

CHESAPEAKE BAY FOUNDATION

Environmental Protection and Restoration Environmental Education

House Bill 506 Chesapeake Bay Legacy Act

Date: March 6, 2025 Position: **FAVORABLE**To: Environment & Transportation Committee From: Matt Stegman,

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Chesapeake Bay Foundation (CBF) **SUPPORTS** House Bill 506, the Chesapeake Bay Legacy Act, which would introduce a number of new programs and reforms to sustain and advance Maryland's efforts to restore the Chesapeake Bay, our most precious natural resource. The bill's provisions address some of the most pressing needs and recommendations identified in the May 2023 Comprehensive Evaluation of System Response (CESR) report. Maryland is at a critical point for the Chesapeake Bay and its waterways, seeking to continue moving forward on Bay restoration amid historic budget challenges and an uncertain outlook at the federal level. The Bay Legacy Act will continue our forward momentum in a significant way and we ask for the Committee's favorable report.

LEEF Program:

HB 506 would create a new Leaders in Environmentally Engaged Farming (LEEF) program within the Maryland Department of Agriculture (MDA). The program will create a tiered incentive structure for agricultural operations, providing additional encouragement for farms to adopt Bay-friendly Best Management Practices (BMPs). Currently the agricultural sector presents the greatest opportunities to reduce nitrogen, phosphorus, and sediment pollution to the Chesapeake Bay.

Conventional agricultural systems often consist of mono-cropping, heavy pesticide and herbicide use, and extensive tillage of the soil. These practices strip nutrients from the soil, erode topsoil, and lead to excess soil erosion and polluted runoff. Instead of acting as a natural sponge and filter for the ecosystem, the land becomes a funnel for fertilizers and pesticides to our rivers and streams. Conventional farming practices have left many operations vulnerable to the effects of climate change, which are already being felt across the Chesapeake Bay watershed. Extreme storms can lead to floods that wash away soil and fertilizers, damaging crops and carrying pollution into waterways. Eroded topsoil also decreases water retention, making farms vulnerable to drought, impacting farm yield and economic viability.

CBF advocates for conservation programs that establish on-the-ground projects that limit polluting runoff while improving farm health: stream buffers, continuous no till, rotational grazing, conservation crop rotation, cover crops, silvopasture, nutrient management, streamside fencing, and other BMPs. These practices also provide co-benefits: increased soil health, sequestered carbon, and improved farm resiliency.

Incentivizing Bay-friendly practices is a win-win for our environment and for the agricultural industry. A 2022 CBF report, <u>Agricultural Conservation Practices: Clean Water and Climate Smart Investments</u>, found

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that fully funding the farm pollution-reduction practices needed to restore the Chesapeake Bay would inject \$655 million annually into the region's economy, including \$269 million per year in higher earnings for businesses and workers.

CBF supports an amendment we expect to be introduced by the Administration that would change the funding source for the LEEF program. While we are supportive of additional incentive for permanent, durable fixed filter practices like tree buffers, the LEEF program will provide encouragement for a wider range of practices that are most appropriately funded outside money dedicated specifically for tree plantings.

Promoting Regenerative Agriculture on State Land:

Despite significant population growth, agriculture remains the largest land use in Maryland with nearly 2 million acres—roughly 32 percent—of total land area in agricultural use. This means that agricultural runoff remains one of the state's greatest challenges to improving Bay health but also one of its biggest opportunities. Regenerative agriculture is an approach to farming that not only protects soil from erosion, but helps to rebuild the health of the soil, reduce nutrient inputs, improve biodiversity, and sequester carbon.

With the State of Maryland as one of the largest agricultural landowners in the state, instituting more regenerative agriculture practices on state-owned lands has significant potential to generate water quality gains and demonstrate the effectiveness of regenerative agriculture to private landowners. HB 506 will permit the Department of Natural Resources (DNR) to offer extended lease terms on agricultural land under their supervision to farmers who promise to engage in regenerative practices.

CBF supports language that would clarify the intent of the bill that recognized regenerative practices include not only those informed by African and indigenous cultural traditions, but also those informed by scientific advances and innovation. Indeed, there are many types of recognized regenerative practices that all improve the health and resiliency of our soils.

