watershed, and 180,000 miles of tributaries and coastline. Commission members craft and secure passage of policies that must balance many ecological, societal and economic concerns.

This chapter details the significant progress made on Bay issues in 2008, as well as the steps taken to secure more progress in 2009 and beyond.

### Commission Members and Leadership

Twenty-one members define the Commission's identity, strategic focus and issues. Fifteen are legislators — five from each state — who represent both political parties and the full range of urban, suburban and rural life found within the watershed. Each of the three governors is a Commission member, represented by the cabinet member who is directly responsible for managing their state's natural resources. Three citizen representatives, one from each state, complete the Commission's membership.

Each year, the chairmanship of the Commission rotates. In January 2008, Maryland turned the gavel over to Pennsylvania with the election of Representative Arthur D. Hershey as Chairman. The members of the Commission's Executive Committee are noted in the Roster of Members on page 7. The Commission met four times during 2008. The individual state delegations met in conjunction with each quarterly meeting and more frequently in their own jurisdictions, as state-specific issues warranted. Chairman Hershey represented the Commission at the annual meeting of the Chesapeake Executive Council.



DAVE HARP

**MARYLAND DELEGATION** From left: Senator Brian Frosh, Secretary John Griffin, Senator Thomas “Mac” Middleton, Senator Bernie Fowler, Delegate Jim Hubbard, Delegate John Wood, Jr., and Maryland Director Matt Mullin. Not pictured: Delegate Virginia Claggett.

## THE COMMISSION'S WORK IN 2008

### Maryland

#### Legislation

Updating and reauthorizing Maryland's 24-year-old Critical Areas law was front and center for the Commission during the 2008 session of the Maryland General Assembly. The new law, SB844/HB1253, will better protect fish, wildlife, plant habitat and water quality from the adverse impacts of shoreline development on some of the state's most environmentally sensitive lands. The law strengthens and clarifies enforcement procedures, streamlines the Critical Area Program, and updates maps that determine the boundaries of critical areas. It also addresses a major communication gap by ensuring consistent and effective coordination between the state and local governments. The bill was co-sponsored by Delegate and Commission member Virginia Claggett.

Senator and Commission member Brian Frosh carried a suite of energy-related bills that the Maryland General Assembly approved to reduce electricity consumption and increase the supply of clean, affordable and renewable energy. SB205/HB374, sometimes referred to as EmPOWER, establishes electricity consumption reduction goals through cost-effective conservation measures while decreasing greenhouse gas emissions. SB268/HB368, a regional greenhouse gas initiative (RGGI), provides incentives through the Maryland Strategic Investment Fund to decrease energy demand and increase the supply of reliable, clean energy. Finally, SB209/HB375 increases Maryland's supply of energy from renewable sources, which will directly lower greenhouse gas emissions that drive climate change and subsequent negative effects on the Chesapeake Bay.

As anticipated, the Maryland General Assembly took up an expenditure plan for SB213/HB369, the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund, co-sponsored by Commission members Senator Brian Frosh and Delegates Virginia Claggett and Jim Hubbard. The



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Congressman Dutch Ruppersberger (Md.) confers with members of the Maryland Delegation on the reauthorization of the Federal Chesapeake Bay Program.



DAVE HARP

Executive Director Ann Swanson reminds the Commission members that geographic targeting of the most effective best management practices can reduce about three quarters of the nitrogen and phosphorous pollution loads for about one quarter of the price.

dedicated fund was approved during the 2007 Special Session by drawing on a portion of the existing gasoline and car rental taxes. The Commission's Maryland Delegation worked to ensure that the money will be targeted toward cost-effective, nonpoint source pollution reduction practices that offer the biggest pollution reduction feasible. The Trust Fund is administered by the Governor's BayStat Program with guidance from a Scientific Advisory Panel, of which the Commission is a member. Although \$50 million was initially dedicated to the Trust Fund, the funding was cut to \$25 million because of budget shortfalls.

While the 2008 session was largely successful for Commission-supported bills, one bill of significance to the Bay was not adopted into law. The Phosphorous Content Reduction bill would have codified the agreement brokered by the Chesapeake Bay Commission and the Chesapeake Bay Program with The Scotts Miracle-Gro Company in 2007 to reduce phosphorus content in their home-use fertilizers by 50 percent by 2009. By codifying the agreement, the requirement would have extended to the remaining 15 percent of fertilizer manufacturers that were not part of the original agreement. Because the bill was not adopted, the Commission will work to have it successfully reconsidered in 2009.

### Program Activities

On behalf of the Maryland Delegation, Commission staff participated in a number of pertinent initiatives across the state and region to advance the Chesapeake Bay restoration goals at the programmatic level.

The staff served as a catalyst and co-organizer of a two-day Cover Crop Enhancement Conference held in December. The conference was sponsored by the Chesapeake Bay Program's Scientific and Technical Advisory Committee and built upon the Commission's earlier work that identified cover crops as one of the most cost-effective ways to reduce nutrient pollution from farm fields. During the conference, experts discussed techniques to increase and optimize the use of winter cover crops in ways that can simultaneously sustain Maryland farms, improve nutrient and soil conservation and protect water quality. Proceedings will be issued in 2009.

Commission staff also advised two regional initiatives aimed at emerging payment mechanisms for ecosystem services. The first initiative, led by an international finance network called the Katoomba Group, focuses on using ecosystem markets to reduce Bay pollution. These efforts resulted in the formation of the Chesapeake Fund, a market-based tool modeled after voluntary carbon funds. The Chesapeake Fund will leverage and invest private dollars in pollution reduction projects by capitalizing on public concern about environmental issues and increased interest in corporate environmental stewardship.

The second initiative is the Bay Bank, led by the Pinchot Institute for Conservation. The Bay Bank provides farmers and foresters with easy access to national, state and local markets for ecosystem services, including carbon sequestration, water quality protection, forest conservation, habitat conservation, and traditional conservation programs. Working in tandem, the Chesapeake Fund and the Bay Bank will use market-based approaches to further the Bay restoration.

Maryland Director Matt Mullin also participated in the No Net Loss Forestry Conservation Task Force. The Task Force was established by SB 431 during the 2008 legislative session to develop a plan for achieving and maintaining no net loss of forestland in Maryland. The Task Force made legislative recommendations for the 2009 session that would ensure this process is in place by 2010.

Working with the Chesapeake Bay Foundation, the Maryland delegation participated in the No Child Left Inside Coalition to promote outdoor education experiences and to ensure environmental literacy for all students. Governor O'Malley responded with an Executive Order, creating the Partnership for Children and Nature. The effort is complimentary to the Commission's Congressional efforts to secure No Child Left Inside legislation nationwide.



CHRIS GUERRISI, SENATE OF PENNSYLVANIA

Participants in the Biofuels Summit, including Senator and Commission member Mike Waugh (Pa.) and panel members John Urbanchuk, John Quigley and Ed White, joined more than 100 invited experts to conclude that cellulosic biofuels production holds significant environmental and economic promise for our region.



CBC STAFF

Maryland Commission member and Delegate Virginia Clagett's home of Anne Arundel County, with over 534 miles of shoreline and a burgeoning population, offers many an environmental challenge.



DAVE HARP

**PENNSYLVANIA DELEGATION** Front row: Senator Mike Brubaker, Pennsylvania Director Marel Raub, Department of Environmental Protection Chesapeake Bay Coordinator Pat Buckley, Representative Art Hershey. Back row: Senator Mike Waugh, Acting Secretary John Hanger, Representative Russ Fairchild, Representative Mike Sturla and Citizen Representative George Wolff.

## Pennsylvania

### Legislation

Point source upgrades and alternative energy issues dominated the work of the Pennsylvania Delegation in 2008, with Senate Resolution 224 leading the action. Co-sponsored by Senator and Commission member Mike Brubaker, the resolution called for a nine-month study of the cost to bring wastewater treatment plants into compliance with new nitrogen and phosphorus permit limits for Chesapeake Bay. Uncertainty and debate over these costs had hindered previous compliance and funding efforts, yet the 2008 General Assembly was willing to act.

