

COMMONWEALTH OF PENNSYLVANIA
HOUSE AGRICULTURE AND RURAL AFFAIRS COMMITTEE
and SENATE AGRICULTURE AND RURAL AFFAIRS COMMITTEE

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PUBLIC HEARING

IN RE: AG CONSERVATION AND THE CHESAPEAKE BAY

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BEFORE: MIKE BRUBAKER, Chairman
Michael Hanna, Chairman
John Maher, Republican Chairman
Elder Vogel, Democratic Chairman

HEARING: Wednesday, August 18, 2010
Commencing at 10:15 a.m.

LOCATION: Russell E. Larson Ag Center
2710 West Pine Grove Road
Pennsylvania Furnace, PA 16865

WITNESSES: Bruce McPheron, Hon. Russell Redding, John
Hines, Denise Coleman, Marel Raub, Matthew
Ehrhart, John Bell, Donald McNutt

Reporter: Rhonda K. Thorpe

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24
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I N D E X

OPENING REMARKS

By Chairman Hanna 3 - 4

By Chairman Brubaker 5 - 6

DISCUSSION AMONG PARTIES 6 - 7

TESTIMONY

By Bruce McPheron 7 - 18

By Hon. Russell Redding 19 - 24

By John Hines 25 - 31

By Denise Coleman 31 - 36

By Marel Raub 37 - 40

QUESTIONS

By Members 40 - 57

TESTIMONY

By Matthew Ehrhart 57 - 60

By John Bell 61 - 64

By Donald McNutt 64 - 68

QUESTIONS

By Members 68 - 72

CONCLUDING REMARKS

By Chairman Brubaker 72 - 74

By Chairman Hanna 74 - 75

P R O C E E D I N G S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
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16
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CHAIR HANNA:

Good morning. I'd like to welcome everyone here for our committee hearing. On behalf of the House Agricultural and Rural Affairs Committee, I want to thank Senator Brubaker and the entire Senate Agricultural and Rural Affairs Committee for participating with us in this joint hearing today. As is evidenced by the hustle and bustle around us in the Ag Progress Days, the agriculture industry is alive and well in Pennsylvania. And it is a top priority for those of us who sit on the House and Senate Ag Committees.

And thank you all who --- and thank you to all of you here to testify and discuss an issue that is critical to the agriculture industry in Pennsylvania. Farmers throughout the Chesapeake Bay watershed, approximately nine million acres of farmland, are working together to be not only stewards of our land but also stewards of the Chesapeake Bay through the implementation and innovation of conservation practices. By reducing the amount of nutrients and sediments from our agricultural land, we in Pennsylvania can lead the fight in helping to conserve this national treasure.

We have an excellent panel here today who will bring to light many of the current issues facing the Chesapeake Bay and the thousands of acres of farmland on its

1 tributaries. I'd now like to ask my fellow House members to
2 introduce themselves, and I'll start with my co-chairman, Co-
3 Chairman John Maher.

4 MR. MAHER:

5 I'm John Maher, Allegheny and
6 Washington County.

7 MR. DENLINGER:

8 Gordon Denlinger from Lancaster
9 County.

10 MS. BROOKS:

11 Michelle Brooks from Mercer,
12 Lawrence, and Crawford Counties, the 17th District.

13 MR. SOLOBAY:

14 Tim Solobay from Washington County,
15 48th District.

16 MR. GRUCELA:

17 I'm Richard Grucela from Northampton
18 County.

19 MR. METZGAR:

20 Carl Metzgar from Bradford and
21 Somerset Counties.

22 MR. KELLER:

23 Mark Keller of the 86th District
24 which is Perry and Franklin County.

25 CHAIR HANNA:

1 Let me just add that we're also
2 joined by House members Larry Curry, Dan Taylor, and I saw
3 some committee member, Dave Millard, making his way to the
4 front of the room now. Let me turn it over to Senator
5 Brubaker. Senator Brubaker.

6 CHAIR BRUBAKER:

7 Thank you, Chairman Hanna. Is this
8 mic working properly? All right. It is a privilege and honor
9 for me to be here, and I'll make my brief comments. I'd like
10 to address my fellow Senators as well. Chairman Hanna, Mr.
11 Maher, it's a privilege to be with you. And Dean, it's a
12 privilege to be with you regarding agriculture here as well.

13 The Chesapeake Bay is the world's
14 largest estuary. It has over 64,000 square miles. According
15 to EPA over 90 percent of the bay and river are impaired due
16 to two factors, low oxygen and poor water quality. Both
17 according to the scientists who have been working on this for
18 the last few decades contribute this primarily to nutrients
19 phosphorous nitrogen and sediments. EPA is developing TMDL,
20 standing for total maximum daily loads which must be finalized
21 by December of this calendar year, 2010. With 60 percent
22 implementation by the year 2017 and full implementation by the
23 year 2025 with two years in the interim which is something
24 new.

25 The reason it's called --- all

1 sectors within the Chesapeake Bay must take action. All 17
2 million people within the Chesapeake Bay must have the
3 ownership of the solution of the Bay. States and city
4 watersheds plans are being developed. This means new
5 programs, new policies, and yes, new regulations. This is a
6 very serious matter.

7 On May 15, 2009, the President of the
8 United States, President Obama issued Presidential Order
9 135813508, first ever Presidential Order issued on the
10 Chesapeake Bay offering additional resources and some
11 additional consequences for failure. We've convened this
12 hearing today to learn what landowners can expect and how they
13 can prepare themselves and the opportunities that they have
14 toward compliance. Additionally we will identify areas of
15 potential legislative action as a plan to implement in the
16 Commonwealth of Pennsylvania. Thank you. At this time I'd
17 like my fellow members of the committee to please identify
18 themselves.

19 MR. EICHELBERGER:

20 I'm John Eichelberger from the 30th
21 District which is about one mile from here, Huntingdon, Blair,
22 Bedford, Fulton, and a little piece of Mifflin County.

23 MR. YAW:

24 Gene Yaw. I represent 23rd
25 Senatorial District which is part of Union County, all of

1 Lycoming, and all of Sullivan, and all of Bradford, and parts
2 of Susquehanna County. And I obviously have a very large part
3 of the Susquehanna River.

4 MR. VOGEL:
5 Elder Vogel of the 47th District,
6 Beaver and Lawrence County.

7 MR. KESSLER:
8 State Representative Dave Kessler,
9 trying to balance the table here, from Berks County.

10 MR. ROBBINS:
11 Senator Bob Robbins, 50th District,
12 Mercer, Lawrence, Crawford, and part of Butler County.

13 MR. MILLARD:
14 Dave Millard, State Representative,
15 109th District.

16 CHAIR HANNA:
17 Well, in the interest of time we're
18 going to try to keep this moving along so let's call our first
19 testifier, Dean of Penn State College of Agricultural
20 Sciences, Bruce McPheron.

21 DR. MCPHERON:
22 Chairman Hanna, Chairman Brubaker,
23 members of the committees, I'm Bruce McPheron, Dean of Penn
24 State College of Agricultural Sciences. And it's a real
25 pleasure to welcome all of you to Ag Progress Days 2010. I

1 hope you'll be able to spend some time today touring the site,
2 visiting the exhibits, and speaking with some of our
3 attendees. As I noted in the recent blog entry, Ag Progress
4 Days provides, from the Pasto Ag Museum to state-of-the-art
5 equipment demonstrations, an opportunity to learn from our
6 deep-rooted past in agriculture, yet focus on the potential of
7 the future.

8 The topic of today's hearing, the
9 Chesapeake Bay Ecosystem, is a prime example of the progress
10 and accomplishments agriculture has made to date, and the
11 changing expectations and challenges we must tackle in the
12 future. In this case, the future is now, as you just heard
13 from some of these expectations. And affordable and practical
14 solutions to meet evolving Chesapeake Bay expectations are
15 needed to ensure food security for our citizens, financial
16 security for our food producers, and protection of our
17 ecosystems.

18 To accomplish the challenges of the
19 Chesapeake Bay will take personal commitment and intellectual
20 and financial resources from all of us. Penn State is
21 partnering with the agricultural and environmental agencies
22 and organizations represented here today and beyond to bring
23 to bear the multi-disciplinary expertise of our researchers
24 and educators in the development and dissemination of science-
25 based solutions. We're working at multiple scales across

1 agriculture and forest, and in both rural and urban
2 Pennsylvania as this is not simply an agricultural issue; it's
3 a societal issue. Our collective success will be greatest at
4 the community-based scale where farmers, forest managers,
5 municipalities, and household managers are working together
6 with us to identify how each of their respective spheres of
7 influence, both as land managers and consumers, they can
8 reduce runoff that impacts local water quality and
9 collectively influences the Bay system.

