



# Agriculture & Rural Affairs Committee

***Senator Mike Brubaker, Chairman***

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January 5, 2010

**SENATE RESOLUTION: 215**

**PRINTER'S NUMBER: 1542**

**PRIME SPONSOR: BRUBAKER**

**SUMMARY:**

SR 215 directs the Legislative Budget and Finance Committee to study the costs necessary to meet Pennsylvania's nutrient reduction goals for the Chesapeake Bay from agricultural sources and to evaluate programs and funding strategies that enhance cost-effective nutrient reductions while protecting the economic viability of the Commonwealth's agricultural communities.

**SUMMARY OF RELEVANT EXISTING LAW:**

SR 224 of 2008 (Vance) directed the Legislative Budget and Finance Committee to review estimates of the costs that wastewater treatment plants would incur to comply with the Chesapeake Bay Tributary Strategy. This report was completed in November of 2008 and found that the capital cost of compliance for wastewater treatment plants was \$1.4 billion, well in excess of available funding.

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 215 Session of  
2009

INTRODUCED BY BRUBAKER, BOSCOLA, ARGALL, RAFFERTY, O'PAKE,  
WASHINGTON, MUSTO, COSTA, M. WHITE, TARTAGLIONE, YAW, LEACH,  
FERLO, ALLOWAY, D. WHITE, EARLL, WAUGH, VANCE AND PICCOLA,  
DECEMBER 14, 2009

REFERRED TO AGRICULTURE AND RURAL AFFAIRS, DECEMBER 14, 2009

A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to study  
2 the costs to achieve the Chesapeake Bay Program nutrient load  
3 reductions required from this Commonwealth's agricultural  
4 sources and to evaluate programs and funding strategies that  
5 enhance cost-effective nutrient reductions while protecting  
6 the economic viability of this Commonwealth's agricultural  
7 sector.

8 WHEREAS, The Chesapeake Bay is the nation's largest estuary,  
9 with its watershed spanning 64,000 square miles, including parts  
10 of six states and the District of Columbia; and

11 WHEREAS, The Environmental Protection Agency (EPA) has found,  
12 through numerous studies of the Chesapeake Bay, that excess  
13 nutrients from agricultural development, population growth and  
14 discharges from wastewater treatment plants, along with  
15 overharvesting, habitat loss and disease, have contributed to an  
16 overall decline in the aquatic health and environmental quality  
17 of the bay; and

18 WHEREAS, Portions of the Chesapeake Bay and its tidal rivers  
19 are listed as impaired waters under the Federal Water Pollution

1 Control Act (62 Stat. 1155, 33 U.S.C. § 1251 et seq.), and the  
2 EPA is developing a basin-wide total maximum daily load which  
3 will take effect December 2010 and which will mandate that the  
4 Commonwealth develop a State Implementation Plan to achieve its  
5 allocation; and

6 WHEREAS, The Commonwealth's Chesapeake Bay Tributary Strategy  
7 developed by the Department of Environmental Protection  
8 describes current nutrient reduction goals, including 25,000,000  
9 pounds per year of nutrient reductions from agricultural lands,  
10 nearly five times the reductions required of sewage treatment  
11 plants; and

12 WHEREAS, Last year, Senate Resolution No. 224, Printer's No.  
13 1703 (2008), directed the Legislative Budget and Finance  
14 Committee to conduct a Phase One study to estimate the cost of  
15 compliance for wastewater treatment plants and assess the  
16 methods by which wastewater treatment plants may achieve  
17 compliance, including nutrient trading; and

18 WHEREAS, The study revealed that the capital cost of  
19 compliance for wastewater treatment plants was \$1,400,000,000,  
20 well in excess of available funding; and

21 WHEREAS, The study revealed that the nutrient trading program  
22 as currently constituted has had, and is likely to have, little  
23 impact for a number of regulatory, structural and market  
24 reasons; and

25 WHEREAS, The study found that the cost to the agricultural  
26 community for meeting "baseline requirements," as variously  
27 defined by erosion and sedimentation regulations, nutrient  
28 management regulations and concentrated animal feeding operation  
29 regulations, is largely unknown; and

30 WHEREAS, The relative cost effectiveness of nutrient

1 reductions from agricultural lands and other nonpoint sources is  
2 not well quantified, and the Commonwealth would benefit from a  
3 determination of these relative costs to guide the wise  
4 allocation of limited funding; and

5 WHEREAS, The Pennsylvania Infrastructure Investment Authority  
6 is currently studying the merits and forms that a Nutrient  
7 Credit Exchange may take to encourage participation in nutrient  
8 trading by wastewater treatment plants; therefore be it

9 RESOLVED, That the Senate direct the Legislative Budget and  
10 Finance Committee to conduct a Phase Two continuation of its  
11 study under Senate Resolution No. 224, Printer's No. 1703  
12 (2008), to estimate the cost to meet the agricultural source  
13 nutrient reduction goals of the Chesapeake Bay Tributary  
14 Strategy and agricultural allocations to be defined in the State  
15 Implementation Plan; and be it further

16 RESOLVED, That the committee identify methods employed in  
17 other states to reduce loads from agricultural sources and make  
18 findings as to their applicability and impact to the  
19 agricultural community of this Commonwealth; and be it further

20 RESOLVED, That the committee evaluate the potential of new  
21 technology generally to address nutrient loads from agricultural  
22 sources at a reduced cost; and be it further

23 RESOLVED, That the committee make recommendations for  
24 preferred programs for the agricultural community that overcome  
25 structural obstacles, encourage participation, accelerate  
26 bringing agricultural lands to baseline, facilitate the  
27 application of cost-effective technology and stimulate the  
28 generation of nutrient credits that are valued by point sources;  
29 and be it further

30 RESOLVED, That the committee recommend a schedule for

1 implementation of the preferred programs to be included in a  
2 series of two-year milestones for action under the State  
3 Implementation Plan as agreed to by the Chesapeake Executive  
4 Council and required under EPA administration of the basin-wide  
5 total maximum daily load; and be it further

6       RESOLVED, That the committee-preferred programs be shaped to  
7 the extent practicable to integrate with a Nutrient Credit  
8 Exchange or other selected water quality trading program  
9 structure, create income incentives for the agricultural  
10 community to generate credits, utilize those credits to reduce  
11 the high capital cost of compliance for wastewater treatment  
12 plants and make more effective use of public funds; and be it  
13 further

14       RESOLVED, That the committee survey the findings and programs  
15 of academic institutions and other states with respect to the  
16 cost of nutrient reductions from nonagricultural runoff, legacy  
17 sediments and air deposition; and be it further

18       RESOLVED, That the committee compare these programs and costs  
19 to point source and agricultural source reduction cost estimates  
20 developed in Phases One and Two and to the State Implementation  
21 Plan; and be it further

22       RESOLVED, That the committee determine whether additional  
23 evaluation is appropriate to enhance the Commonwealth's programs  
24 in these areas in order to promote overall nutrient-reduction  
25 effectiveness and more efficient allocation of public funds; and  
26 be it further

27       RESOLVED, That the committee report its findings, conclusions  
28 and recommendations to the Senate by November 30, 2010.