With results of the study still pending, two bills were approved to fund water infrastructure. SB 2, co-sponsored by Senators and Commission members Brubaker and Waugh, authorized \$800 million in matching funds, with a priority for plants facing new mandates. SB 1341 authorized a \$400 million bonding referendum, which was approved during the General Election. This statewide funding is a significant step forward. However, when the study results were published in November, the estimated cost for wastewater compliance in Pennsylvania's portion of the Chesapeake watershed totaled \$1.4 billion. With the statewide need for water infrastructure estimated at \$18 billion, this will continue to be a topic in the 2009-2010 Session.

To reduce the cost of wastewater treatment, SB 1017, introduced by Senator Brubaker and co-sponsored by Senator Waugh, expanded an existing phosphate ban for laundry detergent to include household dishwashing detergent, effective July 2010. Representatives Art Hershey and Russ Fairchild introduced the companion legislation on the House side.

The use of nutrient trading to reduce wastewater treatment costs was also a popular subject. This important trading tool, available since 2006, has not been widely utilized. Several bills were introduced to address perceived shortcomings of the nutrient trading program, mostly related to program processes and oversight. They include SB 1493, co-sponsored by Senators Brubaker and Waugh; HB 2654, co-sponsored by Chairman Hershey and Representative and Commission member Mike Sturla; HB 2717, co-sponsored by Representative Sturla; and HB 2441, co-sponsored by Representatives Hershey and Fairchild.

Senator Brubaker convened a task force to address Bay compliance issues specific to Lancaster County, with the goal of developing a multi-sector plan of action. The group is comprised of more than 50 individuals representing a wide variety of interests and includes Representative Sturla. A final report of the task force is expected in January 2009. Senator Brubaker also moderated a panel of state and Federal officials at a Chesapeake Bay Forum during the statewide annual meeting of township supervisors in May.

Related to alternative energy, the legislature considered a package of proposals from Governor Rendell to increase the production and use of alternative energy. This underscored the championship of next-generation biofuels, which was a joint effort between the Commonwealth and the Commission. (The biofuels initiative is summarized later in this chapter and described in detail in Chapter 5.)

Senator Brubaker served on the Senate Special Session Committee that considered several of these proposals, including HB 1, which provides up to \$40 million annually for alternative energy development projects and up to \$10 million for alternative energy production tax credits. Special Session SB 22 increases the reimbursement for alternative fuel producers from



DAVE HARP

Representative and Commission member Russ Fairchild is a voice for the water. His roots are deep-seated in Pennsylvania's Susquehanna, the Bay's largest river, which draws its strength from a 13,000-square-mile watershed draining over half of Pennsylvania, along with parts of New York and Maryland.



DAVE HARP

Regional and Federal experts join the Commission's Executive Committee to craft the Bay region's priorities for the U.S. Congress on the Economic Stimulus Package.



CBC STAFF

The multiple benefits of algae-based biofuels cannot be overstated. Virginia Delegate and Commission member John Cosgrove explains to Congresswoman Thelma Drake (Va.) that Old Dominion University is using algae to first clean wastewater at sewage treatment plants and then make biodiesel.



CBC STAFF

As Chair of the Virginia Commission on Energy and Environment, Senator and Commission member Mary Margaret Whipple is in a good position to position the Bay region as a leader in the development of advanced biofuels.

five cents per gallon to ten. From the Regular Session, HB 1202 now mandates biodiesel and cellulosic ethanol use based on in-state production capacity.

The Senate Special Session Committee also considered two bills introduced by Senator Waugh. SB 25 contained language to amend the Commonwealth's Alternative Energy Portfolio Standards to include energy derived from byproducts of wood processing as "biomass energy." This provision was ultimately incorporated into HB 2200 of the Regular Session and passed in October. SB 1317 would have provided incentives for the planting and harvesting of bioenergy crops and is expected to be reintroduced in 2009.

In other activity, the legislature approved SB 1020, co-sponsored by Senators Brubaker and Waugh, which amended the Conservation District Law and enables Conservation Districts to deliver services more efficiently.

### Program Activities

Pennsylvania Director Marel Raub served on a work group of the Pennsylvania Department of Agriculture and USDA-Natural Resources Conservation Service to coordinate the implementation of conservation programs. The work group produced a brochure promoting nutrient management, conservation tillage, cover crops and buffers as core components of an on-farm conservation system.

Staff also monitored the continued expansion of natural gas drilling in the Marcellus Shale deposit of Pennsylvania. Optimism over potential new revenue sources and economic development is being tempered with questions about the effects of sudden development in rural areas and potential impacts from large amounts of wastewater that result from drilling. This issue will continue to be studied in 2009.

Members and staff provided frequent public commentary, including a presentation at the annual meeting of Lycoming County's Rose Valley/Mill Creek Watershed Association in April that focused on the importance of local involvement in Chesapeake Bay restoration. Staff also highlighted the importance of Pennsylvania agriculture to the Bay restoration during the third annual Susquehanna Symposium hosted by Bucknell University in September.



DAVE HARP

**VIRGINIA DELEGATION** From left: Secretary Preston Bryant, Delegate John Cosgrove, Delegate Scott Lingamfelter, Delegate Lynwood Lewis, Citizen Representative Irv Hill, Virginia Director Suzan Bulbolkaya and Senator Emmett Hanger, Jr. Not pictured: Senator Mary Margaret Whipple.

## Virginia

### Legislation

The Virginia legislature considered a wide spectrum of Bay restoration measures. Water quality initiatives — addressing both point and non-point sources — took center stage.

The Virginia General Assembly joined both Maryland and Pennsylvania in banning the sale of home dishwasher detergent containing more than 0.5 percent phosphorus. For more than 20 years, phosphorus has been banned in laundry detergent and other household cleaners. But with phosphorus still being one of the main pollutants in the Chesapeake Bay, Delegate and Commission member John Cosgrove introduced HB 233, which will phase out the use of phosphates in home dishwasher detergents by July 1, 2010. The new detergent limits are expected to reduce overall phosphorus loads in Virginia and to lower wastewater treatment

costs associated with achieving strict phosphorus effluent limits.

A coalition of agricultural and environmental interests joined with the Commission and members of the General Assembly to establish the Virginia Natural Resources Commitment Fund — a dedicated funding source to promote agricultural best practices that protect the Chesapeake Bay and Virginia's rivers. Senator and Commission member Mary Margaret Whipple sponsored SB 511 to provide \$100 million for this new fund. Although this funding mechanism failed to pass, \$20 million was appropriated to the fund. If fully funded and carried out, this new cost-share program would combine with sewage treatment plant upgrades to achieve 90 percent of Virginia's water quality goals for the Chesapeake Bay.

Commercial applicators of non-agricultural fertilizers will face stricter regulations in Virginia. Commission-supported SB 135 now requires state certification



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Virginia Delegation members John Cosgrove, Irv Hill and Lynwood Lewis wait to talk with U.S. Senators John Warner and Jim Webb about funding for the Captain John Smith Chesapeake National Historic Water Trail, the nation's first water trail.

of commercial applicators who apply fertilizer to non-agricultural lands. The regulations will prevent the over-fertilization of non-agriculture lands in accordance with the Department of Conservation and Recreation's nutrient management training and certification program. They also establish training requirements and proper nutrient management practices, including soil analysis techniques, equipment calibration, and the timing of the application. A civil penalty of up to \$250 may be imposed on any applicator who fails to comply with the new regulations.

To add incentives for the biofuels industry in Virginia, SB 689 amends the Biofuels Production Incentive Grant Program to include a broader definition of biodiesel and to clarify that the production incentive of ten cents a gallon applies only to producers of at least two million gallons of biofuels annually. HB 139 establishes an income tax credit for smaller producers of biodiesel in Virginia, up to two million gallons a year. The \$0.01 per gallon biodiesel tax credit is limited to the first three years of production and is capped at \$5,000 a year.

During the 2008 Special Session, the Commission members supported HB 5001/SB 5001, a monumental billion dollar bond package that funds state capital outlay projects over the next six years. The bond bill passed and includes authorizations for \$35.3 million for the state to acquire new natural areas, important forest lands, state parks and open spaces.

Senator Whipple introduced SB 464 to establish Virginia's Commission on Energy and the Environment and subsequently served as its Chair during 2008. The Energy and Environment Commission is charged with undertaking studies and gathering information to implement the Virginia Energy Plan; identifying reliable supplies of energy; evaluating the impact of carbon taxing, cap-and-trade programs, carbon sequestration or other carbon measures; and evaluating the research, development and use of alternative and renewable sources of energy, including biofuels. The Commission worked closely with the Energy and Environment Commission throughout the year, with staff offering their analysis of opportunities associated with cellulosic and next-generation biofuels.

