

## CHESAPEAKE BAY REGION



August 25, 2021

Secretary Tom Vilsack  
U.S. Department of Agriculture  
1400 Independence Ave., SW  
Washington, DC 20250

Dear Secretary Vilsack:

The agricultural producers of the Chesapeake Bay Watershed have been national leaders in implementing conservation practices that benefit the productivity and profitability of their operations while contributing to the environmental health of our waterways. As the Secretaries of Agriculture for the six watershed states, it has been our honor to help lead these efforts along with our strongest partner, the United States Department of Agriculture (USDA).

We are now at a critical crossroads. The Chesapeake Bay Total Maximum Daily Load 2025 deadline is just four years away and there is still much to be done, with the ag sector slated for 80 percent of the remaining nitrogen reductions. We know we have a receptive audience for voluntary cost-share programs designed to achieve these restoration goals. What we lack is the necessary capacity, both human and financial.

Hence, we are asking you to establish a Chesapeake Bay Resilient Farms Initiative (CRFI), similar to the Mississippi River Basin Initiative you previously created. We estimate a need of approximately \$737 million over the next 10 years. This funding would primarily target those sub-watersheds - particularly the Susquehanna River - known to have the greatest influence on the Chesapeake Bay and offer the most cost-effective solutions. This is particularly true in Pennsylvania, where agriculture is heavily concentrated and the rural nature of the Susquehanna River watershed means agriculture is the dominant source of excess nutrients in the Commonwealth's waters.

Importantly, we are seeking CRFI funding from new sources. We seek to work with you and our congressional delegations to find new funding that would then flow through proven conservation programs administered by Natural Resources Conservation Service such as Conservation Technical Assistance, Environmental Quality Incentives Program and Regional Conservation Partnership Program.

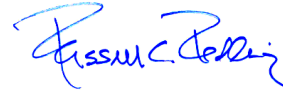
We respectfully request a meeting with you to further discuss this opportunity in more detail. Our point of contact is Maryland Department of Agriculture Assistant Secretary Hans Schmidt who can coordinate scheduling among our offices. Please reach out to him at [hans.schmidt@maryland.gov](mailto:hans.schmidt@maryland.gov) or 443-758-4022.

In the meantime, additional information is provided in the attached fact sheet. Thank you for your consideration of this proposal. We look forward to hearing from you.

Sincerely,



Joseph Bartenfelder, Secretary  
Maryland Dep't of Agriculture



Russell C. Redding, Secretary  
Pennsylvania Dep't of Agriculture



Richard Ball, Commissioner  
New York Dep't of Agriculture & Markets



Bettina Ring, Secretary  
Agriculture and Forestry, Virginia



Kent Leonhardt, Commissioner  
West Virginia Dep't of Agriculture



Michael T. Scuse, Secretary  
Delaware Department of Agriculture



# A Proposal for a USDA Chesapeake Resilient Farms Initiative (CRFI)

## A New \$737M Investment in Clean Water and Climate Resiliency

### Background

THE CHESAPEAKE BAY WATERSHED STATES ARE committed to meeting their 2025 pollution reduction goals. Over the past 30 years, nutrient and sediment pollutant loads have been reduced by half, while human and livestock populations have grown. This progress places the Chesapeake in the forefront of national and international large-scale ecosystem restoration efforts and demonstrates the strength of the federal-state partnership at its heart. Unfortunately, another 50 million pounds of nitrogen must be reduced, and nearly 85 percent must come from agriculture and forestry — a nine-fold increase in historic rates for agricultural conservation practices. USDA’s involvement is pivotal.

Pennsylvania faces, by far, the biggest challenge. With the Susquehanna River providing half of the Bay’s fresh water, Pennsylvania plays a defining role in the ongoing Chesapeake Bay restoration efforts. The good news is that a targeted investment in seven Pennsylvania counties — Lancaster, York, Franklin, Cumberland, Lebanon, Bedford, and Centre — would achieve half of its needed reductions<sup>1</sup> and help restore over 19,000 locally impaired stream miles.

Each watershed state has identified those areas where agricultural practices will improve water quality the most. The practices that will deliver the greatest water quality and climate benefits are also known, and farmers are willing to do them. A comparison of NRCS funding and implementation rates over time shows a clear correlation between the two. Cost-sharing works, but funding levels are not adequate to achieve clean water within this generation.