10 Examples of some of the issues we're
11 addressing here within the Penn State system includes such
12 topics as systematic approaches to balancing food systems,
13 food prices, and environmental protection costs; developing
14 and assisting with implementation of agricultural best
15 management practices; nutrient management practices such as
16 precision feeding to reduce nutrients entering the environment
17 at the front end of the livestock production process; training
18 of practitioners who are working in the field in support of
19 Pennsylvania's producers whether it's nutrient or manure
20 management planning or in the actual design, construction, and
21 implementation of facilities and management systems; and
22 strategies to realize the Chesapeake Bay Commission's Biofuels
23 for the Bay policy.

24 Some specific impacts include the
25 College's Agriculture and Environment Center provides frequent

1 So my question, my only question.
2 Early in your testimony you talked about science-based
3 solutions. This is a bit of a loaded question. Here we are
4 at Penn State University at Ag Progress Days, and a tremendous
5 national and international-type of forum. We all agree here I
6 know that science-based solutions is indeed the right way.
7 But in order to deliver a science-based solution to an
8 investment in research development, in your opinion, are state
9 and national enough --- are enough state and national
10 resources currently going into the research and development of
11 our college, especially on a land-grant system in order to not
12 only deliver future science-based solutions to accomplish?

13 DR. MCPHERON:

14 Senator, that's an excellent question
15 and I will address it very fully at lunchtime today so stay
16 tuned. But in brief, let me say that the College of
17 Agricultural Sciences is proud to be part of the academic
18 institution at Penn State and we have a very important role
19 there. But our college is unique within the Penn State
20 assemblage as well in that we have this long history of
21 providing additional services based on our scholarship, based
22 on our science that is not supported by student tuition. It
23 is supported by the end users of what we do. And I'll remind
24 all of you, I think this does not bear reminding to you but I
25 will anyway and our audience listening, that many of you do

1 not think agriculture has anything to do with you but you
2 shake our hand three times a day in the form of a refrigerator
3 handle or a restaurant menu.

4 And so the resources that we have
5 available at the current time are falling short of the means,
6 and I'm concerned that if we blink and think we know
7 everything we need to know about the future of the food
8 system, that we're going to wake up one morning in the not-
9 too-distant future and discover how wrong that assumption was.

10 Thank you.

11 CHAIR BRUBAKER:

12 Members of the Senate, would you like
13 to ask any questions? Okay. Chairman Hanna.

14 CHAIR HANNA:

15 Thank you, Mike. We did have a
16 couple more House members join us. Scott Conklin and good
17 morning, Scott. Do you want to introduce yourself?

18 MR. CONKLIN:

19 Scott Conklin from 77th District.

20 Thank you.

21 CHAIR HANNA:

22 Thank you. I thought I saw Tom
23 Houghton. Tom, do you want to introduce yourself?

24 MR. HOUGHTON:

25 Thank you, Mr. Chairman. Tom

1 Houghton, Southern Chester County.

2 CHAIR HANNA:

3 Now, I'll turn to House members for
4 questions but before I do, Paul, could I impose upon you to
5 see if we can draw that curtain just to see if that cuts down
6 on the background noise a little bit. My 57-year-old ears
7 don't work real well with background. There you go. On this
8 side, we have ---.

9 MR. MAHER:

10 Dean, the work dealing with the
11 Chesapeake Bay, I heard it characterized many times as having
12 the effect of disregarding progress and in fact, we should
13 penalize you, if Pennsylvania hadn't made so much progress and
14 there doesn't seem to be a lot of credit given. Combining
15 that with your objectives, your requirements as Executive
16 Order, there's been a lot of concern whether the agricultural
17 community in Pennsylvania, in particular family farms, are
18 going to be able to sustain themselves against this work.
19 Where'd you learn that?

20 DR. MCPHERON:

21 Well, I'll venture out on a long
22 diving board here and refer you for specific answers to some
23 of our subject-matter experts. But I've talked to the
24 scientists in our college. The concerns that they face in
25 general are that as is often the case when we devise new

1 policies, we assume where we are as a starting point. And so
2 we fail to give credit to people who have been innovative
3 many, many years in adopting things ahead of the curve. And
4 good policy would find some way to recognize the progress that
5 has already been made and the steps that have already been
6 taken.

7 I know that our scientists are
8 working very hard specifically as one example in the Conewago
9 watershed where we're trying to increase implementation of the
10 best management practice that we have. But some of our
11 subject matter experts are very concerned that the sum total
12 of all of the best management practices we have available will
13 not be sufficient to accomplish some of these goals that have
14 been introduced.

15 MR. MAHER:

16 Let me just draw a line. The sum
17 total of all of the best science available will be unlikely to
18 satisfy the Executive Order in Conewago watershed?

19 DR. MCPHERON:

20 And across the system, that's the
21 assessment that I've received from our faculty here.

22 MR. MAHER:

23 Thank you.

24 CHAIR HANNA:

25 Representative Keller. And again,

1 I'll remind everyone we have a time limit because of the huge
2 number, just one question. It's a standard that you can ask a
3 follow-up but that does not apply to Chairman Brubaker who
4 overruled me on that. Representative Keller.

5 MR. KELLER:

6 Thank you. Thank you, Dean, for your
7 testimony. I just want to point something out. It's the same
8 line as Chairman Maher has discussed, but in your testimony
9 you refer to the fact in this case the future is now an
10 affordable practical solution to meet evolving Chesapeake Bay
11 expectations. Things are needed to ensure food safety and
12 security. That is very, very important. What concerns me
13 more than anything is the fact that if we don't do those kind
14 of --- having affordable, we're going to push every farmer
15 right out of business and then your secure --- your food
16 safety is out the window because you're going to be exporting
17 or importing every piece of food product and how we control
18 that at that point. So it's important. I'm glad to see that
19 you've put that in there and that is very, very important that
20 we do that because it just scares me that our expenses get so
21 out of hand. It will put the farming industry completely out
22 of business, and then where's our food coming from. So thank
23 you for putting that in there.

24 DR. MCPHERON:

25 And thanks for that comment. I think

1 it's notable that our Ag Environment Center, just as one
2 example, is actually run out of one of our social science
3 units in the college. And the social scientists are
4 responsible then for making sure that we have the technical
5 scientific expertise linking in. And I think it just
6 underscores the fact that we realize we can solve practically
7 any problem with science. But that if we don't consider the
8 sociology and economics of this in the real world that that
9 science may never actually have an impact.

10 CHAIR BRUBAKER:

11 Thank you, Dean. We're seven minutes
12 over time so we'll take one additional question and, Dean,
13 will you stay for questions from members of the House and
14 Senate.

15 DR. MCPHERSON:

16 Absolutely.

17 CHAIR HANNA:

18 Thank you. Senator Eichelberger,
19 last question.

20 MR. EICHELBERGER:

21 Thank you, Mr. Chairman. What do you
22 think the future is everywhere and certainly right here in
23 part of --- the future of extension in Pennsylvania because
24 that's a very valuable resource in our counties and the
25 farming community depends on that? What can you tell us about

1 where we are and where we're headed?

2 DR. MCPHERSON:

3 You're looking at someone who grew up
4 in extension. I became an entomologist because of a 4-H
5 project, met my wife at a county fair, was a county agent for
6 three years in Ohio. So I understand the system from the very
7 local level and understand the power of that system to do what
8 I feel are great charges, discover the best knowledge and
9 deliver to people in a way that can be used. We have been for
10 the last 18 months working to define our critical four areas
11 within cooperative extension to ensure that we're delivering
12 excellent and standard programs across the state. We're
13 looking at our staff. We're talking to county commissioners
14 about the best way to serve their local needs. We'll be
15 coming to you over the course of the next year as we roll out
16 some of these reframing outcomes that we've been working on to
17 keep you well informed about the way that we're trying to
18 serve the needs of the constituents.

19 CHAIR HANNA:

20 Thank you, Dean, very much for your
21 testimony. We really appreciate your time. It's certainly a
22 busy time for you. Thank you.

23 Next up is the panel. Would each of
24 the panel members all come forward simultaneous, please? And
25 unless the panel members object we'll go in this order. First

1 up will be the Honorable Russell Redding. He's our State
2 Secretary of Agriculture. Next will be John Hines, Deputy
3 Secretary for Water Management at DEP. Denise Coleman, State
4 Conservationist. Marel Raub, the Executive Director of
5 Pennsylvania Chesapeake Bay Commission.

6 Welcome, ladies and gentlemen. We
7 will conclude this section at 11:10 or as close as possible,
8 so testifiers and members, it will help to center your
9 attention ---. Mr. Secretary.

10 SECRETARY REDDING:

11 Mr. Chairman Brubaker, O'Pake, Hanna,
12 and Maher, thank you. And to the members of the Committee,
13 thank you for the opportunity to be here on behalf of the
14 Department of Agriculture and the State Conservation
15 Commission, to share some insight on EPA's expectations for
16 Pennsylvanians and agriculture. Having addressed the 40,000
17 farms and farm families that reside in the Chesapeake Bay
18 watershed. So thank you for the chance to be here and talk
19 about that.

