

THE CENTER FOR

RURAL PENNSYLVANIA

POCONO MANOR

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**REMARKS BEFORE
THE HOUSE COMMITTEE ON ENVIRONMENTAL
RESOURCES AND ENERGY**

**RURAL PENNSYLVANIA WETLANDS:
CHALLENGES AND OPPORTUNITIES**

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Introduction

Mr. Chairman, committee members, thank you for inviting the Center for Rural Pennsylvania to testify on the important issue of wetlands. I am Jonathan Johnson, policy analyst for the Rural Center.

As the Committee is aware, the Center provides policy research as well as information and technical assistance to Pennsylvania's rural and small towns. As a bipartisan, bicameral agency of the General Assembly, the Center is unable to take a position on any proposed legislation. We can, however, provide the Committee with information on how changes in the state's wetland regulations might affect Pennsylvania's 3.7 million rural residents.

To this end, my comments today will focus on the following four issues:

- ♦ Viewing wetland regulations in the context of community planning
- ♦ Need to accurately assess wetlands before they are ranked
- ♦ Need to establish a wetland mitigation banking program
- ♦ Need for creative alternatives to compensate landowners for preserving wetlands

First, some background information on our state's rural communities. On average, rural and small towns had the state's fastest growing population during the 1980s. Most of this growth was fueled by new residents moving from urban areas. As a result many rural and small towns have seen a surge in construction. In the last twenty years, nearly half the housing units built were in rural and small towns. In Monroe County alone, over 10,000 new housing permits have been issued since 1988.

Most of this development has occurred in townships, away from boroughs and small cities which already have many public amenities such as water, sewage, and highways. The effect of this development on the rural landscape has been staggering. During the 1980s, the state lost more than one million acres of farm land, over 10,000 farms have disappeared, and billions of dollars have been spent to provide water and sewage treatment facilities and upgrades.

Despite this growth, a 1992 study by DCA found that less than half of Pennsylvania's rural and small towns have any type of comprehensive plan, or zoning ordinances. More surprising, many communities may have zoning but no plan to guide it; or conversely, planning but no zoning. Fewer than a third of the state's rural and small towns have both planning and zoning regulations. In suburban and urban communities, planning and zoning are almost universal.

Wetland Regulations In the Context of Community Planning

In many cases, the lack of local controls has meant that the only barriers to more development have been wetland regulations and the need for state sewage permits. While development can benefit a community, uncontrolled development can lead to sprawl and the irrevocable loss of farmland. Although it is beyond the scope of this committee, there is an urgent need in Pennsylvania for a comprehensive land-use policy. This policy would enable the state and its 2,600 counties and municipalities to think about, and better plan for, the future. Wetland mitigation and permitting could be a subcomponent of this overall policy.

By placing wetlands management within the context of community planning, the state, its counties, and

local governments, can better regulate both the location and rate of development. Builders can know up-front where investments will be made in public infrastructure (water, sewer, highways, etc.) and plan accordingly.

Currently, none of the pending legislation views wetlands management within the context of community planning. Protecting and managing our state's wetlands is not just an environmental issue, its a community issue and should be managed as such.

Wetland Appraising Vs. Ranking

Most of the pending legislation on wetland management focuses on classification and ranking. However, many of the proposed three-tiered systems– with stringent requirements for the highest ranked wetland category, moderate requirements for the middle category, and little or no permits required for the lowest category– mask important differences among wetlands within the same category. An alternative method is to classify wetlands according to their structure (forested wetland, shrub wetland, emergent wetland, etc.) and then appraise them individually according to their specific function in that specific location.

Not all wetlands are created equal. For example, the small cattail patch located between a large shopping mall parking lot and a cold water stream may perform important pollution prevention functions. Further, it may be the only wetland left in the area to perform that function. By simply classifying it as a middle-tier wetland would blur the measurable differences between it and another middle-tier wetland in a less fragile environment.

The difference between appraising wetlands and ranking wetlands is more than just semantics. By appraising wetlands as one would appraise the value of a house, the regulatory, environmental and building communities can assign actual monetary values to wetlands. These values can be useful for increasing property values and for establishing a mitigation banking program. It may make more economical sense for the half-acre wetland behind the house to remain a wetland than to build a garage upon it.

Need to Establish Wetland Mitigation Banking Program

The administration and the legislature are considering the creation of a wetland mitigation banking program. At its most basic level, this program would enable developers, transportation agencies, and others to receive credit for construction or expansion of wetlands and debits for activities which negatively impact wetlands. Mitigation banking will not resolve all of Pennsylvania's wetland concerns. Indeed, there are certain types of wetlands which cannot be "banked." However, mitigation banking can be a useful tool for the state to balance the need for environmental protection with the need for growth and development.

In rural areas, however, wetland mitigation banking may be a mixed bag. In states with mitigation banking, the primary user of the banks are transportation departments, port authorities, and large industrial proponents. Most of the development in Pennsylvania's rural areas is being fueled by small residential developers. Will these small users be able to effectively utilize such a complex banking system? Moreover, it is unclear what impact the wetland "swap" will have on existing water supplies.

According to the Census, nearly half of the homes in Pennsylvania's rural and small towns are not part of a public or private water system. Consequently, these residents depend on wetlands for the safety of their drinking water.

Need to Compensate Wetland Property Owners

In bond referendums, Pennsylvania voters have said that they value farmland and are willing to pay for its protection. The lessons the state has learned from its successful ag-land preservation programs could be applied to protecting wetlands.

Landowners with highly valued wetlands should enjoy the same economic opportunities from their land as other landowners. Government can play an important role in this area by providing a level playing field. A highly valued wetland that should not be built-upon is essentially a public good, since its function benefits everyone in the watershed. The owner of this wetland, therefore, might be compensated for maintaining this public good through some type of property tax abatement. In the long run, consideration may be given to purchasing the development rights to these wetlands in the same fashion farmland rights are purchased.

Conclusion

Protecting wetlands is not a zero sum game. It requires cooperation and education by both state officials and builders and developers. In rural areas, wetlands are important for maintaining the viability of many communities, both from ecological and economic perspectives. As this committee hears from other presenters from around the state, please keep in mind that the demand for new homes, shopping malls, and highways will come and go; but once a wetland is paved over, it is gone for good. Hence the challenge for all of us is not to focus on removing the barriers to development, but to determine what is in the best long-term interest for our communities and our children.

Thank you.