## Program Activities

The Commission spearheaded another successful and well-attended session on next-generation biofuels at the Environment Virginia Conference held at the Virginia Military Institute. Staff assembled a panel of experts to discuss advances in biofuels and their potential economic and environmental impacts. Executive Director Ann Swanson led discussions by providing insight to the different alternative feedstocks and fuels together with their likely effects on water quality.

Virginia Director Suzan Bulbulkaya also participated in two other major conferences in Richmond. She was a member of the plenary panel at the 2008 Virginia Environmental Assembly and discussed next steps for Bay restoration. In September, she joined a panel at the Commonwealth of Virginia Energy & Sustainability Conference that focused on alternatives to fossil fuels, including next steps for cellulosic biofuels.

In 2008, Ann Swanson continued the Commission's recognition as a Bay leader by providing prominent speeches throughout the year. In Virginia, these included the Blue Planet Forum, the Virginia House and Senate Joint Retreat on Agriculture and Natural Resources, and the national conference of the Society of Environmental Journalists.

## Regional and National Leadership Activities

### Biofuels

Honoring its commitment at the 2007 Chesapeake Executive Council meeting, the Commission joined with the Commonwealth of Pennsylvania to champion the issue of sustainable cellulosic biofuels. Recognizing the potential for cellulosic biofuels feedstocks such as switchgrass or fast-growing trees to improve water quality in the region, as identified in the Commission's 2007 *Biofuels and the Bay* report, the partners pledged to hold a high-level policy summit at the Commission's September meeting.

The Commission began by coordinating an in-depth analysis of the biofuels industry nationwide and evaluated its economic and environmental future. Dubbed the



CBC STAFF

Pennsylvania's Citizen Representative George Wolff joins Representative and Commission Chairman Art Hershey in reading his Op Ed published in the Baltimore Sun, stressing the importance of upgrading the Blue Plains Wastewater Treatment Plant.



DAVE HARP

At each of the Commission's quarterly meetings, scientists and stakeholders from across the watershed and the nation share information that helps to shape the Commission's policies.



DAVE HARP

Upon receiving advice from scientists, fisheries managers and watermen, the Commission petitioned the U.S. Secretary of Commerce to declare the blue crab fishery eligible for disaster relief funding.

Chesapeake Biofuels Project, the analysis was guided by a 22-member Biofuels Advisory Panel and assisted by generous funding support and a talented group of consultants.

The project resulted in a final report — *Next-Generation Biofuels: Taking the Policy Lead for the Nation* — which outlines ten state and ten regional recommendations for action. The report strongly concludes that the watershed can indeed take a national leadership role in cellulosic biofuels and that development of a cellulosic biofuels industry, if done correctly, can significantly improve water quality.

The Chesapeake Biofuels Project and Summit are described in detail in Chapter 5.

### Blue Plains Wastewater Treatment Plant

For more than a decade, the Commission has been a lead advocate for Federal funding to upgrade the Blue Plains Wastewater Treatment Plant, the watershed's largest point source contributor. The year 2008 was no exception. Once Blue Plains is upgraded to enhanced nutrient

removal, almost four million pounds of nitrogen will be kept from entering the Bay every year. In context, this single potential nitrogen reduction is greater than either Pennsylvania or Virginia plan to achieve by upgrading hundreds of smaller sewage treatment plants in their portions of the watershed.

In 2008, Commission staff organized two Congressional tours and briefings at Blue Plains in the spring, which were followed by several Congressional hearings. The House and Senate both included unprecedented appropriations for Blue Plains in their FY09 budgets, \$14 million and \$16 million respectively. These funds were specifically dedicated to the District of Columbia's combined sewer overflow improvements, which are inextricably linked to achieving the needed nitrogen reductions at Blue Plains.

The Commission will maintain its focus on garnering Federal support for Blue Plains in 2009. By meeting with members of Congress, publishing editorials and partnering with regional stakeholders, the Commission will continue to encourage the timely design and construc-

tion of enhanced nutrient removal at Blue Plains and sewer upgrades in our nation's capital.

### **Blue Crabs**

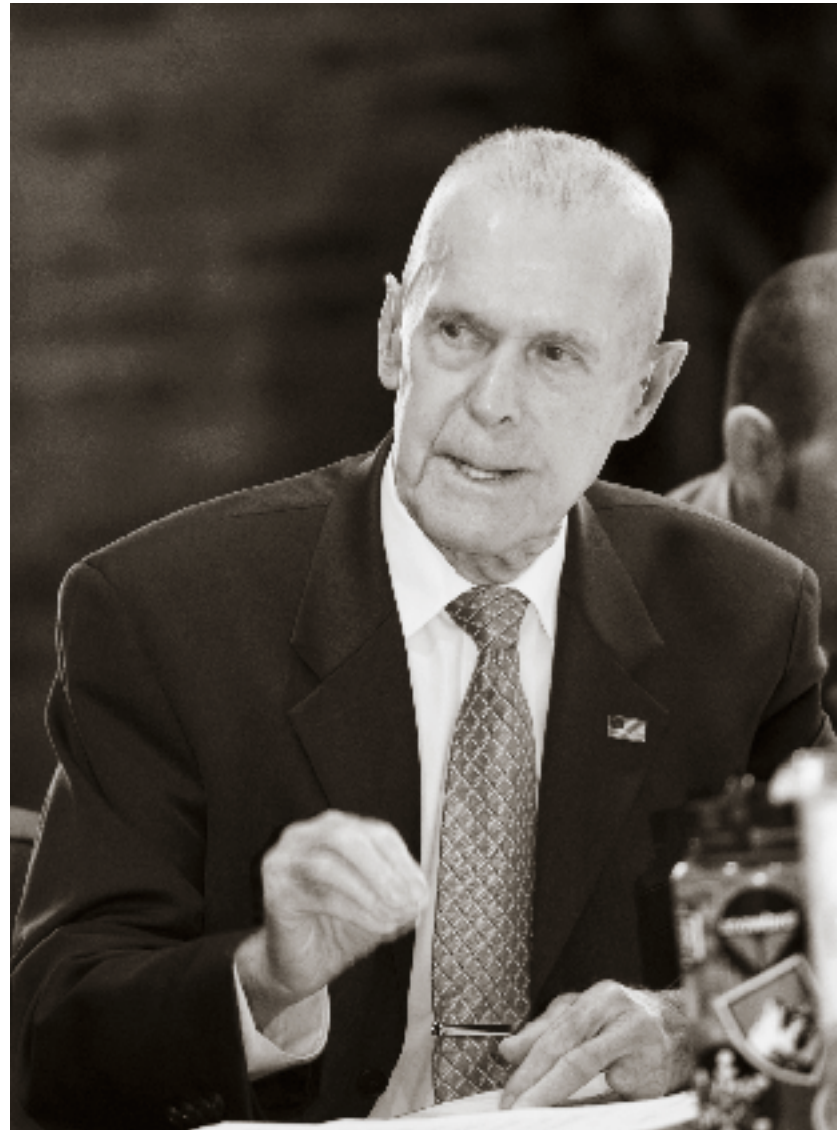
The Commission has been working for the sustainable management of the blue crab fishery for more than ten years. In 1996, the Commission established its Bi-State Blue Crab Advisory Committee, bringing together for the first time a team of crab experts from both Maryland and Virginia, including scientists, fisheries managers, legislators and stakeholders. The Committee's recommendations to reduce harvest pressure on blue crabs and to double the size of the blue crab spawning stock were subsequently adopted by Virginia and Maryland.

Unfortunately, the Bay's blue crab stock has continued to decline. Scientific data collected during the 2008 winter crab dredge survey revealed an estimated 70 percent drop in the blue crab population within the past 15 years. An even more somber figure shows the number of spawning-age crabs in the Bay fell dangerously close to the critical minimum number of crabs needed to repopulate the Bay.

In response, Maryland and Virginia jointly took swift action to reduce the Baywide harvest of female crabs by 34 percent. Scientists are hopeful that the Bay's blue crab population could recover within three years.