20 You have competent testimony so I'll
21 be very brief and just pick a few highlights if you don't mind
22 just to try to frame some of the comments given the panel and
23 the importance of questions. But many of you have heard me
24 say before that whether you live in Bradford County, park your
25 cars here in the Ag Parking space grounds, fertilize your lawn

1 in Adams County, you're part of this conversation. I think
2 that's an important point because for those who believe that
3 somehow it's a solely agricultural conversation or
4 agricultural challenge, this affects everybody who finds
5 themselves in the Chesapeake Bay, the four million
6 Pennsylvanians in 42 counties and 40,000 homes. Everyone of
7 us is a part of this conversation. And we've shown that
8 agriculture holds the answer to the challenge.

9 There are two co-equal goals in the
10 Chesapeake Bay effort. One, of course, has been stated by the
11 Executive Order Chairman Maher noted. It is the goal of clean
12 water. And I don't think just anybody disagrees. But a co-
13 equal goal is to have viable farms because you won't get the
14 first without the second.

15 For us in agriculture that's an
16 important statement. That has been one of the foundational
17 objectives that we have laid out as a Commonwealth between our
18 partner, DEP, and agriculture. They are co-equal goals.
19 There's not one single goal in this, and that has been a point
20 that we have shared many times with our friends in Congress,
21 EPA, and others in the nation.

22 We have a good record and I know
23 you've mentioned this but we've made great progress. We talk
24 about the goal of clean water. We have to remember that we've
25 been in this business for 25 years and need to acknowledge

1 that there are farms everyday that are making very smart
2 decisions about what they do on their land that has
3 contributed to the goal. We're halfway there in terms of
4 nitrogen. There's no other state in the Chesapeake Bay that
5 can say that. There's no other sector who can say that, other
6 than Pennsylvania. So I think that's a good point to
7 remember.

8 And also keep in mind that we have 15
9 years to get this job done. There are those particularly
10 within the EPA that believe we have 15 months to do this. We
11 keep saying we have 15 years. And it's easy to get caught up
12 in the conversations of the immediate requirements. And
13 they're real. Don't get me wrong. But also remember we have
14 some time. We can take the last 25 years and apply it to our
15 work for the next 15 years. That will be the challenge that
16 we have.

17 It's important to note as well we
18 talk about the Chesapeake Bay particularly as a bundle of
19 requirements. We have the Executive Order that's come from
20 the President that frames in a very strong way certainly the
21 overarching objectives that we have as a nation and as a
22 region to protect the estuary, Mr. Chairman, as you mentioned.
23 We have the EPA enforcement actions. We have TMDL. We have
24 Congress. A lot of people are in this conversation.

25 Part of our challenge is to sort them

1 out. What is it that we're trying to do? What is it that we
2 have to do and what time frame? Who's responsible to do it?
3 That has been part of our challenge because you get this, this
4 discussion started about EPA in a very generic way. The
5 question is what problem am I trying to solve. So we've
6 applied that across the departments across the Commonwealth.
7 So it's important to note that there are multiple components
8 to this.

9 But let me say that we have been
10 impressed with the Environmental Protection's --- EPA's
11 interest in keeping us at the table. We've said that before
12 with Secretary Hanger and Deputy Secretary Hines have done
13 that. Agriculture has to be there. We have some very dear
14 term responsibilities in terms of the work plans that are
15 being done. That's not an easy task because you realize, I
16 opened the floor up, remember people in the conversation, but
17 were in that conversation in a significant way, and we
18 understand the significance of what we're trying to do.

19 We know that there would be real
20 economic implications for the focus at the end of the day with
21 this moment, we are trying to figure out how to stay in this
22 business of agriculture. At the same time we're asking to
23 reach into the other pocket and find money to put practices on
24 the ground to meet the goals of this. Right? Not an easy
25 thing to do. But we have to remember, we have 15 years to do

1 it, to meet our resources and the leadership in this.

2 The pilot study has been done. I
3 know Deputy Secretary Hines has this in here. But just a
4 couple of points is that as we look forward we believe very
5 strongly that we need agricultural compliance. I haven't met
6 any producer who said I can't do that or I won't do that.
7 They're not sure at the moment they can do it because of the
8 finance. But they're full partners in knowing that they have
9 to do because of the importance. They have the authority to
10 do that. Therein lies one of the differences between what the
11 EPA would expect us to do and what I think we can do. We have
12 current authority to say, well, we'll do what has to be done.

13 We also have to be prepared to
14 address the number of conservation plans that are legal. We
15 know today that the number of farms in the Bay is 40,000.
16 Just a fraction of those that have conservation plans and a
17 fraction of those are implementing the conservation plan.
18 That's one of the important points for all of us to note, that
19 we're serious about meeting the goal. And this reasonable
20 assurance has been stated. We have to be prepared to use our
21 state authority, get the conservation plans prepared and
22 drafted and implemented. That takes resources.

23 We also know that there are a lot of
24 practices, as I mentioned, just good management practices.
25 They're just everyday practices. They're not best management.

1 They're just good management, and the farmers are applying
2 those just to stay in this business. But we have to be
3 accountable. And the current model doesn't fully acknowledge
4 the work in Pennsylvania generally and the work of individual
5 farmers specifically. That is something long-term we've got
6 to look at and part of the concern that we have.

7 I know that there's a lot we could
8 say but just my final point is to do this it's going to take
9 the full work of the state, the full work of all of the
10 different sectors. Very, very important to keep us together
11 because you're not going to solve the problems say just
12 environmentally. It's not one of municipal focus. It's not
13 simply one of agriculture. It's all of us. And that has to be
14 our focus moving forward. Every single person can be part of
15 the conversation and help to solve the problem. Thank you.

16 CHAIR BRUBAKER:

17 Thank you, Mr. Secretary. Are you
18 going to stay and remain a part of this panel or do you have
19 other obligations in which you need to depart?

20 SECRETARY REDDING:

21 We're okay for a while.

22 CHAIR BRUBAKER:

23 I do understand. You can leave if
24 necessary.

25 SECRETARY REDDING:

1 And we're fine.

2 CHAIR BRUBAKER:

3 Okay. Then Chairman Hanna and I have
4 agreed that we can hold the questions to the end so the
5 members can draw any questions as each person concludes that
6 will be ideal. At this point, John Hines. Mr. Secretary,
7 congratulations. You completed that with one minute to spare.

8 MR. HINES:

9 Do I get Russell's minute?

10 CHAIR BRUBAKER:

11 I'll afford that to the members if
12 that's okay. And your time's concluded at 10:46.

13 MR. HINES:

14 And thank you, Chairman Brubaker,
15 O'Pake, Hanna, Maher, members of the Committee, for the
16 opportunity to speak in front of you on the Department of
17 Environmental Protection's efforts and Pennsylvania's efforts
18 overall to meet --- and I'll focus most of my remarks on the
19 total maximum daily load or the TMDL which is the legal
20 mechanism of which will be measured by our progress this
21 morning.

22 Over the years Pennsylvania has made
23 progress in the reduction of nitrogen, phosphorous and
24 sediment. And to put some statistics on what we have to do,
25 49 percent of the total nitrogen reductions are needed and 48

1 percent of the total phosphorus reductions are needed. We're
2 showing progress, bottom line.

3 And agriculture has played a major
4 role in that progress. If you look at the overall load, as we
5 call it, that we have to reduce, at the bottom most four
6 points are basically where the Susquehanna and Potomac leave
7 Pennsylvania. Agriculture's portion of that is about 56
8 percent. But if you look at the progress over the years of
9 our reductions, agriculture's portion of that is 80 percent.
10 In fact, in the Bay overall we estimate between 41 to 50
11 percent of the nitrogen reductions of the Chesapeake Bay are
12 attributed to actions on the ground in Pennsylvania's
13 agriculture. So that's saying something. And I think someone
14 made the point earlier about focusing on what we have done and
15 what we have done right. And that has been a theme in DEP and
16 in the Department of Agriculture as we've led this effort. We
17 have to better celebrate our successes. We have to focus on
18 what is being done on the ground and get those out to the
19 public, to the media, because too often in particular in our
20 field of environmental protection, it is the crisis that gets
21 the headlines, not the successes.

22 That being said, let's talk about the
23 success and what Pennsylvania's done overall. We are the
24 first state to have mandatory farm nutrient management plans.
25 We're the first state to have nutrient management program to

1 regulate both nitrogen and phosphorous. We're the first state
2 to have an EPA regulatory program for concentrated animal
3 programs. We're the first Bay state to permanently preserve 20
4 percent or more than three million acres of land in this
5 watershed. We're the first state to meet its goals to plant
6 3,736 miles of forested buffers and by the year of 2010 we
7 have met that goal. The state has planted about 3,800, almost
8 3,900 miles of forested buffers along the waterways since
9 2002. And we are home to the largest Conservation Resource
10 Enhancement Program in the entire nation. Those are
11 successes. Those are things that we ought to and don't hear
12 about of what we've done right.

