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## **EPA Threatens to Act Unless Pennsylvania Makes Progress** in Meeting Clean Water Targets

## Agriculture targeted for increased regulation

**MANHEIM**, Pa. – (July 21, 2015) – This past May, Mike McCloskey, Vice Chairman of the National Milk Producers Federation, testified in support of Senate Bill 724 during the Pennsylvania Senate Majority Hearing. At the conclusion of McCloskey's testimony, Senator David Argall asked what would happen if Pennsylvania did not meet its clean water mandate. The EPA would be forced to seek more regulations over agriculture, McCloskey responded, and the state would be forced to protect the agriculture industry by opposing costly new regulations. The result: gridlock and uncertainty.

Coincidentally, two days before that exchange, Nicholas DiPasquale, Director of the EPA's Chesapeake Bay Program Office, had sent a letter to DEP Secretary John Quigley outlining a series of new and enhanced regulations for Pennsylvania agriculture.

Agriculture is the latest casualty for Pennsylvania's failure to meet its Bay nutrient reduction targets. The environment, taxpayers, and ratepayers have also been adversely affected. Pennsylvania's current approach has cost billions of dollars and has completely failed to resolve the issue. The EPA projects the 2017 nitrogen reduction target deficit will be 22M lbs. of nitrogen for Pennsylvania.

When the Pennsylvania Legislative Budget and Finance Committee (LBFC) published a study in January 2013, it projected a reduction in Bay compliance costs of up to 80 percent if the existing sector allocation approach was replaced with a competitive bidding program available to all sources for long-term verified nutrient credits. The independent studies that have followed have all validated the LBFC study and concluded funding decisions should be made based upon efficiency rather than political outcomes.

SB 724 is the first step in reforming the existing system and implementing the LBFC study recommendations as well as bringing accountability to this process for the benefit of Pennsylvania taxpayers and ratepayers.

SB 724 will address the EPA's concerns by providing long-term verified reductions. It will enable the private sector to provide large-scale verified nutrient reductions through manure technology projects and by enabling nutrient reductions from all agricultural entities, to be aggregated via a simple subscription program. The subscription program will relieve smaller producers from needing to participate in the bidding program by allowing them to subscribe to 20 percent of the winning bid on the same terms and conditions.

Today, the city of Lancaster and its surrounding agricultural community share the same concerns related to EPA enforcement actions due to the Commonwealth's failure to meet its Bay nutrient reduction targets. Lancaster has asked for help from the state in light of the fact that projected stormwater costs are untenable, as was predicted by the LBFC in 2013.

The Coalition for an Affordable Bay Solution once again asks that the administration and general assembly provide the political leadership and endorse SB 724. The alternative will be economic gridlock in agriculture and a further deterioration of the environment.

For more information on the Coalition for an Affordable Bay Solution, please visit AffordableBaySolutions.org.