However, these new regulations come at a high price for the Bay's watermen. For instance, Virginia's 100 year old winter dredge fishery that allowed the taking of hibernating female crabs during winter months came to an end, effectively putting about 50 watermen out of work for the season. Watermen dependent on the blue crab fishery throughout the Bay began to face severe economic hardship.

To help address the watermen's financial stability, the Commission petitioned the U.S. Department of Commerce to declare the Bay's blue crab fishery a Federal Fishery Resource Disaster under the Magnuson-Stevens Fishery Conservation and Management Act. With support by Governors Tim Kaine and Martin O'Malley and Congressional leaders, the Department of Commerce declared the blue crab fishery a disaster and provided \$20 million to the two states to provide work opportunities for watermen.



DAVE HARP

Senator and Commission member Bernie Fowler, who championed the installation of advanced wastewater treatment on the Maryland's Patuxent River, always reminds us that restoration of the Bay's water quality must be our only choice.

Restoring the blue crab fishery requires three strategies: 1) increasing the abundance of female crabs to rebuild a sustainable population; 2) improving the overall health of the Chesapeake Bay; and 3) keeping the watermen working, in the interim and forever.

### Oyster Restoration

With the native oyster population in Chesapeake Bay dwindling to about one percent of historic levels, seafood marketers and some watermen have proposed introducing the alternative Asian oyster (*Crassostrea ariakensis*) to Bay waters. In October 2008, the Norfolk District of the U.S. Army Corps of Engineers, Maryland and Virginia released a draft Programmatic Environmental Impact Statement (PEIS) examining the options for introducing non-native oysters into the Bay. Even with the issuance of this 1,500-page scientifically based analysis, questions remain as to whether or not *ariakensis* should be introduced to the Bay.

The Commission's interests include improving the economics of the oyster industry, increasing the ecological role of oysters for water quality and habitat restoration, and preventing adverse risks associated with introducing an invasive species. The draft PEIS examines these issues by considering a range of options, including introducing fertile *ariakensis* oysters in the wild, using sterile *ariakensis* in aquaculture, or not using it at all. In 2008, advantages and disadvantages of each option, involving both the native and non-native species were carefully weighed. In total, eight alternatives and three combinations of alternatives were considered.

As of this writing, the draft PEIS does not specify a "preferred alternative" and leaves the final decisions up to each state. The Corps expects the final PEIS to be issued in April 2009 and the Record of Decision in June. The Commission will continue to follow this matter closely and help to develop and coordinate any new management decisions or funding strategies across state lines.

### John Smith Water Trail

The Captain John Smith Chesapeake National Historic Trail was created in 2006. The trail is the nation's first

entirely water-based national historic trail, and like the 16 other National Historic Trails, it travels a route of national historic, cultural and environmental significance. The Commission played a leadership role in ensuring its passage and continues to guide its development.

Working with a wide number of regional partners, including the Commission, the National Park Service began to develop a comprehensive management plan for the trail in 2008. Ann Swanson was appointed to serve on the Federal Advisory Committee for the trail and on the board of the Friends of the John Smith Water Trail.

In 2008, the Commission staff and members helped to develop and expand the trail management plan by including feeder tributaries, such as the Susquehanna River, and increasing the network of NOAA "smart buoys" along the trail, which provide cultural, geographic and historical information while transmitting real-time meteorological and water quality data. The Commission also helped to promote land conservation and shoreline protection in order to ensure public access to the trail.

At present, only two percent of the entire shoreline of Chesapeake Bay is in the public domain, and efforts to expand access are key to the long-term restoration of the Bay. In 2008, Senators and Commission members Thomas "Mac" Middleton and Bernie Fowler worked with the Conservation Fund to secure a huge acquisition of 4,500 acres and 20 miles of Potomac River waterfront — an unprecedented addition to Maryland public lands, including some of the state's most historic lands that Captain John Smith mapped and explored during his voyages in 1608.

### Bay Program Leadership

The Chesapeake Bay Commission is one of six leaders comprising the Executive Council of the Chesapeake Bay Program. As a member of the Executive Council, together with the Governors of Maryland, Pennsylvania and Virginia, the Mayor of the District of Columbia and the Administrator of U.S. Environmental Protection Agency, the Commission Chairman helps to set the direction and goals for the regional partnership.

Chairman Hershey represented the Commission at the November Executive Council meeting. The Executive Council adopted only one directive in 2008, drafted by the Commission: *Leading the Nation in Development of a Sustainable Next-Generation Biofuels Industry*. Notably, the directive was supported by all six states in the watershed. The Commission will continue its leadership on biofuels in 2009.

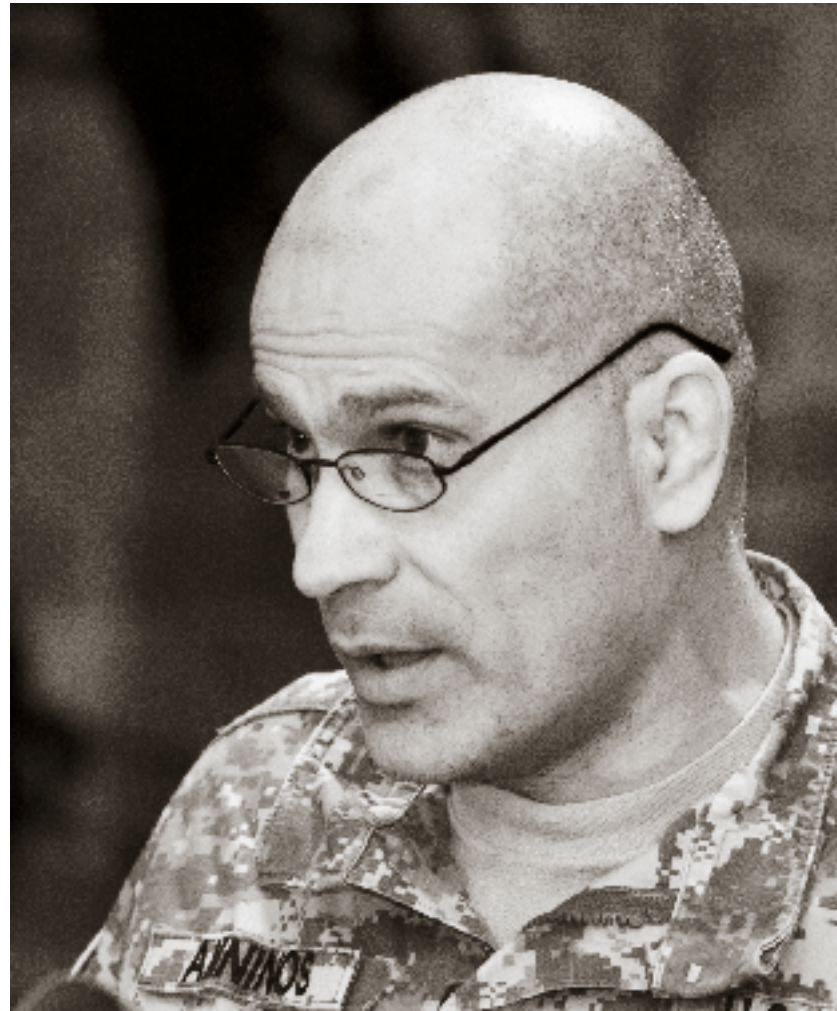
The Chesapeake Bay Program is also consumed by analytical work associated with determining the Total Maximum Daily Load (TMDL) for the Bay, which the Clean Water Act requires no later than 2012. The Bay's TMDL is the most expansive in the country and requires setting new short-term and long-term restoration goals.

The Executive Council agreed to meet again in May 2009 to further assess establishing these new goals. Importantly, a spring meeting will provide ample opportunity for individual Council members to better influence upcoming budgetary and legislative decisions in their home states.

### Military Commanders' Conference

The Chesapeake Bay watershed is home to the largest concentration of military bases in the country. Sixty-eight installations, including the world's largest Naval Station and 18 Army Corps of Engineers reservoirs, cover more than 657 square miles of land. Much of this land remains undeveloped and provides habitat for wildlife. The developed areas, on the other hand, represent some of the most concentrated urban and industrial uses in the watershed. Combined, this military acreage offers extraordinary opportunities for both conservation and pollution mitigation.