13 To meet this 2025 goal, our approach
14 has three core elements. And that's really what it comes down
15 to. We can talk about Executive Orders, legislative
16 initiatives. But it really comes down to our measuring stick,
17 is this total maximum daily load, the legal mechanism to
18 basically measure what our progress is. Each of the states
19 are required by September 1st, here within a week, to submit
20 what is known --- it's called a watershed implementation plan
21 or a first step on how we would achieve these reductions.

22 Ours is more theme oriented. There's
23 three key pieces on how Pennsylvania will achieve this, and we
24 are not doing it alone. When we set this up, this process, we
25 have basically three key work groups. One is a suburban urban

1 rural work group to deal with issues of storm water and
2 continual growth. Second is a wastewater work group. And let
3 me tell you, we have implemented and will continue to
4 implement our point source strategy, and we are one of the
5 only states that have our phase one wastewater treatment
6 plants under permit at this point in time. And we will stand
7 firm behind that strategy that we've put in order, and we
8 didn't do it alone. We did it with partners from the
9 wastewater industry to develop that strategy. And third is an
10 agricultural workgroup on how what actions do we have to take
11 in agriculture.

12 I have also established a management
13 theme which is the decisions aren't made by us in the
14 Department alone. It's made in cooperation with the
15 Department of Agriculture plus a room full of --- I'll call
16 it, I don't like to use the word stakeholder, but
17 stakeholders. People represented through constituencies in
18 the Commonwealth. We've had a total open process on how we
19 developed this with and we will continue to do so as we move
20 from what we call a first phase, which is kind of a broad-
21 based watershed implementation plan, to where we have to hone
22 this down more specific in the watersheds in Pennsylvania.

23 So what is this watershed
24 implementation plan going to entail? First and foremost it is
25 based on three key things, milestones. We've been requested

1 to do two-year milestones that measure our progress. And that
2 is the ultimate adaptive management. What do we have to do in
3 changing basic programs? How do we have to rechannel
4 resources in order to meet these two-year milestones? And it
5 is based on accelerated existing programs.

6 For example, we've recently enacted
7 changes for our Chapter 102 Erosion and Sedimentation Program.
8 We traditionally would require erosion and sediment plans for
9 utilities. Now we've included animal heavy use areas. And
10 with input from our partners we have basically correlated that
11 language with the requirements on nutrient management
12 programs. So there's more clarity and intent across the board.
13 So milestones, accelerated, existing programs to achieve
14 reductions.

15 Second is technology. And the only
16 way we are going to achieve the reductions required to us by
17 2025 is to look at things slightly different. We know we
18 can't do as oftentimes they use the term E bree (phonetic),
19 everything everywhere all the time across the ground. That's
20 not realistic. So we talked about a targeted watershed
21 approach. Where do we have the most problems in Pennsylvania
22 that we have to achieve systemic change for our quality of
23 life, for our quality of experience? A targeted approach.
24 Maximize our resources where we can get the most bang for the
25 buck.

1 The second is ideas such as enhanced
2 nutrient digesters. Basically can we put technology on the
3 ground that reduces nitrogen, both on the farm and on lot as I
4 often say, across the basin? Now, these are costly. But
5 nonetheless that is an area we need to look at.

6 The other area I want to focus on
7 before we get into it is compliance, a common-sense
8 compliance, coupling together what we have to do now in a
9 targeted manner. One portion I want to say that is key to all
10 of this is collecting up non-phosphorous. We talked about
11 celebrating the successes on the ground.

12 Right now the Chesapeake Bay model,
13 which is the driver, only calculates what is funded by the
14 federal and state government. We have a blind eye to what
15 else is going on the ground. We've funded a project in
16 Bradford and Lancaster Counties. We'll just give one
17 statistic. For example, cutter crops or an oat field in
18 Bradford County, we're 85 percent under reporting what we're
19 actually doing on the ground. My point is simply this. This
20 becomes one of the flagships as we move forward through these
21 cost shares. I'll be calling a meeting of senior EPA staff
22 along with our agricultural representation to talk about how
23 we can do a better system in cooperation with Penn State to
24 scrub these non-structured BMPs to get a better reflection of
25 what's being done on the ground.

1 This process is about people. It's
2 about progress. It's not about paper and plans. And we have
3 to focus on what is needed on the ground to the best interests
4 of Pennsylvania overall. Thus in turn you'll see results in
5 the Bay. Thank you. I look forward to your questions.

6 CHAIR BRUBAKER:

7 Thank you, Mr. Hines. You have
8 completed it in one minute ahead. Thank you. The members all
9 thank you for your additional minute. Mr. Secretary, we will
10 take your questions. Next up is Denise Coleman, State
11 Conservationist, welcome. We look forward to your testimony.

12 MS. COLEMAN:

13 Thank you, Senator. Good morning,
14 Chairpersons Brubaker, O'Pake, Hanna, and Maher, and members
15 of the Committee. Thank you for providing me the opportunity
16 to update the House and Senate Committees on Agriculture and
17 Rural Affairs on the Natural Resources Conservation strategy
18 to restore clean water in the Chesapeake Bay watershed. NRCS
19 in partnership with its federal partners have participated in
20 the development of a strategy for protecting and restoring the
21 Chesapeake Bay watershed. This is a federal response to
22 President Obama's Executive Order on the Bay. The Executive
23 Order response strategy was officially released this May, May
24 12th, 2010. Eight major goals were identified in the
25 strategy.

1 NRCS was the leader or co-leader on
2 outcomes related to restoring clean water and developing
3 environmental markets. NRCS will also assist partnering
4 agencies in meeting goals related to recovering fish and
5 wildlife habitat and conserving land. Specifically related to
6 restoring clean water, the strategy tasks USDA to work with
7 producers to apply new conservation practices on four million
8 acres of agricultural working lands by 2025. While these
9 goals are ambitious, we believe at NRCS that by focusing
10 resources on priority watersheds, accelerating partnerships,
11 and adequately accounting for conservation practices, these
12 goals can be achieved.

13 Within the strategy and slated for
14 fiscal years 2010 and 2011, NRCS is working to expand tracking
15 and reporting systems for conservation practices. While we
16 track our own practices that we implement with federal
17 assistance, we'll also be working with states to capture
18 practices that were implemented without local, state, and
19 federal cost-share. To date, NRCS has entered into an
20 agreement with the National Association of Conservation
21 Districts, which will take a lead role in coordinating the
22 collection of conservation practice data from public and
23 private sources. The information collected will be used to
24 inform future runs of the EPA model.

25 Aside from clean water, USDA has also

1 been tasked to lead, in coordination with the EPA and its
2 other federal partners, an interdepartmental environmental
3 market team to coordinate efforts in establishing an
4 environmental market infrastructure in the Chesapeake Bay.
5 This team will work to develop and evaluate scientific tools
6 to measure performance of conservation practices; develop
7 protocols that define and measure baselines for supplying
8 credits; measure environmental improvement; develop protocols
9 to certify, and verify that measurable environmental outcomes
10 occur. We recognize that Pennsylvania has been a leader in
11 this and will work closely with the state agencies on this.

12 In achieving the ambitious target to
13 apply conservation practices on over four million acres, we
14 are using both financial and technical assistance. In FY
15 2010, at this time, NRCS has been instrumental in applying
16 over 549 practices, using just the Chesapeake Bay Watershed
17 Initiative funds. These practices have included, are not
18 limited, to things like grass waterways, divisions, stream
19 crossings, and manure storage facilities. However, as you all
20 know, NRCS's technical assistance isn't limited to on-site
21 engineering assistance. The agency has also been at the
22 forefront in development agronomic and nutrient standards.

23 Currently, NRCS is working with the
24 SERA-17 group to develop a new 590 nutrient management
25 standard. SERA-17 is an organization of resource scientists,

1 policy makers, extension personnel, and educators. At this
2 time, dialogue within the scientific and governmental
3 communities is taking place to determine when phosphorous
4 application will not significantly impact water quality. It
5 is anticipated that the SERA-17 scientists will report to
6 NRCS, back to our team, in September. Once this occurs, NRCS
7 will look to revise the 590 standard and we in Pennsylvania
8 NRCS will look to develop the next generation of a P-index for
9 Pennsylvania.