Climate-Ready Fisheries:

The impacts of climate change are evident in the Bay's changing ecosystem – from increased Bay water temperatures to more intense storms that deliver unprecedented volumes of freshwater to the Bay. While the overall impacts of these changes to Maryland's seafood industry are likely to be mixed, it is critically important that DNR's fishery management framework is equipped to evaluate, adapt, and respond to climate–related shifts in the conservation needs of Maryland's fisheries.

HB 506 seeks to provide DNR the flexibility to prepare fishery management plans in consultation with key stakeholder groups without having to statutorily define a species as 'in need of conservation.' As warming waters cause species to shift their home ranges, this will allow the Department authority to prepare a management plan for any novel species of commercial or recreational interest that may inhabit Maryland waters in the future. The recent arrival of shrimp in commercially viable quantities is just one recent example. Including a trigger for fishery management plan development when a new species is detected in increasing numbers or for which harvest is increasing significantly may help identify early on species that would benefit from the goals and guidance a fishery management plan provides.

If the Committee sees fit to clarify this section, it may include the below language beginning on Page 12, Line 15 of the bill:

- (c) (1) The Department may prepare fishery management plans for any species of fish, in consultation with the APPROPRIATE ADVISORY BODIES CREATED UNDER THIS TITLE, if the Department determines that the plans are necessary based on:
- (I) Lack of management by the Atlantic States Marine Fisheries Commission or a federal regional fishery management council;
 - (II) The population of the species;
 - (III) The distribution of the species;
- (IV) The habitat needs of the species; [or]
- (V) A significant increase in commercial harvest and/or sale of a species in the State;
- (VI) Other biological, ecological, climatological, or socioeconomic factors concerning the species or Chesapeake Bay region.

HB 506 also eliminates the requirement for the State to develop fishery management plans for a broad range of species, referencing instead regional or cooperative fishery management plans. In doing so, however, the bill also removes the fishery management plan requirement for several species that are strictly state-managed, including oysters, blue crabs, hard clams, and cownose rays, among others. For these species not managed under a regional or cooperative plan, a state-level FMP provides important guardrails and objectives to ensure consistency and transparency in their management. While it is our understanding that DNR intends to continue managing these species, the Committee may wish to retain the statutory requirement to prepare management plans for these species.

The suggested amendment below (Page 10, Line 30 of the bill) retains the requirement for FMP development for state-managed species while maintaining deference to existing regional or cooperative plans where appropriate:

[The Department shall prepare fishery management plans for the following species:

- (1) White perch;
- (2) Yellow perch;
- (3) Oysters;
- (4) Blue crabs:
- (5) Hard shell clams;
- (6) Catfish; and
- (7) Cownose ray]

Creating a 21st Century Monitoring Network:

Tracking Bay restoration progress and outcomes is critical to the long-term success of our efforts and to continued improvement in implementing the most effective practices to achieve nutrient and sediment reductions. That's where on-the-ground monitoring comes in. By creating a statewide monitoring network and data hub, housed in the Department of Natural Resources, Maryland can more effectively track our

pollution reduction goals, identify the most impactful practices, and refine state investments to produce the greatest 'bang for the buck.'

Supporting Maryland's Aquaculture Industry:

Shellfish aquaculture—the cultivation of native oysters and clams—has tremendous potential to improve water quality, bolster fish habitat, and provide sustainable economic opportunities for Marylanders. However, Maryland's industry has been stifled by long lease application timelines, redundant regulations, and out-of-date reporting structures. Improving these processes will allow the Maryland industry to operate more efficiently, hopefully attracting more private investment.

The Chesapeake Bay is a national treasure and one of Maryland's most cherished heirlooms. While our progress in restoring the health of the Bay has been substantial, that progress is fragile and requires sustained focus and investment. **CBF applauds Governor Moore for his leadership on Bay health and urges the Committee's FAVORABLE report on HB 506.**

For more information, please contact Matt Stegman, Maryland Staff Attorney, at mstegman@cbf.org.