In 2008, the Commission staff worked with Rear Admiral Mark Boensel, the Commission's Naval Liaison, to design the second Department of Defense Chesapeake Bay Program Commanders' Conference, which convened installation commanders from across the watershed and introduced them to their roles as Bay stewards. Virginia Delegate and Commission member John Cosgrove represented the Commission, and Executive Director Ann Swanson provided the keynote address.



DAVE HARP

Colonel Dionysios Anninos, Norfolk District Commander of the U.S. Army Corps of Engineers, summarizes the findings of the Preliminary Environmental Impact Statement that explores the options for introducing the non-native oyster, *C. ariakensis*, to the Bay.



## Chapter 2 **The Chesapeake Congressional Agenda**

IN FEBRUARY 2008, THE CHESAPEAKE BAY COMMISSION DEVELOPED and broadly distributed a full suite of recommendations for Federal legislation and funding to advance the Chesapeake Bay's restoration between 2008 and 2010. In May, the Commission members traveled to Washington, D.C., to share their priorities for the 110th Congress:

- Increase Farm Bill conservation funding.
- Reauthorize and enhance the EPA Chesapeake Bay Program.
- Boost funding for sewage treatment plants, especially for Blue Plains.
- Integrate stormwater management into the reauthorized Surface Transportation Bill.



CBC STAFF

Pennsylvania Representative and Commission Chairman Art Hershey and Congressman Tim Holden (Pa.), Vice Chairman of the U.S. House Committee on Agriculture, weigh the chances of maintaining strong conservation provisions in the Farm Bill. Holden's role as a conferee was pivotal.

- Expand funding for EPA's Small and Targeted Watersheds Programs and the Army Corps of Engineers' restoration efforts.
- Reauthorize the National Park Service Chesapeake Bay Gateways Network and Watertrails Program.
- Reauthorize the National Oceanic and Atmospheric Administration Chesapeake Bay Program.
- Enact No Child Left Inside.
- Help finance Chesapeake Bay restoration activities through the auction of carbon credits.

Important advances were made on several of these proposals, and efforts are continuing in the 111th Congress and with the new Obama Administration. As we go to publication, many appropriations bills for Fiscal Year 2009 have yet to be finalized; consequently, final funding numbers are not yet available for Federal Chesapeake Bay initiatives.

One very bright spot coming out of 2008 is a favorable conference agreement on the Farm Bill. In addition to increases in formula allocations that fund state conservation programs via the Conservation Title, an additional \$188 million was dedicated over the next four years specifically to Chesapeake Bay agricultural conservation practices. With strong pressure from Members of Congress, the Commission and other organizations, the USDA just released the first \$23 million of these funds.

We especially want to thank the principal sponsors of the CHESSEA Farm bill provisions: Rep. Van Hollen and Senator Mikulski and co-sponsors — all members of the regional Chesapeake Congressional Delegation — Senators Cardin, Casey, Specter, Webb, Rockefeller, and Carper and Representatives Goodlatte, Platts, Scott, Hoyer, Ruppertsberger, Sarbanes, Carney, Gerlach, Forbes, Moran, Wolf, Holmes Norton, Hall, Bartlett, Cummings, and Hinchey.

Bills were introduced in the new Congress to reauthorize the EPA Chesapeake Bay Program and improve its accountability, to reauthorize the Chesapeake Bay Gateways Network and Watertrails Program and to reauthorize the Army

## FARM BILL

Conservation programs in the Federal Farm Bill—the single largest funder of non-point source reduction efforts—require an increase in budgetary authorizations, as well as actual appropriations and program implementation in a cost-effective manner.

## GETTING OUTDOORS

Enacting new initiatives such as No Child Left Inside and reauthorizing programs such as the Chesapeake Bay Gateways Network with permanent status will send a clear message about the value of public access, environmental education and recreation.

## SEWAGE TREATMENT

Construction grants and funding for enhanced nutrient removal technology at Blue Plains Advanced Wastewater Treatment Plant would significantly reduce nitrogen flows from the largest single source of nutrient pollution in the watershed. Stimulus package funding doubles Federal support for sewage treatment, both as loans and grants.

## BAY PROGRAM

Reauthorization of the EPA Chesapeake Bay Program provides a great opportunity to rebuild momentum for the program, improve its accountability and further engage Federal, state and local governments and citizens in the restoration effort.

Corps of Engineers' Chesapeake Bay Environmental Restoration and Protection Program. Both the Obama Administration and the Congress appear poised to approve an economic stimulus package that will boost clean water sewage treatment loans and grants and other environmental restoration activities. The Commission continues to press these and other initiatives with the region's Congressional Delegation and Obama Administration officials.



CBC STAFF

Maryland Congressmen John Sarbanes (left) and Chris Van Hollen (center on right) strategize with the Maryland Delegation on how best to increase the Army Corps of Engineers involvement in Bay restoration.



CBC STAFF

Chairman of the U.S. House Committee on Agriculture Collin Peterson (Minn.) confers with Maryland Delegate and Commission member John Wood, Jr., Congressman Dutch Ruppersberger (Md.), Maryland Senators and Commission members Brian Frosh and Bernie Fowler, on the Commission's request to enhance Federal support for agricultural conservation in the watershed. By summer, Congress had passed the Farm Bill, doubling the funding for the region.



## Chapter 3 **Water Quality: Finding the Resolve**

ULTIMATELY, THE GOAL OF THE CHESAPEAKE RESTORATION effort is a clean Bay, as measured by meeting — if not exceeding — all of its water quality standards. Yet despite more than 25 years of effort, the Bay's waters remain seriously degraded and considerably short of attaining the 2010 water quality goals set forth in the *Chesapeake 2000* agreement.

The Chesapeake Bay Program partnership shares the public's growing frustration with the repeated failures to meet restoration goals and has embarked on a new approach. New *resolve* is now needed across the Bay region to enhance efforts to achieve these water quality targets, even if they cannot be met within the 2010 timeframe.



DAVE HARP

Senator and Commission member Brian Frosh confers with Maryland Secretary of Natural Resource John Griffin on the implications of the Federal Clean Water Act TMDL that is to take effect in the Chesapeake Bay watershed by 2011.

Why are these water quality goals so elusive? For one thing, progress is often eclipsed by an ever-growing population in the watershed and increasing land development. While the watershed's population grew by 8 percent between 1990 and 2000, impervious surfaces (areas covered by pavement and rooftops) grew by a whopping 41 percent.

EPA projections show that if we continue to implement pollution control practices at the current pace, our goals would not be achieved for another 20 or even 30 years. However, doubling the current implementation rates could bring us very close to a clean Bay by 2020. These findings stressed the importance

of accelerating efforts and developing new tools to maximize the effectiveness of our investments.

To that end, the Chesapeake Executive Council in 2008 resolved to adopt a set of shorter, two-year milestones to be established by each Bay state and the District of Columbia, keeping pressure on governments who will be held more accountable. Each jurisdiction will develop the first of these milestones in 2009. The Chesapeake Bay Commission and the Chesapeake Bay Program will coordinate the regional perspective to ensure that these milestones add up to meaningful progress. Those jurisdictions that fail to meet their milestones will face certain consequences.

While this work is underway, the EPA is also under a court order to draft a new Bay-wide cleanup plan by May 2011. Because of the region's failure to meet the 2010 deadline for water quality in the Bay, a new federally mandated Total Maximum Daily Load (TMDL) plan is being written to establish and apportion an allowable pollution budget among the states. With input from the six Bay watershed states and the District of Columbia, the EPA will set nitrogen, phosphorus and sediment limits for each impaired tributary and the Bay, together with maximum allowable point source and nonpoint source loadings.

In addition, the six states and the District must develop implementation plans and provide reasonable assurance that they will achieve the new pollutant limits in the TMDL. The Federal Clean Water Act gives regulatory authority to the states to restrict pollutants discharged into the waters of the Bay from point sources, such as wastewater treatment plants. In contrast, that authority does not extend to nonpoint sources, such as farms. For states to ensure that clean water progress continues, they must maximize the tools available at the state level to achieve nonpoint source reductions. The costs of failure could be great: if restoration goals are not met, the EPA could require further reductions of pollutants from point sources, which would be extremely expensive and a huge burden for localities.

The Chesapeake Bay Program expects the Bay's TMDL plan to be a model for the nation. By resolving to focus on clear short-term goals and establishing contingency plans, the Bay Program will increase the accountability, efficiency and progress of the Bay's restoration.