10 Related to financial assistance, in
11 2010, we have received approximately \$32 million for use in
12 the six states in the Chesapeake Bay Watershed Initiative,
13 which was authorized by the 2008 Farm Bill. Of this total,
14 Pennsylvania has obligated this year over \$9.6 million just in
15 CBWI funding alone. These CBWI funds were directed towards
16 priority watersheds that have been impaired by high loads of
17 nitrogen, phosphorous, and sediment. To give you an idea of
18 the extent of cost-share provided, we awarded over \$3.6
19 million on 78 waste storage structures and \$1.6 million
20 stabilized barnyards. In addition to the traditional
21 structural practices, we also focused our efforts on a series
22 of agronomic practices. NRCS, in consultation with the
23 members of the State Technical Committee, designated 14
24 conservation practices as core practices, because these
25 practices are simple, relatively inexpensive for a farmer to

1 install, and they provide easily documented environmental
2 benefits. These practices include, but are not limited to,
3 conservation cover crops, diversions, terraces, grassed
4 waterways, riparian buffers. In total we have dedicated over
5 four and a half million to core practices in 2009 and 2010
6 just in CBWI funding alone.

7 In fiscal year 2010, funding was
8 available only on designated priority areas for these core
9 practices. However, in 2011, we're hoping to make these CBWI
10 funds available for all core practices everywhere within the
11 Chesapeake Bay. Our hope is that we will stimulate more
12 application of core practices by the September 30th, 2010,
13 this year, our initial signup cutoff for FY 2011 funding. As
14 it did in 2010, NRCS will continue to assist Pennsylvania's
15 farmers install core practices and manure storage structures.

16 This CBWI funding is only part of the funding that we
17 received. This year we received \$8.7 million in EQIP funding.

18 That in combination with the CBWI, we've had impacts on over
19 50,000 acres alone this year in the watershed within the
20 state.

21 We are also working to help
22 landowners improve both aquatic and upland wildlife habitat.
23 As you know, that's some of the milestones that are in the
24 Executive Order. Many times this habitat improvement also
25 provides significant water quality benefits. In fiscal year

1 Commission in the Commonwealth.

2 MS. RAUB:

3 Thank you. Thank you, Chairman
4 Brubaker, Chairman O'Pake, Chairman Hanna, Chairman Maher,
5 thank you very much. And thank you all, committee members.
6 It's very encouraging to see this level of interest in the
7 Chesapeake Bay issues. A lot of what's in my written
8 testimony has already been covered today. It's been well
9 established that we have a deadline facing us of the year 2025
10 to achieve full implementation of best management practices to
11 achieve water quality in Chesapeake Bay. Two-year milestones
12 which are dependent on location by 2017.

13 This is led by a Federal Court Order
14 for establishing of the Chesapeake Bay TMDL, subsequent Court
15 Order and settlement agreement that defines a December 31st
16 deadline, as well as future rule-making at the federal level
17 that EPA has entered into. And a Presidential Executive Order
18 driving this new accountability framework that the states are
19 now facing.

20 In addition to the two-year
21 milestones, as part of the watershed implementation plan the
22 states will be also --- will also be expected to identify
23 contingency measures or plan Bs for what happens if we don't
24 meet that two-year milestone. So that will also be part of
25 the planning process as we move forward.

1 In addition I don't want it to be
2 lost that the state is potentially facing consequences from
3 the federal government if we don't meet our two-year
4 milestones in the interim deadline. And the consequences are
5 not insignificant. EPA has established their intent to impose
6 consequences at their discretion, such as objecting to NPDES
7 permits for our wastewater treatment plans in force, et
8 cetera. To require net improvement offsets for any new
9 permits in the watershed. Requiring additional reductions
10 from those permanent point sources. Redirection or conditions
11 on federal grants for water systems. So we can't ignore the
12 potential consequences of inaction or delayed action.

13 When it comes to agriculture, I've
14 identified what I see are four key areas of focus as we move
15 forward with the planning and implementation of our efforts.
16 First, improved tracking and reporting of these voluntary best
17 management practices that have already been covered several
18 times today. And I think you'll hear more about that from
19 subsequent speakers as well.

20 Second, increased technical
21 assistance and cost-share funding that can be targeted. We
22 have seen the benefits of people on the ground, whether it's
23 extension, conservation district, NRCS-backed, even nonprofits
24 working with farmers one on one to establish conservation.
25 And this indentifies the benefits of your traditional cost-

1 share practices, because it helps to spread knowledge, and it
2 does result in the voluntary best management practices that
3 aren't currently being tracked that we know are happening. So
4 that system is challenged right now with the resources that
5 are available to it. But the system is not broken. We just
6 need to reinvest in the technical assistance and cost-share
7 programs.

8 Also we need to be looking for those
9 next generation options available to farmers that are market-
10 based that don't require necessarily public assistance but
11 where a farmer can go to the market to find value for these
12 conservation practices whether it's an on-farm energy system,
13 cooperative community, alternative energy system, community
14 composting facilities such as is happening at Perry, these are
15 the types of practices we really need to be looking for to not
16 only reduce the cost to the farmer but possibly provide profit
17 to the farmer to add a second source of income to that farm
18 operation.

19 Likewise, establishment of next
20 generation biofuels in our region could increase demand for
21 conservation crops such as rye, barley, or switchgrass that
22 maybe don't have as robust a market. We could add value to
23 that farm operation encouraging those crops by providing a
24 market.

25 And we cannot disregard the other

1 sources of nutrient and sediment. It's been mentioned that we
2 really do have to look to all sources. The time for finger
3 pointing is over. But this could also be an opportunity for
4 agriculture. We've seen opportunities open up in a wastewater
5 treatment plant sector looking to the agriculture sector to
6 provide credit in a trading program as we look to expand storm
7 water best management practices, we can see those same sorts
8 of opportunities open up as storm water systems and local
9 governments look for trading and more cost effective
10 opportunities to achieve those reductions as well.

11 So I'll leave it at that. The
12 Commission looks forward to working with all of you as we look
13 for legislative solutions. Thank you.

14 CHAIR BRUBAKER:

15 Thank you, panel. We're going to go
16 to the questions now. Chairman Hanna, is it an appropriate
17 role to have one question from the panel, one question from
18 the House to the Secretary? That will be the procedure. So
19 one question from the Senate, the other side. Remember to
20 pick one question. I'd like to put on the record, when we
21 started the meeting, when we first got here, he had a prior
22 obligation shortly after or even before he starts I'd like to
23 ---. Chairman O'Pake.

24 CHAIR O'PAKE:

25 Yes. It's good to hear about all the

1 positive achievements. Watching all of them I know the
2 realities of budgetary constraints. Is that injuring efforts
3 to sustain ---?

4 SECRETARY REDDING:

5 Mr. Chairman, I think it will.

6 CHAIR O'PAKE:

7 Let me ask what do we have to do?

8 SECRETARY REDDING:

9 Well, two things. One is I am just
10 going to state we need Commission funding, conservation
11 initiative conservation district for sure, continued
12 investment in CREP. Continued investment in conservation,
13 pieces that Deputy Secretary John Hines mentioned, that he
14 comes to points of --- that he'd have to lead.

15 Number two, I think we have to look
16 at our several partners. We've done a great job on the farm.
17 If everybody that limits credit, because the real work is in
18 the 2012 Farm Bill in the time discussed. I'm to say we've
19 got to lay out a strategy. You've got to show some ---. And
20 that work on the two-year milestones, our first milestone,
21 we'll be able to have it to the next farmer. So I think we
22 have to say to the federal partners we can do it. We've got
23 to step up and get that job done.

24 And third, I think just from an
25 attitude standpoint I want to make sure everyone here

1 understands there's sort of tension, a healthy tension,
2 between sort of the EPA and the state. I say that because
3 there's this point that John mentions about the solution isn't
4 in simply having more CAFOs, more permits, more plans. It
5 isn't how we actually account for what's on the ground. We
6 need to make sure that there's this respect between the
7 federal partner, federal partners, and the state in that the
8 state for 25 years has led the way on nutrient management and
9 really getting us towards the goal that is stated in all of
10 these legal documents. We can do that. But we need to have
11 this balance between what the federal government is asking us
12 to do with what we know we can do with the state's authority
13 and state resources. Thank you.

14 CHAIR HANNA:

15 Mr. Secretary, on this side of the
16 room, Senator Solobay.

17 MR. SOLOBAY:

18 Thank you, Mr. Chairman. Mr.
19 Secretary, in trying to do best practices, trying to minimize
20 the material going into the watershed, under best practices
21 you especially refer to the total number of crop reduction.
22 Now, we see in costs on the end of the fact that utilizing low
23 fuel methods maybe real reduction may occur because of that.
24 Is it still very limiting at ---?

25 SECRETARY REDDING:

1 Yes, it does. I mean, it's still a
2 benefit to minimum till, no till in terms of getting us
3 towards the goal but also just good conservation work.

