

REPORT ON EXPENDITURES FROM THE CHESAPEAKE BAY RESTORATION FUND

Prepared Pursuant to § 58.1-344.3.C(2)(c) of the Code of Virginia

Presented by the Secretary of Natural Resources

Annual Report on the Chesapeake Bay Restoration Fund
By the Secretary of Natural Resources
November 1, 2020

Pursuant to § 58.1-344.3.C(2)(a), the purpose of voluntary contributions of tax refunds to the Chesapeake Bay Restoration Fund (Fund) is to fulfill “the Chesapeake Bay Watershed Implementation Plan submitted by the Commonwealth of Virginia to the U.S. Environmental Protection Agency on November 29, 2010, and any subsequent revisions thereof.”

This report fulfills the requirements of § 58.1-344.3.C(2)(c) that “the Secretary of Natural Resources shall submit a report to the House Committee on Agriculture, Chesapeake and Natural Resources; the Senate Committee on Agriculture, Conservation and Natural Resources; the House Committee on Appropriations; the Senate Committee on Finance; and the Virginia delegation to the Chesapeake Bay Commission, describing the grants awarded from moneys deposited in the fund. The report shall include a list of grant recipients, a description of the purpose of each grant, the amount received by each grant recipient, and an assessment of activities or initiatives supported by each grant.”

The balance of the Chesapeake Bay Restoration Fund as of October 16, 2020 was \$367,828.41.

On August 23, 2019, Virginia issued the final Chesapeake Bay TMDL Phase III Watershed Implementation Plan (WIP) that revises prior restoration plans for reducing nutrient and sediment pollution based upon updated science, enhanced modeling tools, higher resolution land use/cover data, as well as local area water quality goals. The Phase III WIP succeeds the Phase I and Phase II WIPs, prepared in 2010 and 2012 respectively, and serves as the guide for implementation efforts moving forward.

Chesapeake Bay Restoration Funds will be used to implement the following key strategies in the Phase III WIP:

1. *Establish state-federal-private collaborative approach to document voluntary agriculture best management practices (BMP), particularly nutrient management (NM) plans.* (Phase III WIP, Page 62.) Implementing this WIP initiative, the Office of the Secretary of Natural Resources has convened a documenting voluntary agriculture BMP task force. It consists of multiple agencies and agriculture stakeholders with the goal of identifying efficient and effective methods to document agriculture BMPs that are employed without federal or state incentive payments. The task force has met on multiple occasions and has reviewed existing methods including a farm survey protocol developed and implemented by Pennsylvania State University. This approach has been used successfully by the Commonwealth of Pennsylvania in partnership with agriculture stakeholders to document an additional 1 million pounds of nitrogen reduction from agriculture practices. The task force has approved release of a similar survey to farmers operating on lands within Virginia’s Chesapeake Bay watershed and is currently finalizing the

questionnaire and distribution/outreach strategy. The Secretary of Natural Resources is dedicating \$81,100 from the Chesapeake Bay Restoration Fund to work in partnership with the Virginia Cooperative Extension to conduct the statistically valid survey of farmers operating in the Chesapeake Bay watershed. Chesapeake Bay Restoration Funds used for this initiative will be supplemented with a \$75,000 Watershed Implementation Plan (WIP) Assistance grant received from the Environmental Protection Agency (EPA).

2. *Expand the Healthy Virginia Lawns Program.* (Phase III WIP, Page 72.) This proposal builds upon an existing Virginia Cooperative Extension (VCE) educational program that helps homeowners learn and implement best management practices for their lawns. Healthy Virginia Lawns offers personalized lawn care recommendations based on specific needs. This program begins with a site visit and soil analysis and ends with a complete urban nutrient management plan. The Healthy Virginia Lawns Program is offered through the VCE Master Gardener program. Agriculture and Natural Resources (ANR) extension agents provide leadership to the Master Gardener program at the local level. With funding from the Chesapeake Bay Restoration Fund, VCE can 1) recruit at least one new Extension Unit office to adopt the Healthy Virginia Lawns program for implementation; 2) provide program support to existing Extension programs in Fairfax, Henrico, and Prince William counties with a goal of 20% growth either by clients, plans, or acres under urban nutrient management or a combination of all three components; 3) encourage the use of summer interns in local extension offices to promote best practices for proper lawn maintenance that encourages Bay-friendly or watershed-friendly practices; 4) report to DEQ the potential nutrient reductions for nitrogen, phosphorus, or sediment based on the number of acres of residential lawn being managed under a certified plan; and 5) develop a robust evaluation plan to capture short-term and midterm impacts from Healthy Virginia Lawns clients. The Secretary of Natural Resources has dedicated \$30,175 from the Chesapeake Bay Restoration Fund for this project.

3. *Prepare a State Lands Watershed Implementation Plan.* (Phase III WIP, Page 58.) The Phase III WIP calls on the Virginia Department of Environmental Quality (DEQ) to coordinate development of a watershed implementation plan specifically to address pollutant loads originating from state lands. In order to determine the necessary load reductions, it is important to first understand the existing loads, which is dependent on acreage and land use. Determining acreage of state lands requires a comprehensive dataset of all lands that are either owned or managed by a state agency. Though many agencies have individual datasets for land they own or manage, there is currently no single, comprehensive dataset that includes all agencies. DEQ has developed the dataset of state lands, compared it to the Virginia Statewide Land Cover dataset, and determined the acreage of each land use classification present on state lands. DEQ is working to make this dataset available for use by all state agencies as it will have multiple benefits in addition to supporting the state lands WIP, including assisting land conservation and climate change resilience goals. Chesapeake Bay Restoration Funds totaling \$30,000 have been used for this mapping need. These funds were supplemented with \$95,000 in Chesapeake Bay Regulatory and Accountability Program Grant funding from the EPA.

4. *Consider Options for Additional No Discharge Zones.* (Phase III WIP, Page 61.) The Phase III WIP calls on the Commonwealth, in consultation with stakeholders, to consider options available under the Clean Water Act to apply to the Administrator of the Environmental Protection Agency for a No Discharge Zone (NDZ) for all or portions of the Chesapeake Bay mainstem and its tributaries. An NDZ is a designated water body where the discharge of sewage (whether treated or untreated) from all vessels is prohibited. In an NDZ vessels must retain their sewage discharges onboard for discharge at sea (beyond three miles from the shore) or onshore at a pump-out facility. Some NDZs have already been established in Virginia. The Department of Environmental Quality (DEQ) will oversee initial data collection and analysis and stakeholder outreach in exploring options available under the Clean Water Act to apply to the Administrator of the EPA for an NDZ. The Secretary of Natural Resources directed \$90,000 from the Chesapeake Bay Restoration Fund to DEQ for this initial analysis.

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