When the Executive Council meets again in May 2009, the members are likely to set a new clean-up deadline. Using incremental two-year milestones, the states and the District will work closely with the EPA to monitor progress and ensure that improvements to water quality stick. Clean water remains the goal — challenging, but within reach. The Commission *resolves* to participate in the development of the TMDL plan and assist in finding new, innovative and cost-effective tools to achieve a clean Chesapeake.



DAVE HARP

With more than one quarter of the Bay's 64,000 square mile watershed in farmland, farmer and Pennsylvania Citizen Representative George Wolff and state Senator and Commission member Mike Brubaker (an agronomist by trade) have worked tirelessly to support farm conservation initiatives.



DAVE HARP

Senator Emmett Hanger listens intently to the latest land use statistics. As a long-serving Commission member, he has carried land conservation legislation leading to the preservation of thousands of acres of farmland and open space in Virginia.

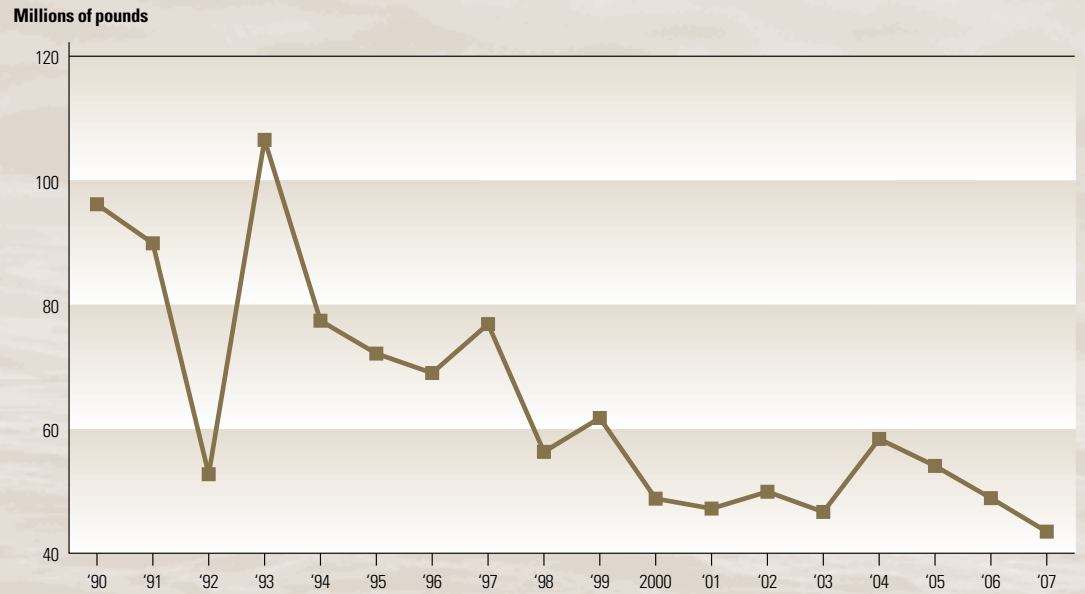
## Water Quality A Graphic Snapshot

### FISHERIES: The Bay's "Canaries"

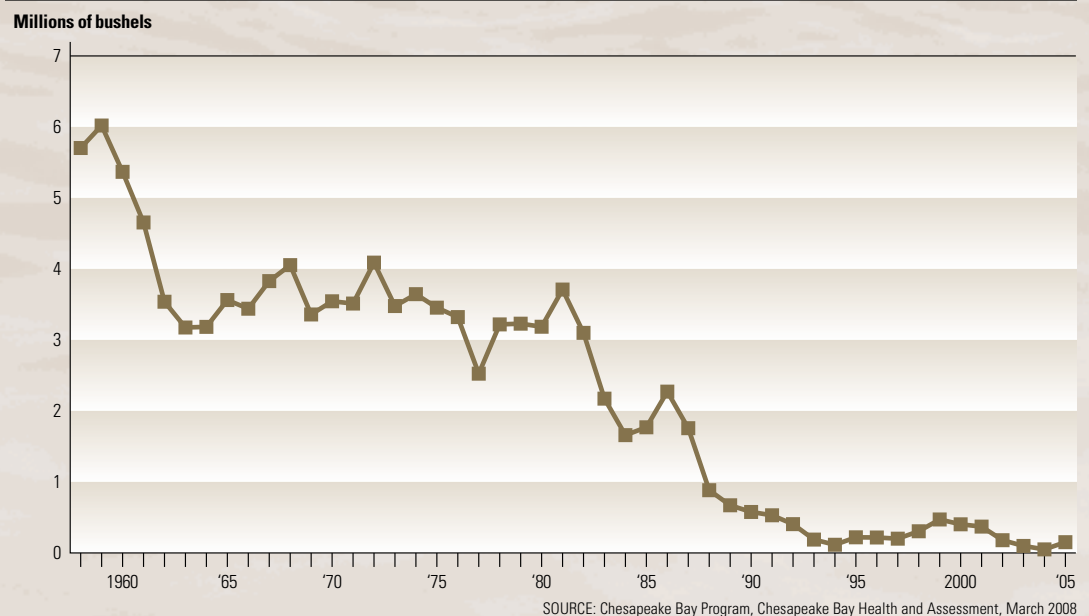
Both the blue crab and the oyster are keystone species in the Chesapeake, vital to both a functioning ecosystem and way of life around the Bay. Crabs and oysters are also among the most important water quality indicators because they respond so immediately to conditions in the water.

Like canaries in a coal mine, whose silenced songs signaled life-threatening conditions underground, crabs and oysters deliver stark evidence of the Bay's struggle, responding to changes in fishing pressure, habitat and water quality. The population of these species has seen a continued downward trend for decades. In recent years, the populations of both species hit record lows.