4 CHAIR HANNA:

5 Thank you. I'll open it up to the
6 rest of the panel, but before we do so I want to introduce
7 Representative Rick Maribito, the representative from Lycoming
8 County. Representative Maribito, do you want to give
9 everybody a wave? He's a member of our committee as well.
10 We're open for any questions. All right. Representative
11 Brooks. Oh, I'm sorry. Representative Moul has also joined
12 us. We appreciate your attendance throughout. Representative
13 Brooks.

14 MS. BROOKS:

15 I have a question for the Deputy
16 Secretary. Thank you for being here today and thank you for
17 being here, Mr. Secretary. I want to thank the Department and
18 the Secretary for having a table as we progress through this.
19 My question, in your testimony you stated that agriculture
20 land use consists of 56 percent of Pennsylvania's nitrogen
21 loading to the Bay. What scientific process did you use to
22 determine that, and is that outcome based specifically on
23 scientific knowledge and not just hearsay? And I would ask
24 you as you do move forward in meeting this Executive Order, we
25 have done a lot of --- the energy independent. Please keep in

1 mind the ---. We are going to be dependent on foreign
2 countries for our food and we cannot allow that to happen.

3 MR. HINES:

4 Well, the answer to the first
5 question is, yes, it is based on the science that comes out of
6 the Chesapeake Bay model although we do oftentimes, and you've
7 heard me say about questioning what goes into the model.
8 Those numbers are based on geography. I mean, the reality is
9 we have the largest land mass, if you will, for the Chesapeake
10 Bay. We have 40,000 farms, so we do have a non-point source
11 pollution problem.

12 Now, I'm not saying that's all
13 agricultural because of that. I think non-point source is
14 still a pollution problem. We also have other areas. That's
15 what we have to contend with. So it becomes an opportunity.
16 It becomes an opportunity in the following ways. One is we
17 have reductions we know that we have to make. Marel stated
18 it. I talked about it for this TMDL.

19 I think cost-effective reductions, I
20 just had a question on no till, are the way we need to do
21 this. That is why we were so aggressive in developing our
22 nutrient trading program for the state. And tomorrow I'll go
23 in front of the independent regulatory review commission to
24 codify our regulations for those who want to trade. It's not
25 regulating, making people trade, but if you're in this, it

1 gives the legal backbone for that and is actually a protective
2 mechanism for the market. So it's a great opportunity.

3 When you talk about regulating
4 agriculture, I agree wholeheartedly with you. And that is why
5 we have had agriculture at the table.

6 One of the initiatives in this whole
7 Chesapeake Bay process is expanding of the NPDES permit
8 program. Now, to understand that there's really one key
9 mechanism EPA has to be involved in our regulations or
10 regulating our facilities. That is this. It's a delegated
11 program to us. A lot of this initiative has talked about
12 expanding the CAPO program or basically any agricultural
13 operation that has a pipe coming off it should be considered
14 or have a permit.

15 We don't agree with that in the
16 Department of Environmental Protection. We believe that the
17 regulations we have on the books, and I'm talking about for
18 the state, coupled together is an effective means by which we
19 can manage. The key for us is to ensure that our farms are
20 legally compliant with what compliance is defined on that
21 particular farm. The one thing I have been educated on that
22 when you talk about legal compliance on the point-source side
23 for treatment plants, it's a pretty bright line. You're either
24 above or below what you need to do.

25 In agriculture, that's not the case.

1 What is compliant on one farm may be totally different on
2 another farm. And that has to come into the fold in how we
3 manage and how we move forward. We have to recognize that
4 this is about localized Pennsylvania issues. This is about
5 our water quality, and I will further --- I have often said if
6 we don't have farms, there'll be a lot of houses growing and
7 there'll be problems in there that we have to contend with.
8 So it is recognized in the Department in our managing this
9 whole process.

10 CHAIR HANNA:

11 Okay. Senator Yaw and Tom can offer
12 the second questions. I'll be first and I'll be following
13 with your second-to-last question from the Senators.

14 MR. YAW:

15 Thank you, Mr. Chairman. Just a
16 couple of points. All the testimony so far has been how
17 Pennsylvania is the leader in a lot of the things that we're
18 doing. We've been first in a number of things. One of the
19 other comments is that --- that concerned me a bit is that
20 we're doing a lot of things privately which apparently aren't
21 getting tracked. To me that means we're not getting credit
22 for it somewhere down the road. And we're spending billions
23 of dollars on point-source. We might as well take care of
24 that problem. My question is this. I'm concerned about what
25 assurance do we have, the people of Pennsylvania, especially

1 farmers and landowners, that we're being treated equitably and
2 fairly in this whole thing? Are there other states involved
3 in cleaning up the Chesapeake Bay? I mean, that's my
4 question. I'm concerned about how much money we're spending,
5 what we're doing, and are we being treated fairly.

6 MR. HINES:

7 And that is the question we all have
8 throughout this process. We recognize we have to do
9 reductions in Pennsylvania. I don't think anyone --- we have
10 to do more. And more in Pennsylvania. But it is a cost-
11 effective manner in which we do it.

12 When we developed a point-source
13 strategy for our wastewater treatment plants, that strategy
14 was put together, was debated, and then agreed to by our
15 treatment plants. It gave an option for them to trade and it
16 looked at probably their cap loads and how we developed them
17 that was more conducive to allow for future growth and such.
18 So very much recognized.

19 Another issue that's probably the
20 biggest concern for me is our storm water. We all know that
21 we have to do more for storm water. The way the approach has
22 been put upon us is using the MS-4 program. Now, let me tell
23 you, Senator, that if we would look at the amount of money we
24 put in point sources, that would be overshadowed by what we
25 would have to do in reducing storm water. Yet we would only

1 get about six-tenths of a percent of our overall reductions
2 out of that. So your point is spot-on. How do we channel our
3 resources to maximize our results to what we need to do in
4 Pennsylvania?

5 I don't think under the MS-4 program
6 in particular there has to be a platform. So do we allow
7 communities to work together whereas one community may plant
8 trees that reduces storm water to offset the other community's
9 permit? Those are the type of things we have to push on the
10 edge, and trading program has allowed us to do so. You're
11 point-on tracking.

12 What we are writing into this
13 watershed implementation plan, and we are pushing the edge, is
14 that the tracking needs to be looked at. But again, I'll
15 refer to the 85 percent of BMPs not reported in Bradford
16 County for no till. There's a result of that. So how do we
17 get that information verified and scrubbed because there are
18 other issues incumbent with it. There's confidentiality
19 issues across the board. But that has to be key to part of us
20 moving forward to get more credit for what we're doing in
21 Pennsylvania.

22 Every one of our water quality
23 monitoring stations along the Susquehanna are showing
24 improvement. St. Mary, I believe, which is neutral. It might
25 not be. It's one of the monitoring stations. We're doing

1 something right on the ground.

2 What we have to do as opposed to
3 chasing the model results is to get that model to have a
4 better reflection of what we're doing here at home, and that
5 becomes part of this better tracking. And I'll be frank. I
6 have one staff person that works on our reporting, and he's
7 not long from retirement. So I have pushed the staff to look
8 at how do we back Mr. Patterson. And one of the
9 recommendations is that we actually begin to do more
10 contracting with Penn State to become a repository for BMPs.

11 And again, I called a meeting of
12 senior EPA officials to come sit down with me in our
13 agricultural organizations to show them the results of what
14 Lancaster County has done and what Bradford County has done in
15 these pilots, and to have a frank dialogue on how we can give
16 these non-point-share BMPs verified in order to get a better
17 reflection of what we're doing here at home.

18 CHAIR HANNA:

19 I'll be asking the last question. It
20 was stated on behalf of the Lieutenant, and I understand that.
21 A House member has a question while the Chairman ---. Number
22 one --- these are statements. Number one, I think I heard
23 about potentially nitrogen phosphorous reductions that we need
24 to achieve are beyond our current technologies. I just want
25 to put on the record that I think I heard that. I think I

1 heard that. So if I did hear that, I'd like to issue on the
2 record a challenge to that, that potentially I don't know of
3 all of the work advancing new, innovative solutions. But I
4 would challenge that, that if we put certain width of past
5 waterways along every stream we will ---. Have a lot more
6 energy works, projects have to be submitted by Deputy
7 Secretary's testimony. We have all these projects up and
8 operational using our current technology, I'd just like to
9 post an argument on the table that potentially we could
10 achieve the current ---.

11 Two, I was stunned to hear that 80
12 percent of best management practices on the land are not being
13 reported. I was stunned to hear that. And so our next
14 testimony will be --- among them will be Doctor McNutt, from
15 Lancaster County Conservation District. We had our
16 conservationist here, so I really look forward to working with
17 each of those two entities, to make sure that that gets
18 reported.

