TESTIMONY OF

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BEFORE THE SUBCOMMITEE ON WATER AND WILDLIFE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS UNITED STATES SENATE

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Good morning Chairman Cardin and members of the Subcommittee. I am Nick DiPasquale, Director of the Environmental Protection Agency's Chesapeake Bay Program (CBP) Office. Thank you for the opportunity to testify about the work the Program is doing—in collaboration with our state and local partners and other federal agencies—to restore the Chesapeake Bay watershed.

About the Bay Program

Created by Congress through Section 117 of the Clean Water Act, the Chesapeake Bay Program is a comprehensive cooperative effort by federal, state, and local governments, nongovernmental organizations, academics, and other entities that share the mission of restoring and protecting the Chesapeake Bay and its watershed.

The CBP has a long history of partnerships focusing on science and action that work on the restoration of the Chesapeake Bay watershed. The CBP brings together the intellectual and financial resources of various state, federal, academic and local watershed organizations to

build and adopt policies that support a unified plan for Chesapeake Bay watershed restoration.

The Partnership includes the original signatories to the Chesapeake Bay Agreements– Maryland, Pennsylvania, Virginia, the District of Columbia, the Chesapeake Bay Commission (a tri-state legislative assembly representing Maryland, Virginia and Pennsylvania), and the EPA on behalf of the federal government (including the U.S. Departments of Agriculture, Commerce, Defense, Homeland Security, Interior and Transportation). With the signing of the new Chesapeake Bay Watershed Agreement in June, I'm pleased to say it also now includes Delaware, New York and West Virginia as full partners of the program.

Economic and Ecological Significance of Chesapeake Bay

As the largest estuary in North America, the Chesapeake is ecologically, economically and culturally critical to the region and the country. For more than 300 years, the Bay and its tributaries have sustained the region's economy and defined its traditions and culture. The Bay has accounted for over 500 million pounds on average of seafood harvested annually since 2000. There are nearly 18,000 local governments in the Bay watershed, including towns, cities, counties and townships. Approximately 84,000 farms are located in the Chesapeake Bay watershed and form a vital part of the watershed's economy and way of

life.¹ The total economic value of the Bay has been estimated at more than \$1 trillion² and two of the five largest Atlantic ports (Baltimore and Norfolk) are located in the Bay.

During the last 30 years, actions taken by the CBP Partners, at the federal, state and local levels have made a significant and positive impact; however, increased impervious cover, growing stormwater and wastewater challenges, changing environmental conditions, and other stressors linked to the growing population have adversely impacted the pace of restoration. Although the overall health of the Bay ecosystem generally remains in poor condition, improvements have been documented in a number of areas and we are beginning to see signs of hope as a result of our continuing efforts and new initiatives.

History of Bay Agreements

Since the start of the Chesapeake Bay Program in 1983, its partners have used written agreements to guide the restoration of the Chesapeake Bay. The original 1983 Chesapeake Bay Agreement was a simple, one-page pledge that shaped the voluntary, cooperative approach we strive for in addressing the Bay's pollution problems. A second Agreement in 1987 set the first numeric goals to reduce nitrogen and phosphorus pollution by 40 percent by 2000 and broadened the program's scope to restore the Bay ecosystem. Amendments in 1992 expanded the Program's pollution reduction efforts to include upstream sources. And, Chesapeake 2000 was the first comprehensive agreement that set goals for reducing

¹2007 Census of Agriculture reported 83,775 farms in the Chesapeake Bay region.

²Saving a National Treasure: Financing the Cleanup of the Chesapeake Bay, A Report to the Chesapeake Bay Executive Council, Chesapeake Bay Blue Ribbon Finance Panel, October 27, 2004

pollution, restoring habitats, protecting living resources, promoting sound land use practices and engaging the public in Bay restoration. It was also the first Bay agreement to emphasize ecosystem-based fisheries management.

By 2009, it was clear that Bay Program Partners needed to dramatically accelerate the pace of Bay restoration and began to work in earnest on a Chesapeake Bay Total Maximum Daily Load (TMDL). That same year, President Obama issued Executive Order 13508 on Chesapeake Bay Protection and Restoration. The Executive Order established a new Federal Leadership Committee (FLC), comprised of seven senior federal representatives and chaired by the EPA Administrator. The Executive Order charged the federal agencies with developing and implementing a new federal Strategy for protection and restoration of the Chesapeake region. At the same time, the Chesapeake Executive Council decided to focus on short-term restoration goals we now know as "two-year milestones."