Crab Harvest Trend, 1990–2007

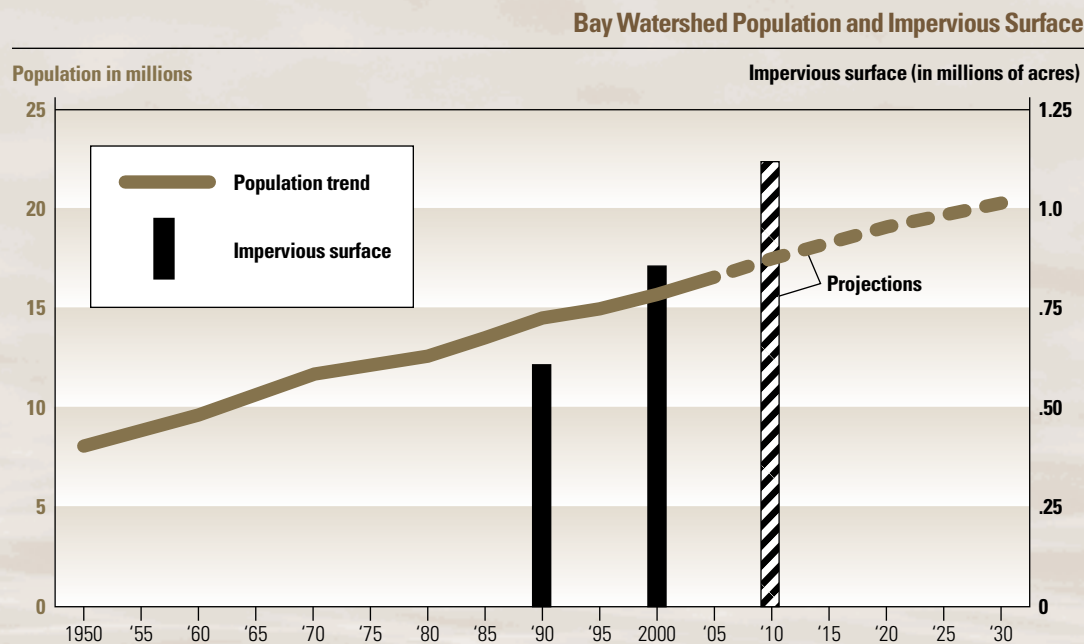


Oyster Harvest Trend, 1958–2005



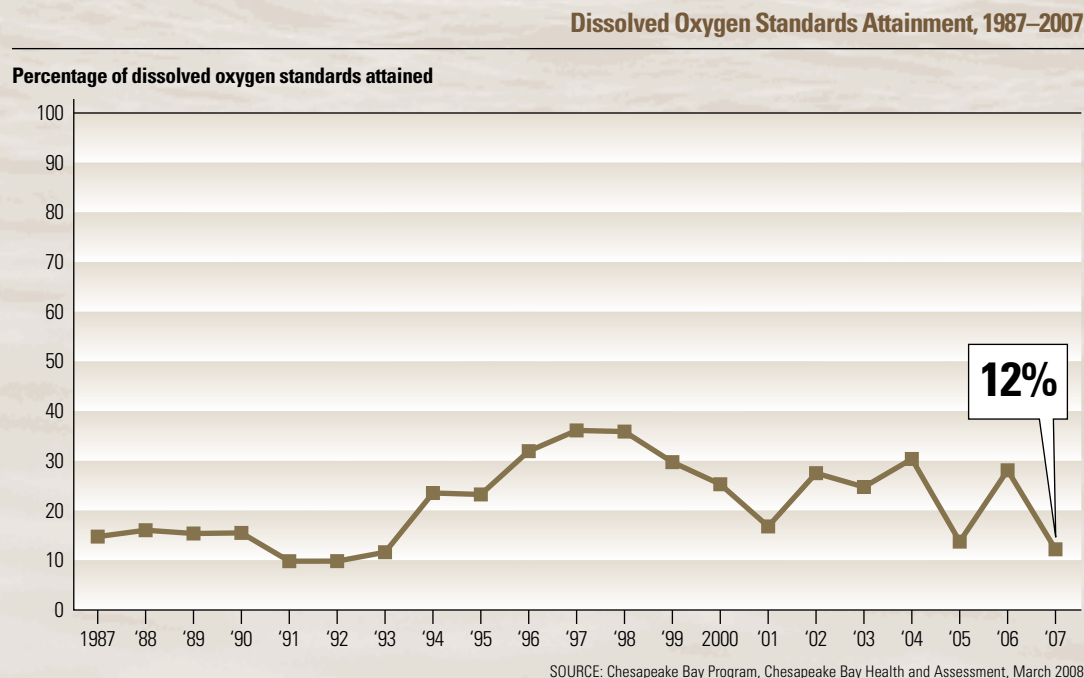
## LAND USE: From Green to Gray

The human population of the Bay's watershed exceeds 16 million and continues to grow. The combined footprints of each of these citizens have a profound effect on the Bay and its watershed. Between 1990 and 2000, the population grew by 8 percent while the amount of impervious surface throughout the watershed grew by nearly 41 percent. Growing in ways that reverse this trend is critical to reaching our restoration goals.



## DISSOLVED OXYGEN: Choking Life to Death

Water quality is crucial to the health of the Chesapeake ecosystem, and good water quality depends on a sufficient amount of dissolved oxygen in the Bay and its tributaries. When oxygen is reduced, living organisms become stressed or even perish. Between 2005 and 2007, only 12 percent of the water found in the Bay and its tidal tributaries met dissolved oxygen standards during the summer.





Chapter 4 **Time to Target**

IN 2003, WHEN THE CHESAPEAKE BAY COMMISSION PUBLISHED *Cost of a Clean Bay*, the Chesapeake Bay Program confronted a stark reality: the Bay's restoration effort lacked the financial resources necessary to meet its goals. With that knowledge came a new *resolve* to make the most efficient use of available resources.

A year later, the Commission published *Cost-Effective Strategies for the Bay: 6 Smart Investments for Nutrient and Sediment Reduction*. This report identified six practices that, if fully implemented, would result in the largest nutrient and sediment reductions for the least cost: point source upgrades, conservation tillage, cover crops, livestock diet and feed management, tradi-



DAVE HARP

Chairman of the Maryland Senate Finance Committee and farmer, Thomas “Mac” Middleton carefully considers scientific advice to target cover crops as a priority practice for the region. Cover crops maximize the use of available nitrogen in the soil, capturing this resource for farmers and reducing the amount that leaches into groundwater and ultimately the Bay.

tional nutrient management and enhanced nutrient management. In short, the report presented a roadmap for targeted spending.

The Commission was not the first to promote the strategic targeting of restoration funds, but its report was a major force in the growing debate. In the four years that followed, the Cost-Effective Strategies report was frequently cited as justification for increased funding of point source upgrades and agricultural best management practices. Across the region, policymakers advanced programs that relied in part on the Commission’s identification of agriculture and point sources as wise public investments — efforts that include Pennsylvania’s Resource Enhancement and Protection Program (REAP), Maryland’s “Flush Fee,” Virginia’s investment of over \$1 billion to upgrade sewage treatment plants and the region’s advocacy for expansion of Federal Farm Bill conservation programs.

The concept of targeting, which has been bubbling within the Bay Program for years, is both scientifically and politically challenging. But, in 2008, significant progress was made. The momentum began in Virginia with the identification of five priority agricultural practices to be funded with a new allocation of \$20 million in state cost-share funds.

In Pennsylvania, a joint effort between the Pennsylvania Department of Agriculture and USDA-Natural Resources Conservation Service (NRCS) identified four Core Conservation Practices to promote to farmers.

As a further commitment to targeting, NRCS will focus implementation of the new Chesapeake Bay Watershed Initiative to priority sub-watersheds in the region. Created by the 2008 Federal Farm Bill, the Watershed Initiative will receive \$23 million in fiscal year 2009, and it is authorized to be funded at \$43 million in 2010, \$72 million in 2011, and \$50 million in 2012.

Existing resources within the Bay Program enabled NRCS state conservationists and their partners to quickly identify which sub-watersheds are the most in need of agricultural best management practices and can deliver significant nutrient reductions in a short period of time. Maps generated by United States Geological Survey using the SPARROW model, the Chesapeake

Bay Watershed Model, and the new Chesapeake Online Adaptive Support Toolkit (COAST) were all important tools in this selection process.

This targeted implementation strategy was supported by an overwhelming response at a USDA listening session in July. The only session of its kind held by NRCS on the new 2008 Farm Bill, it was attended by more than 200 individuals, more than 40 of whom testified. In their testimony, a diverse group of farmers, government officials, and conservation interests from throughout the watershed echoed a similar theme – the time has come to use new funds in a new, targeted way, and to address the technical assistance needs that come with concentrated effort.

Even though technical assistance resources were part of the selection criteria, this effort will require additional human capital in the priority watersheds. Education and outreach are especially critical for success, because the program will target farmers who do not traditionally participate in government conservation programs.

And while nonprofit organizations will be key partners in these local efforts, many conservation districts will grapple with new burdens for their staff. In a year of tight budgets, funding additional district personnel will be difficult. However, this burden is effectively a requirement for state matching funds. The ability of the Bay states to provide matching funds will be crucial to secure Federal funding and will determine whether the first region-wide commitment to targeting can succeed. This may be a heavy lift in the short term, but the *resolve* to provide these matching funds will enable significant, cost-effective progress and shorten the time needed to achieve the Bay's water quality goals.



DAVE HARP

Think strategically. Getting the Bay to its tipping point, stresses Virginia Delegate and Commission member Scott Lingamfelter, will require strategic investment and adaptive management.



Chapter 5 **Next-Generation Biofuels**

“EVERY FORM OF ENERGY USED BY HUMANS HAS LEFT an environmental legacy. With a new biofuels industry emerging in our region, how can we minimize its environmental impacts while maximizing the economic benefits for our communities?” So began the discussion between the Chesapeake Bay Commission and the Commonwealth of Pennsylvania as they *resolved* to co-champion the Chesapeake Cellulosic Biofuels Project at the 2007 meeting of the Chesapeake Executive Council.

The action emerged from the Commission’s 2007 Report, *Biofuels and the Bay*, which concluded that the development of a corn-based ethanol industry in the region, absent significant



CHRIS GUERRI, SENATE OF PENNSYLVANIA

"The Bay region has the opportunity to emerge as a national leader in the development of next-generation biofuels," said Ernie Shea, the Biofuels Summit facilitator.



MARCIA ERNST

Keynote speaker Chuck Leavell, a sustainable forestry advocate and longtime keyboardist with the Rolling Stones, and Representative and Commission member Mike Sturla (Pa.) marvel at the promising energy, economic and environmental opportunities for our region's forests.

new implementation of best management practices, could have worrisome consequences for water quality in the Bay and its tributaries. On the other hand, the report concluded that developing a biofuels industry based on cellulosic and other next-generation biomass, such as wood waste, agricultural residue, switchgrass or algae, could bring significant water quality benefits.

