



# CHESAPEAKE BAY FOUNDATION

*Environmental Protection and Restoration  
Environmental Education*

## **Senate Bill 344**

Agriculture – Cost-Sharing Program – State Cost-Sharing Funds

Date: January 14, 2021

To: Education, Health, and Environmental Affairs

Position: Oppose

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The Chesapeake Bay Foundation (CBF) **OPPOSES SB 344** which increases the rate of cost share funds from 87.5 % of eligible costs to 100% of eligible costs for certain conservation practices.

### **SB 344 Will Reduce the Number of Agricultural Projects that Receive Funding**

Funding for farmers through the Maryland Agricultural Cost Share (MACS) program is key to the State of Maryland meeting its Chesapeake Bay Watershed Implementation Plan (WIP) goals. This limited funding must be spent in the most cost-effective manner. SB 344 increases the already generous 87.5% state contribution to 100% but does not increase the total amount of funding available. By eliminating the requirement for landowners to share project costs with the State, many worthwhile conservation practices may be deprived of funding as Maryland picks up the full cost of a fewer number of projects.

### **A Disproportionate Share of Funding May Be Expended on Projects that Fail to Cost-Effectively Reduce Pollution**

Because certain practices may receive up to \$200,000 of total project costs – while others are limited to receive up to \$50,000 in project costs – funds might be quickly expended on a few large projects. Waste storage facilities are one practice that may receive up to \$200,000 of costs.<sup>1</sup> Providing 100% of project costs for waste storage facilities is not the best use of the State's limited funding. Waste storage facilities for new and expanding operations do not affect a net decrease in pollution, they only prevent additional pollution. Installing adequate waste storage should be considered a standard business practice for new and expanding farm operations and factored into the budgets of operators who are already obligated to meet state permit requirements.

### **SB 344 Threatens Positive Reforms This Committee Made Last Year**

Last year, this Committee passed SB 597 (CH 305, 2020) that extends MACS funding eligibility to long-term cost-effective natural filter practices, such as tree plantings and conversion of cropland to environmentally friendly pasture. If SB 344 passes, there may be less funding to support these cost-effective practices as the General Assembly intended because they are capped at \$50,000.

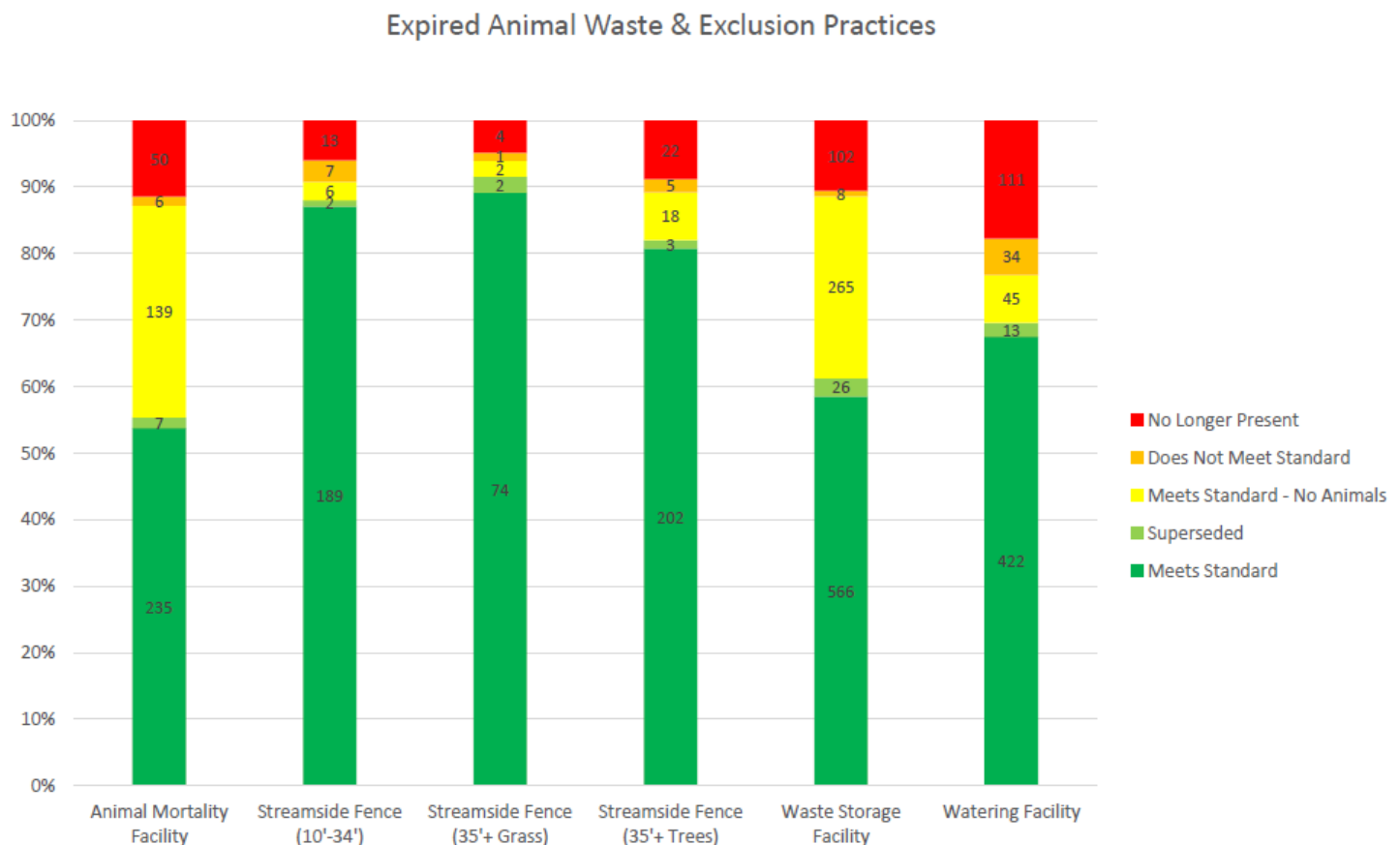
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The Chesapeake Bay Foundation (CBF) is a non-profit environmental education and advocacy organization dedicated to the restoration and protection of the Chesapeake Bay. With over 300,000 members and e-subscribers, including over 109,000 in Maryland alone, CBF works to educate the public and to protect the interest of the Chesapeake and its resources.

### SB 344 Upends Years of Settled Cost-Share Policy

Historically, the Department has underscored the importance of landowners paying a portion of conservation project costs to create incentive for them to maintain those projects long-term. The Maryland Department of Agriculture reports that project maintenance is a significant problem. A recent presentation by MDA to the State Soil Conservation Committee revealed that 40% of waste storage facilities and 45% animal mortality facilities no longer meet functional standards. They either no longer have any animals, do not meet the minimum standards for the facility, or are no longer present. SB 344 would increase the State's investment in some of the least effective and most expensive practices while eliminating the financial stake that landowners have in ensuring the practices function properly.

### CBF urges the Committee's UNFAVORABLE report on SB 344.



*Expired Animal Waste & Exclusion Practices*, Maryland Department of Agriculture, Presentation to State Soil Conservation Committee, November 19, 2020.

<sup>i</sup> *Nurturing Growth in Conservation*, Maryland Agricultural Water Quality Cost-Share Program: Annual Report, 2020.