Prior to the landmark Chesapeake Bay TMDL in December 2010, each of the seven Bay jurisdictions began developing Watershed Implementation Plans (WIPs) that spell out detailed, specific steps each jurisdiction will take to meet its water pollution reductions by 2025 – with a mid-point goal of having all of the necessary actions and practices in place by 2017 to achieve 60% of the needed pollution reductions. In December 2010, the landmark Chesapeake Bay TMDL was established, using allocations provided almost entirely by the Bay jurisdictions' WIPs. The Bay jurisdictions will use their two-year milestones to track and assess progress toward completing the restoration actions in their WIPs.

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Need for a New Agreement

In 2011, both the Chesapeake Executive Council and the Federal Leadership Committee acknowledged the need to potentially integrate the goals, outcomes and actions of the Chesapeake Bay Program—detailed in Chesapeake 2000—with those set forth in the federal 2010 *Chesapeake Bay Executive Order Strategy*. Most of the outcomes and commitments in the Chesapeake 2000 agreement had expired and there was a need to update and refresh them in order to accelerate progress in achieving the water quality and living resource goals of the program. The Partners recognized a new Agreement was needed to reflect improvements in our scientific knowledge, changes in laws, regulations and policies over the past decade and evolutions that have taken place within the Partnership and the restoration effort.

Process for Development

Beginning in 2012, the Partners set the course for a new Watershed Agreement that would be developed through an open, cooperative and collaborative effort. The CBP's Goal Implementation Teams and workgroups—comprised of state, federal and local representatives from all jurisdictions in the watershed—began developing draft goals and measureable outcomes for the Partnership. Each goal and outcome was developed individually by goal team partners using the best data and science available including past and current performance. Baselines were also established for many of the outcomes and were created using the best available data, for example, the annual Maryland and Virginia Blue Crab Dredge Survey, the National Wetland Inventory, and recent water quality data provided by the jurisdictions. Justification documents that explain the importance of each

outcome, how it was developed, how baselines were determined and who was involved in the development of the outcome are available on our public Agreement webpages.

Simultaneously, internal workgroups and the CBP Principals' Staff Committee developed a core set of principles for which the Program will operate from and be accountable for its work and progress. With help and guidance from the Scientific and Technical Advisory Committee, the Partnership created a framework for implementation that allows for flexibility to adapt and adjust efforts with ever-evolving conditions and circumstances.

To ensure transparency and receive valuable input from the citizens of the watershed, the Partners held public meetings at different locations around the watershed and published two draft documents for public comment. The Partnership received thousands of comments during the public comment periods which had a direct impact on the final content of the Agreement.

Creating this new comprehensive Agreement was possible because of the collective experience and science-based approaches of our internal teams, who have worked hand-inhand on the issues, and the broader viewpoints of our leadership, who have brought many perspectives to the table.

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The New Watershed Agreement

The new *Chesapeake Bay Watershed Agreement*, signed on June 16, 2014, is the most inclusive, collaborative, and goal oriented Agreement the Chesapeake Bay watershed has ever had.

The new Agreement identifies the Partnership's collective commitments for restoring and protecting the watershed through 10 goals and 29 outcomes. Goals articulate the high level aspects of the Partners' vision, while outcomes express specific, time-bound, measureable targets that directly contribute to achieving each goal. These goals and outcomes are clearer and better-defined than in previous agreements and allow for greater flexibility through the adoption of an adaptive management decision-making process—one based on the application of scientific process and continual analysis of monitoring data.

The goals and outcomes address the Partners' continuing efforts to improve water quality as well as to promote sustainable fisheries, vital habitats, healthy watersheds, stewardship, land use and conservation and public access. They also confronts critical emerging issues environmental literacy, toxic contaminants and climate resiliency of the Bay ecosystem. And, it builds upon the strength of our diverse citizenry, and support of local governments, calling to action the nearly 18 million people that call the Bay watershed home.