The Commission and Commonwealth *resolved* to position the Bay region as a leader in next-generation biofuels production. They further *resolved* to hold a biofuels summit in September of 2008. The event would be a gathering of the Bay region's leadership at the highest policy levels and serve as a springboard for action in the states' executive offices and general assemblies.

With the biofuels industry and related markets undergoing rapid changes, a group of third-party experts was asked to advise the project sponsors. Convened by Commission Chairman Art Hershey, the Biofuels Advisory Panel was chaired by Maryland Delegate and Commission member Jim Hubbard, who had overseen the Commission's previous work on *Biofuels and the Bay*. The Panel included representatives from agriculture, forestry, government, academia, energy and environmental organizations.

At its first meeting in March, the Panel developed a mission statement: *The Chesapeake Bay region will lead the nation in the evolution of sustainable cellulosic and advanced biofuels production*. Over the next four months, the Panel reviewed and commented on a series of issue papers written by the Commission's consultants and staff on biofuels-related topics. The Commission also hosted a number of public outreach sessions to gather input from interested parties throughout the watershed. Ultimately, a list of ten state and ten regional recommendations for action was developed and accepted by the project champions.

The Cellulosic Biofuels Summit was held on September 4, 2008, in Harrisburg, Pennsylvania. The Commission's report, *Next-Generation Biofuels: Taking the Policy Lead for the Nation*, was released at the summit, and included the Panel's policy recommendations and a commitment to sustainable biofuels leadership signed by both Chairman Hershey and Pennsylvania Governor Ed Rendell. The summit



GENE LEVINSON, UMBI

Biofuels Advisory Panel: Front Row: Andrew Smith, Bobby Hutchison, R. Bruce Arnold, John Quigley, Sharron Quisenberry, Jennie Hunter-Cevera and Malcolm Woolf. Second Row: Mike Pechart (representing Russell Redding), Brian Kittler, Delegate Jim Hubbard (Chair), Dan Nees and Calvin Ernst. Not pictured: Russ Brinsfield, James Casey, Matt Ehrhart, Dan Griffiths, Roger Hanshaw, Tom Richard, Allen Rider, Nathan Rudgers, John Urbanchuk and Ed White.

featured presentations from nationally-known experts who confirmed that the region could indeed be a national leader in the development of a next-generation biofuels industry. They inspired the crowd to press forward in this endeavor, not only for the benefit of regional water quality, but also for economic and national security.

Attendance at the Biofuels Summit was limited to 150 people, by invitation only. Others were able to view the live summit on the Internet courtesy of two Pennsylvania Commission members, Senators Mike Brubaker and Mike Waugh. The Commission's Maryland Director Matt Mullin worked with the Pennsylvania Department of Environmental Protection on an extensive media campaign. In September, over 20 articles and editorials on the Biofuels Summit and the *Next-Generation Biofuels* report were published in the region's newspapers.

Pennsylvania, Maryland, Virginia and the District of Columbia each developed biofuels action plans in the months following the summit. The Chesapeake Executive Council signed a Biofuels Directive at their 2008 meeting, with Bay Program partners adopting the findings of the *Next-Generation Biofuels* report. They committed to implementing the report's recommendations and to developing a regional production goal for cellulosic biofuels.

In a period of dwindling state budgets, leveraging the national momentum of biofuels — if done right — could significantly increase the amount of best management practices in place to improve water quality. Consequently, both the Commission and Pennsylvania *resolve* to continue to champion this issue. The Biofuels Advisory Panel will reconvene in 2009 to review the region's progress and provide recommendations for future action.

## Farewell to a Retiring Member

THE FAMILY COTTAGE ON THE SHORE OF THE UPPER CHESAPEAKE Bay was a place of special memories for Art Hershey — childhood weekends spent playing with brothers, sisters and cousins, catching and eating abundant crabs and rockfish. Although close in distance, these vacations on the water must have seemed a world away from his home in another land of abundance, the fertile fields of Southeast Pennsylvania. A lifelong farmer, born in Lancaster County, he learned early the value of hard work, the cycle of seasons, a healthy respect for nature, and the truth of reaping what you have sown.

After marrying Joyce Hooper and moving to Chester County, these lessons proved useful as they established Ar-Joy Farms, a successful dairy operation that earned him the honor of



DAVE HARP

Representative Arthur D. Hershey

Master Farmer in 1994. These lessons also helped to make him a respected member of the Pennsylvania House of Representatives and agricultural leader, representing the 13th District for 26 years before his retirement in November.

During his tenure in the General Assembly, Representative Hershey served on many boards and committees, but he is never shy about naming his favorite appointments — the Agriculture and Rural Affairs Committee and the Chesapeake Bay Commission, serving as Chairman of both groups. Among his most successful legislative accomplishments are the first Clean & Green bill, which established preferential tax assessments to

promote conservation of agriculture and forest land, and the Agriculture, Communities and Rural Environment (ACRE) bill, which struck a significant compromise between the agricultural community and groups proposing strict local government control.

Representative Hershey brought his ability for problem-solving to the Commission. “I try to bring what I know about the land, the economics and processes of farming, and an understanding of incentives for farmers to do the right thing for the Bay,” he said. Hershey has long been an advocate for cover crops, demonstrating their use on his own farm, and believes that practices to minimize soil and nutrient loss for the Bay ultimately help to protect the farmer’s most important asset: the land. After all, Representative Hershey wants his 14 grandchildren to have the same childhood experiences that he had, both on the farm and on the Bay.

Representative Hershey has seen the decline of the Bay firsthand, but he has also seen the ability of the Bay to respond when water quality improves. He is especially heartened by the return of the rockfish and grasses in the Susquehanna Flats. But he knows that there is much work to be done, and not just by agriculture. During his chairmanship in 2008, the Commission led a public campaign to secure funding for upgrades to the Blue Plains Wastewater Treatment Facility, serving the District of Columbia and its suburbs in Maryland and Virginia. He also stood firm in calling for upgrades to wastewater facilities in his home state of Pennsylvania, guided by the philosophy that everyone must contribute their fair share to the restoration effort.

Representative Hershey’s season as a public official is coming to an end, but he is beginning a new one as a private citizen with more time to spend with Joyce and all those grandchildren. He will continue to be an advocate for agriculture, and the Bay, and all of us will reap the harvest of what he has sown — seeds of responsibility, conservation and common purpose — not just for the Bay, but for all of us who live in the watershed.



DAVE HARP

**CHESAPEAKE BAY COMMISSION STAFF** From left: Maryland Director Matt Mullin, Executive Director Ann Swanson, Virginia Director Suzan Bulbulkaya, Administrative Officer Paula Hose and Pennsylvania Director Marel Raub.

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The Commission maintains offices in Maryland, Virginia and Pennsylvania. Commission staff is available to assist any member of the general assembly of any signatory state on matters pertaining to the Chesapeake Bay and its watershed, as well as the Chesapeake Bay Program.

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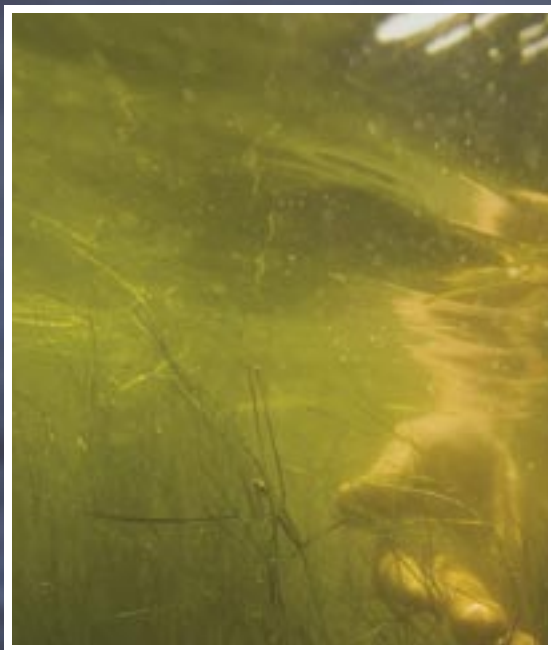
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