

August 7, 2014

The Honorable Dominic Pileggi, Majority Leader
Senate of Pennsylvania
Senate Box 203009
Harrisburg, PA 17120-3009

Dear Senator Pileggi:

Pennsylvania Farm Bureau is asking the Senate for prompt and favorable consideration and action on Senate Bill 994. This bill creates a cost-effective administrative mechanism for Pennsylvania to attain required pollution reductions in the Chesapeake Bay watershed through the generation and marketing of nutrient trading credits under a competitive bidding process,

As you may know, the federal Environmental Protection Agency (EPA) is commanding Pennsylvania and other states in the Chesapeake Bay watershed to significantly reduce levels of nitrogen, phosphorus and sediment pollution within a rigid and specified time frame. The agriculture sector is being especially targeted by EPA in attaining nutrient and sediment reductions that comply with EPA's aggressive pollution reduction schedule.

Many environmental experts believe that the agricultural sector is in the best position to meet the pollution reduction goals mandated by EPA in the most cost-effective manner. Implementation of conservation practices commonly performed on farms, as well as the recent development of advanced technologies for processing animal manure to greatly reduce nitrogen and phosphorus, provide a more economical cost alternative to construction or expansion of traditional municipal and industrial waste treatment systems.

Senate Bill 994 would provide for Pennsylvania the administrative infrastructure for development and financing of lower-cost conservation management practices and advanced waste treatment technologies on farms through nutrient credit generation and trading. Farm Bureau policy supports the administrative structure and mechanisms for generation and marketing of tradable nutrient credits proposed in Senate Bill 994, and would encourage the Senate to promptly take action for final passage of this bill.

We must also note that Senate Bill 994 is only one component of what is truly needed for the Commonwealth to achieve EPA's mandated pollution reduction goals. While agricultural best management practices and advanced manure processing technologies on farms are less costly relative to projects for new or expanded municipal or industrial waste treatment systems, it is still very costly for farmers to implement conservation programs and develop and operate these advanced processing systems on their farms. The cost for implementation of more advanced conservation practices and pollution control systems is still greater than what most farm families can afford. And available sources of state funding fall far short of what farmers need to feasibly finance the implementation and use of more advanced conservation programs and systems on their farms.

In addition to Senate Bill 994, we would encourage the Senate to support legislation that will provide an additional and independent commitment of state funds for financing advanced on-farm agricultural conservation programs and waste processing systems, at levels as will allow Pennsylvania to attain EPA's mandated pollution reduction goals.

Sincerely,

Joel Rotz, Senior Director
State Government Affairs