19 And my final is a question from the -
20 --. To Marel Raub from Chesapeake Bay. It's from a
21 Pennsylvania attorney. You went to the consequences for
22 failure. We all want to achieve, but you went to the
23 consequences, the others to achieve, and you talked about the
24 federal government potentially altering or gouging what they
25 refer to as the NPDES permits, or reducing or how do you ---

1 raising the bar in an attempt to get grants and other
2 interesting adverse consequences to the Commonwealth of
3 Pennsylvania. I'd like to ask you as an attorney, do you
4 believe that the federal government has a proper legal
5 Constitutional authority to impose those regulatory concerns
6 on Pennsylvania?

7 UNIDENTIFIED SPEAKER:

8 I'm glad you got that one, Marel.

9 CHAIR HANNA:

10 I'd like to ask her on the record.

11 MS. RAUB:

12 EPA believes that they have the
13 authority to do that. And they have laid that out in their
14 November 4th letter. And so --- December 29th letter. There
15 were two sets of letters that came out last year to the states
16 laying out what they feel is their authority for that. It is
17 very clear that federal government --- the NPDES permit
18 program is --- that authority is created through the Federal
19 Clean Water Act, so that is a federal program that's currently
20 delegated to the states to implement, but it is also a federal
21 program. So how that program transpires, who gets permitted,
22 what level, and under what circumstance, that is the federal
23 government.

24 CHAIR BRUBAKER:

25 And our final question for this

1 panel, Chairman Maher.

2 MR. MAHER:

3 Thank you, Chairman. I'm going to
4 direct my question to Ms. Coleman, since you are the
5 ambassador of the federal government for the day. A final lot
6 has obviously been accomplished. Secretary Hines pointed out
7 that 80 percent of the reduction of nitrogen in Chesapeake Bay
8 attributed to efforts in Pennsylvania. It's another way of
9 saying that the others have done virtually nothing. Yet the
10 level of further progress that's being required of
11 Pennsylvania, as you mentioned, of the current condition as I
12 understand it is indistinguishable through Pennsylvania and
13 those who up to this point have not done enough. Now, beyond
14 the inequity involved in that, I think you were --- Dean
15 McPheron --- these weren't his exact words. We can certainly
16 look at the transcript. But using the E-3 motion that if
17 Pennsylvania farmers did everything possible in the existing
18 science every day, every place, that the mandates in this
19 Executive Order could not be accomplished. So if Pennsylvania
20 farmers who have already accomplished half of the reduction
21 coming from Pennsylvania, Pennsylvania's done 80 percent of
22 the reduction to the Bay, if they were to do everything
23 possible every day, every place, the goal mandate still could
24 not be achieved. What is this limited to?

25 MS. COLEMAN:

1 Well, fortunately, Mr. Maher, we have
2 relied on some cost-year money going to other states. We have
3 six partnering states we're working with in the Chesapeake Bay
4 watershed. And with that federal assistance we're providing
5 both financial and technical assistance. Last year we
6 received about \$32 million. We're anticipating a similar
7 amount if not more, \$14 million of which we anticipate coming
8 to Pennsylvania alone. But it will be coming to states. And
9 there's a concerted effort both at the national level and
10 among our sister states to address these issues from an NRCS
11 perspective.

12 MR. MAHER:

13 And I'm sorry. Maybe I wasn't
14 focused enough in my question. My question isn't so much
15 about funding. My question is in reality, according to the
16 judgment of the Dean, is that a mandate that exists on
17 Pennsylvania, are impossible to achieve with science. I'd
18 like to say there were no moon shot for --- in the next 15
19 years it might be ---. Phosphorous will be different than
20 they are today. But I question what are Pennsylvania farmers
21 to do? Those who are --- do they invest in their family
22 farm? Do they continue to farm with this hanging over their
23 heads?

24 MR. HINES:

25 I'll take that.

1 MR. MAHER:

2 I understand a better role answer on
3 what to do by scientists.

4 MR. HINES:

5 Because it all runs downhill and it
6 ends up on our lap in the state here maybe I'll take a crack
7 on it on how we will move forward on the achievements. One is
8 we talked about the 80 percent reduction. That is based on
9 the overall load that Pennsylvania has. So we have a larger
10 hill to climb maybe than others based on the geography.

11 But on the science base, again, we
12 are focusing only on those activities that are reported to the
13 Bay model currently. So when you're only measured on X, Y,
14 and Z, and you don't account for A, B, and C, you're only
15 looking at half the equation. So when you ask the question, I
16 believe if we find a better accounting measure for what's
17 happening on the ground outside the pod share, we will get a
18 better reflection, the positive movements we're making in
19 Pennsylvania. So I don't think it's unachievable. I think
20 it's a matter of how we move forward to solve the formula.

21 And it's not just going through
22 expanding CAPOs, expanding MS work permits. It's a matter of
23 working in cooperation with NRCS, working in cooperation with
24 the other federal agencies, looking at where we have localized
25 impairments to water quality in Pennsylvania, channeling our

1 resources to maximize the improvements there thus having an
2 even more positive effect on the Bay. So I think it's a
3 matter of us not taking the traditional approach of, oh, my,
4 we have these burdens on us, it's going to put everybody out
5 of business. But keeping everyone at the table.

6 And that was part of the reason we
7 set this up in developing this watershed implementation plan.

8 I wanted the sectors to hear what my federal colleagues had
9 to say at the time when I heard it because there's input that
10 --- this might be bureaucratic heresy but I'm not the smartest
11 guy in the room. So I wanted to hear the input from others as
12 we move forward because there are ideas out there that can
13 help us. And they can.

14 I would say I believe if we find a
15 better mechanism for recording what we're doing on the ground
16 we're going to see better results. I think as we look at
17 future technologies --- and do I think if we brought everybody
18 in the baseline it would get us closer? I think if we go over
19 the top we'd look at new things. The training program.

20 Folks, we have more point to non-
21 point source trace than anyone else in the state. Albeit it's
22 only eight. But guess what. That's more than anyone else has
23 in this country. We're moving in the directions that will
24 maximize our achievements that are more cost effective than
25 others. So I think as long as we keep this common sense

1 approach, because that's the true genius of statesmanship,
2 that is how we'll move forward to make a yeoman's effort to
3 see progress work. And we're going to put our watershed
4 implementation plan out there September 1st, and I will wait
5 to see what my federal colleagues have to say whether we hit
6 the mark or not, and then let the games begin.

7 MS. COLEMAN:

8 I do want to address that we are
9 putting an effort at the federal level within the Natural
10 Resource and Conservation Service to document these voluntary
11 practices, these practices that producers are doing on their
12 own. There's a coordinated effort among the six states that
13 our chief is leading to document what producers are doing to
14 get more adequate reflection.

15 CHAIR HANNA:

16 Thank you. And I want to thank the
17 panel and this is a conversation that I suspect will go on and
18 on if given an opportunity. And I would like to pursue it
19 further but we're running out of time. But in order to try to
20 keep the hearing on track here today I thank you very much for
21 your input and I thank the members for their thoughtful
22 questions and their answers to those.

23 And let me go over to our next
24 compliance panel. Matthew Ehrhart, the Executive Director of
25 the Chesapeake Bay Foundation. John Bell, Government

1 Relations Council, Pennsylvania Farm Bureau. And Donald
2 McNutt, District Administrator for Lancaster County
3 Conservation District. And, gentlemen, I'll ask you each
4 kindly limit your comments to about four or five minutes.
5 We're rapidly running out of time. Having said that, Mr.
6 Ehrhart, go ahead.

7 MR. EHRHART:

8 Okay. Chairman Hanna, Chairman
9 Brubaker, and members of the Committee, thank you very much
10 for the opportunity to be here. I provided fairly detailed
11 information and some recommendations in my testimony, and in
12 light of the comments, questions, and answers, I'll try to
13 limit this and save us some time and not go through all the
14 testimony.

15 I do want to say as has been stated,
16 Pennsylvania agriculture has made really the lion's share of
17 the reductions to date. And I think that work is attributed
18 to a lot of the people you see at this table, in the room, and
19 throughout our county conservation districts and in our CS
20 offices as well as our landowners and farmers. We still do
21 have significant problems with compliance TMDL aside with our
22 state regulations and requirements as Secretary Redding noted.

23 And I think focusing on that and I think Deputy Secretary
24 Hines also noted that has to be a priority to get our farmers
25 from where they are to safety essentially.

1 We've also been in violation of the
2 Federal Clean Water Act, and the ten-year window for that
3 voluntary cleanup effort to resolve that issue is closing with
4 the establishment of the TMDL this year. And again, that new
5 TMDL aside, we've seen EPA begin to use its existing authority
6 to do farm assessments in Lancaster County. They've issued
7 over 100 or almost 100 compliance letters to local
8 municipalities regarding their MS-4 NPDES permits. And I
9 think we're going to see that continue based on both the Clean
10 Water Act issues as well as our local compliance issues.

