

## Virginia Environmental Law

## How will we pay for a cleaner bay?

By: Ann Neil Cosby. Thursday, April 21st, 2011

We greatly appreciate <u>Larry Land</u>'s contribution to our Virginia Environmental Law blog as our guest author today. He is director of policy development for the Virginia Association of Counties. He has lobbied on environmental issues for more than 20 years.

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Yes, we all agree that it is time to undertake the challenging work of restoring the health of the <a href="Chesapeake Bay">Chesapeake Bay</a> and its vast 64,000-square-mile system of tributaries that reach as far north as New York and as far south as southern Virginia. The recent <a href="Times Dispatch poll">Times Dispatch poll</a> demonstrated there's no disagreement about the value of a healthy Chesapeake Bay and how its tributaries add to Virginia's economy and quality of life. We all want to see the Bay's full restoration — as an abundant source for food, as spiritual and artistic inspiration and as a place of family enjoyment.

Efforts to substantially improve Bay waters will not succeed unless major economic realities addressed through the development and effective implementation of cooperative financial strategies. And these strategies should not overburden the citizens of the six states (and the District of Columbia) that fall within the Chesapeake Bay watershed.

Late last year, the <u>EPA</u> finalized the first phase of its renewed initiative for improving water quality in the Chesapeake Bay, a subject discussed on this blog <u>here</u> and <u>here</u>. <u>Gov. Bob McDonnell</u>'s administration estimated that Virginia's full costs of complying with this initiative would be approximately \$7 billion between 2011 and 2025. But EPA's new rules come at a time when many local governments, just like the federal government, find it necessary to drastically reduce their budgets during the upcoming fiscal year.

2004's Chesapeake Bay Watershed Blue Ribbon Finance Panel chaired by former Gov. <u>Gerald L. Baliles</u> reported that "the most up-to-date cost of implementing all actions identified in the (Chesapeake Bay restoration) strategies (for the entire six-state watershed) is \$28 billion in total

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upfront capital costs, including some items that are primarily for the benefit of local waters, not the Bay itself."

The panel recommended the creation of a \$15 billion interstate Chesapeake Bay Financing Authority, of which \$12 billion would be capitalized through federal appropriations. The remaining \$3 billion would be pooled through contributions from the six states in the Chesapeake Bay basin.

No action was ever taken on the panel's recommendations even though the panel's efforts represented the most comprehensive attempt in the Chesapeake Bay program's 30-year history to seriously evaluate long-term program costs and how these costs should be shared among federal, state and local governments. There is now an urgent need to for a revival of these discussions.

What do you think would be an acceptable and adequate mechanism for funding the improvements necessary to finally bring about a healthier Chesapeake Bay?

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