Fortunately, many of the cost-effective practices that will reduce agricultural water pollution are also highly effective in reducing greenhouse gases and making the landscape more resilient to climate change. Prioritizing such practices for additional public investment will accelerate progress toward both goals. Deliberate action will deliver well-timed results.

### The Issue

USDA’s Natural Resources Conservation Service (NRCS) provides critical financial and technical support, but not at a level sufficient to meet the Bay region’s current needs. In 2017, the U.S. Government Accountability

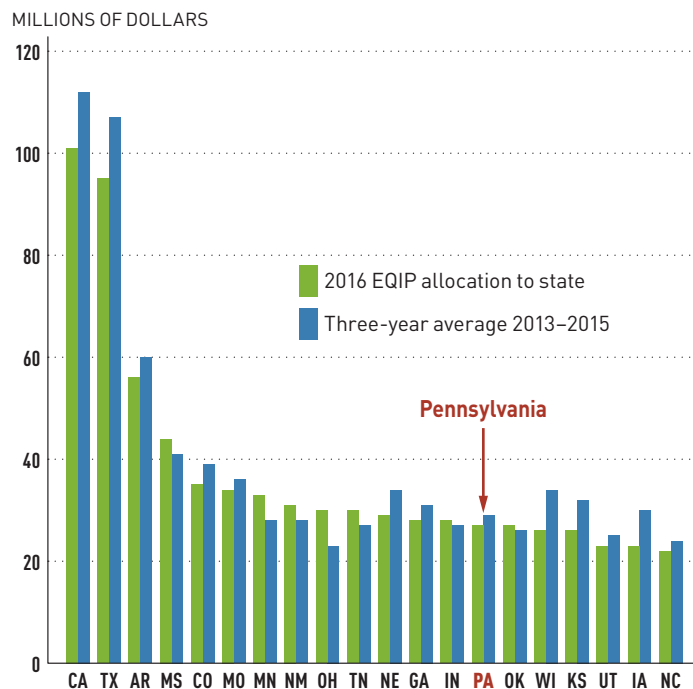
Office (GAO) reviewed the process for allocating NRCS’s Environmental Quality Incentives Program (EQIP) funds.<sup>2</sup> It found that state allocations were largely driven by historical funding amounts instead of environmental need (Figure 1).<sup>3</sup> As the GAO still lists its recommendations from this report as “open,” meaning that USDA has not yet taken corrective action, the problems persist.

No Chesapeake watershed state exemplifies this problem more than Pennsylvania. The Commonwealth’s EQIP allocation is so inadequate that it would require an increase of 60 percent to meet the estimated needs. In short, Pennsylvania, the linchpin of Chesapeake Bay restoration, is not getting its fair share of EQIP dollars.

In addition, Pennsylvania does not receive sufficient technical assistance funds that are independent of practice

**FIGURE 1**  
EQIP funding follows historic trends, not environmental needs

Environmental Quality Incentives Program (EQIP) FY 2016 allocations compared to average funding levels for FY 2013 to 2015 for 20 selected states. Source: GAO-17-225



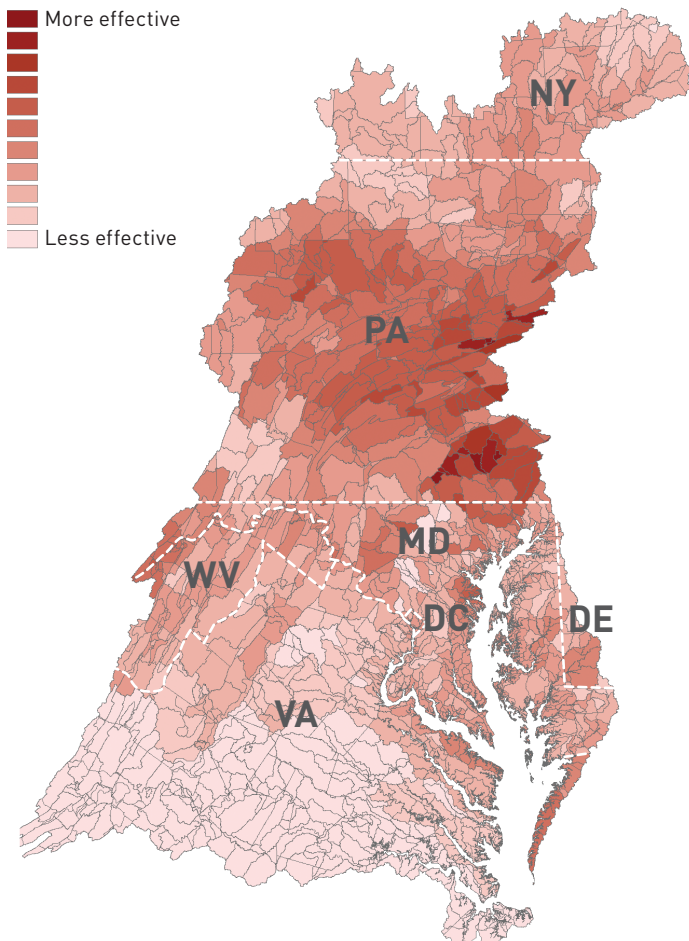
installation. On a per-farm basis, Pennsylvania gets about half the Conservation Technical Assistance (CTA) funding as the national average.<sup>4</sup>