The new Agreement marks the first time that the Bay's headwater states of Delaware, New York and West Virginia have pledged to work toward restoration goals that reach beyond water quality, making them full partners in the Bay Program and its watershed-wide work. All previous CBP Partners confirmed their participation including EPA on behalf of the Federal Leadership Committee.

Management Strategies

The Partners agreed to develop and finalize "management strategies" for each of the 29 outcomes identified in the new Agreement within one year of its signing. Management Strategies, which will be developed by the CBP Goal Implementation Teams with opportunity for public input, will articulate the overarching and specific actions necessary to achieve the goals and outcomes by 2025.

Specifically, a management strategy is a single document that summarizes the means for accomplishing each outcome as well as monitoring, assessing, reporting progress and coordinating actions among partners and stakeholders. Each management strategy is expected to include "key elements" or sections that provide details on: outcomes and baselines; factors influencing the ability to meet a goal; current efforts and gaps; management approaches; plans for local engagement; programs for monitoring and assessing progress; and a plan for managing restoration efforts adaptively. The management strategies will also identify the jurisdictions and agencies who have agreed to participate and provide resources for implementation.

Each management strategy will also include a two-year workplan section that succinctly summarizes, for each Partner and select stakeholders, the <u>specific</u> commitments, actions and resources to reach the two-year target for that outcome. It will also articulate the supporting

activities the goal implementation teams and workgroups will undertake to reach the target. The workplans will project the work to be done in the following two years, but may be updated more frequently. Of course, participation in the implementation of each management strategy will vary by Partners based on differing priorities and resources across the watershed.

Together, these elements comprise the adaptive management system the CBP Partnership will use to ensure implementation, measure progress and make adjustments when and where they are needed.

The Chesapeake Bay Total Maximum Daily Load (TMDL) and the commitments each Bay jurisdiction made in its Watershed Implementation Plan are embodied in the new Agreement and will be reflected and incorporated into the management strategies. The new Agreement does not revise or expand upon the TMDL or the Watershed Implementation Plans or twoyear milestones for water quality. The documents complement and will inform each other.

One of the most important lessons the Partnership has learned from the development of the TMDL and the past three decades of restoration is that although watershed-wide partnerships can help to coordinate and catalyze progress, implementation happens locally. Local governments are key partners in our work, so the Partnership is making a concerted effort to include local governments and elected officials in the development and implementation of the management strategies. We will be working closely with the CBP Local Government

Advisory Committee and with local officials from each jurisdiction to ensure their important perspective is echoed in the final strategies.

The goal teams are expected to submit draft management strategies to the Management Board early in 2015. To help ensure progress remains on track, the goal teams are expected to re-evaluate biennially and update strategies as necessary, with attention to changing environmental and economic conditions. Partners may identify policy changes to address these conditions and minimize obstacles to achieve the outcomes. Management strategies are considered living documents and their development is an ongoing process. The goal teams will apprise the Management Board of their progress every two years.

Transparency and Public Outreach

The public will be able to hold partners accountable for their actions, thanks to a level of transparency not seen in previous Agreements. The signatory partners agreed to identify their intent to participate in the development of each management strategy within 90 days of the Agreement signing. On September 16, 2014 the Partnership will publish a table that identifies the signatory partners who have committed to develop each of the 29 management strategies.

To ensure broad public input and support, the Partners agreed to conduct outreach to stakeholders to engage them in the development process and to make information about management strategy development available online and through public meetings, including a stakeholder input period before final adoption. This information will be advertised on CBP webpages and announced in CBP newsletters and other online resources.

To help foster broader participation, our CBP advisory committees will help identify underrepresented and/or new stakeholders or groups that could be involved throughout the development process. Participation in both development and implementation may include sharing knowledge, data or information, educating citizens or members, working on future legislation and developing or implementing programs or practices. The final adopted management strategies will identify participating signatories and other stakeholders, including local governments and nonprofit organizations.

Moving forward, Bay Program Partners will collaborate with academic institutions, local governments, non-governmental organizations, businesses and citizens in developing and implementing the management strategies that will define how we will accomplish the Agreement's goals and outcomes.

<u>Closing</u>

In closing, EPA and the Chesapeake Bay Program Partners remain committed to working collaboratively with all stakeholders as we begin to implement the Agreement and begin the next step of developing management strategies.

Thank you for the opportunity to testify today. I am pleased to answer any questions that you or the Members may have.

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