## The Solution: Establish a Chesapeake Resilient Farms Initiative (CRFI)

Modeled after the USDA’s Mississippi River Basin Healthy Watersheds Initiative (MRBI), a Baywide CRFI would provide funds for nutrient and sediment reductions that support state-based watershed implementation plans,

### FIGURE 2 Most effective basins for nitrogen reductions

Reducing pollution in the darker areas on the map would result in the most improvement in dissolved oxygen in the main stem of the Bay. Source: Chesapeake Bay Program.



targeting funds to key sub-watersheds and priority practices. The MRBI was created in 2009 and has delivered over \$300 million in the last ten years through existing programs, above what those programs would have delivered through basic allocations alone. The CRFI funds for financial and technical assistance would be targeted to watersheds that have been deemed the “most effective” for reducing the impacts of excess nutrients on downstream water quality in the Chesapeake Bay (Figure 2)<sup>5</sup> as well as practices that have dual benefits in terms of increasing farm resiliency to weather extremes and reducing greenhouse gases.

This infusion of funds would address the shortfall in Conservation Technical Assistance for conservation planning, project design and engineering, which remains a significant obstacle in getting more practices on the ground. It would also provide the financial incentive payments necessary to install the full suite of practices prescribed.

In establishing a CRFI, NRCS should work closely with watershed State Technical Committees and state agencies to ensure that efforts are well coordinated and will maximize the efforts and geographies that are most likely to contribute to clean water while mitigating climate change. And to ensure the maximum impact of Federal investment, the CRFI would be supplemented with state, NGO, farmer, and private sector investments to provide the final push to restore the Bay.

**The Bay needs an annual CRFI of \$73.7 million for ten years.** An appropriate source of these dollars could be the proposed Infrastructure Bill — there is no greener “green infrastructure” than the agricultural conservation practices necessary to restore the Chesapeake Bay and the 100,000 miles of streams and rivers that define its watershed. ■

### NOTES

1. Pennsylvania Phase 3 Watershed Implementation Plan. Final August 2019 available at: [http://files.dep.state.pa.us/Water/ChesapeakeBayOffice/WIP/III/FinalPlan/PA\\_Phase\\_3\\_WIP\\_Final.pdf](http://files.dep.state.pa.us/Water/ChesapeakeBayOffice/WIP/III/FinalPlan/PA_Phase_3_WIP_Final.pdf)
2. U.S. Government Accountability Office Report to the Honorable Bob Gibbs, House of Representatives. Agricultural Conservation. USDA’s Environmental Quality Incentives Program Could be Improved to Optimize Benefits. April 2017. GAO-17-225
3. 16 U.S.C. 3839aa
4. Using 2017 CTA funding levels found here: [https://www.nrcs.usda.gov/Internet/NRCS\\_RCA/reports/srpt\\_cp\\_cta.html](https://www.nrcs.usda.gov/Internet/NRCS_RCA/reports/srpt_cp_cta.html) and number of farms from the 2017 Census of Agriculture: [https://www.nass.usda.gov/Publications/AgCensus/2017/Full\\_Report/Volume\\_1\\_Chapter\\_1\\_US/usv1.pdf](https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1_Chapter_1_US/usv1.pdf)
5. *Most Effective Basins Funding Allocations Rationale (epa.gov)*