11 This TMDL is requiring that we
12 develop a plan. And Secretary Hines addressed this a little
13 bit, but we have the opportunity to develop a plan that fits
14 Pennsylvania as efficient. If we can't adequately develop a
15 plan that shows not only the path to the pollution reductions
16 but the methods that we'll use to get there, EPA will continue
17 to step in. And I think it's safe to say that EPA doesn't
18 have the authority to force us to build an efficient,
19 effective plant in Pennsylvania. But they do have a number of
20 legal hammers, and Marel alluded to them earlier. And when
21 all you have is a hammer, everything starts to look like a
22 nail as the saying goes. And I think that is a situation we
23 don't want to let the Commonwealth and our constituents get
24 into. I won't belabor those hammers.

25 So we do have this opportunity to

1 build a solution that works in Pennsylvania. And I guess I
2 would make a fairly shameless plea to the committees to think
3 about the resources that we need to have to do that. We know
4 conservation districts are extremely effective. They're our
5 frontline with our farmers in our counties. And they're also
6 critical as technical assistance providers to implement the
7 federal money that we receive from the Farm Bill. NRCS
8 doesn't always have the staff necessary to implement that
9 federal money. And the last thing we want to --- the last
10 position we want to be in is to have resources at our disposal
11 that we can't take advantage of because we weren't strategic
12 in putting people on the ground.

13 I'd highlight the REAP tax credit.
14 Even in difficult economic years we've seen other tax credits
15 increase. Every budget, even difficult state budgets, have
16 priorities, and I guess I'm here to argue that this is
17 something we should consider as a priority in upcoming
18 budgets. I also think we do need to develop, as I mentioned
19 earlier, a comprehensive rational strategic plan to take our
20 farm community from wherever they happen to be today into
21 compliance with our current state and federal regulations.

22 And as Secretary Redding noted, this
23 isn't a short window to do that. We have 15 years but we have
24 to build a plan and embark upon it now so that we don't end up
25 down the road and out of position again.

1 I do want to note again, Ag is not
2 alone in this. And our problems with storm water, storm water
3 sector is the only piece of the pollution load that continues
4 to grow. And the solutions in our built-out communities,
5 boroughs, towns are more difficult and more expensive per
6 pound as Deputy Secretary Hines mentioned, than on the Ag
7 side. There's going to be real struggles there, and frankly
8 EPA's hammers are clearer there than they are on the non-point
9 source pollution side. So I would just lobby that this is the
10 time to look at solutions, to build a plan as we begin this
11 TMDL with the watershed implementation plan that can get us
12 there, to make some commitments to resources, and to not put
13 our Pennsylvania farmers or communities sort of out there on
14 their own to face the federal hammers.

15 I thought your question to Marel,
16 Chairman Brubaker, was a good one and I think she handled it
17 well. I will say there's question on some of their
18 enforcement capacity, not only whether they have the authority
19 but whether they have the requirement to use some of those
20 hammers if we don't address these situations. So this isn't
21 all discretion perhaps on their behalf. And I think we should
22 do everything we can to avoid that. I'll stop there.

23 CHAIR HANNA:

24 Thank you. And as we did with the
25 prior panel, we'll hear from all the panel before we turn to

1 questions. Mr. Bell.

2 MR. BELL:

3 Thank you, members of the Committee.

4 I'm John Bell. I'm here representing the Farm Bureau here
5 today to discuss what we consider to be a serious and perhaps
6 growing concern with the responses that we've received so far
7 in Pennsylvania, so far I emphasize, from our federal
8 Environmental Protection Agency in responding to
9 Pennsylvania's efforts so far. Let me be clear, Marel did a
10 very good job in summarizing the potential sanctions. And my
11 prepared testimony included a December 29 letter from EPA that
12 describes more in detail the hammers that can be imposed on
13 Pennsylvania and Bay states.

14 Now, we all talked in terms of 2017,
15 2025, but those hammers can be imposed in 2010 and 2011 if
16 Pennsylvania's watershed implementation plans fail to meet
17 what EPA believes to be adequate. And we in Pennsylvania,
18 you've heard previous witnesses talk about the genuine good-
19 faith effort that Pennsylvania agriculture and its partners
20 through the Department of Agriculture, through DEP, the
21 conservation districts, in meeting the challenges of nutrient
22 and sediment reduction.

23 Same good-faith effort is being made
24 by DEP and the stakeholders in trying to devise a watershed
25 implementation plan that is timely, that is effective, and

1 does not jeopardize the future of Pennsylvania agriculture.
2 You heard Deputy Secretary Hines talk about the Chesapeake Bay
3 model. It is a complicated Goliath that few people outside of
4 the EPA understand. And frankly, there's been little
5 meaningful effort made so far to educate --- well, I won't
6 speak for the Department but I'll speak for the stakeholders
7 in understanding that model.

8 The stakeholders through our
9 consistent meetings have been making blind guesses at what
10 mixture of BMPs might work. We don't know. The model is the
11 lynch pin for Pennsylvania's measure of compliance with EPA's
12 mandates. We don't understand. The model itself is being
13 subject to significant revision. And I think they've been
14 completed. I'm not sure of that, but as a result of that
15 Pennsylvania and Bay states are being required at least in
16 this year's whip to incorporate this nutrient and sediment
17 reduction reserve. So we have to additionally plan for five
18 percent reduction to incorporate what may be the end result of
19 the revised model.

20 And contrary to what stakeholders
21 have believed, there's been really little technical assistance
22 provided in trying to work scenarios. The turnaround for
23 coming up with ideas, these blind guesses, and seeing how
24 they're going to be measured in the model has been
25 painstakingly slow. DEP has not been silent or passive in

1 coming up with ideas to increase what DEP believes to be
2 measures to assist in nutrient and sediment reduction,
3 including proposed revisions to the nutrient management
4 manual, chapter 102 regs. They've asked for feedback.
5 They've gotten very little, and what feedback they've gotten
6 has been rather negative.

7 And you've heard the discussion about
8 reporting. There's been very little meaningful guidance on
9 what EPA, outside of the qualified person walking every acre
10 of farms, that will be recognized as their viable data.

11 Last and not least, EPA has proposed
12 or at least announced that it is developing, we're not sure
13 whether they're actually going to provide it, but they
14 announced a proposal of a back stop TMDL in the event that the
15 state does not meet the standards that EPA believes to be
16 adequate. Now, it's my understanding that if they do announce
17 it, and we're not sure. We asked questions about, well, is
18 this backstop TMDL going to be produced? If it is, it's going
19 to be produced at the same time they announced a proposed
20 regular TMDL, and Pennsylvania and Bay states will have to
21 comment on the backstop TMDL the same time under the same
22 period of comment that they'll have to provide for the regular
23 TMDL. Believe me, and I don't want to paint too bad a
24 picture. This is what has happened so far.

25 We want to raise the awareness of

1 you. We want to raise your awareness so that you will perhaps
2 bring this to EPA's attention, our frustrations so far. And
3 hopefully we can have the meaningful, helpful partnership that
4 we need now and in the future. Thank you.

5 CHAIR HANNA:

6 Thank you, Mr. Bell. Thank you for
7 coming. Mr. McNutt.

8 MR. MCNUTT:

9 Thank you, Chairman Brubaker,
10 Chairman Hanna, and fellow legislators and guests. And you
11 have my notes, and I'm not going to read them. You have them.
12 I'm going to summarize them. You're going to get the
13 footnotes because I think the thing we need to get to is back
14 to the questions. And I'd like to jump to some of the
15 questions you asked earlier.

16 But very quickly, you see number one
17 on my page is we need to thank the farmers. And you've heard
18 it repeatedly here today that they've done a lot of work on
19 their own. In Lancaster County we see about an eight-to-one
20 ratio of BMPs in place on their own nickel versus local and
21 state and federal dollars.

22 Point number two on the second page,
23 I'm asking you to really consider some of the new technology
24 that's out there, the REAP program, some of the new things
25 that are involved with that, Nutrient Trading is critical.

1 We're also now just opening up the whole PennVest to non-point
2 applicants. That is directly tied into Nutrient Trading.

3 The third point that I note there,
4 and it's been all over here this morning, and that is the
5 question of accurately counting the BMPs that are in place.
6 What blew my mind was a report in 2007, that said in Lancaster
7 County we had 4,000 acres of no till. 4,000. That's out of
8 400,000. That's what was reported. We knew it was not true.

9 And through the efforts, through DEP, the sponsor of some
10 pilot survey work by Bradford and Lancaster County, we indeed
11 didn't find that as not true. You'll see in my document I
12 call that a range in Bradford County of about 44 or about 88
13 percent underreported BMPs. That's interesting because
14 Maryland had a similar study. They called out about the same
15 numbers of underreporting of BMPs. And again, my hat goes off
16 to the farmers who put those in on their own nickel.

17 The last thing I note on the back
18 side of this page is that you need to remember that
19 agriculture is the solution. And Dean McPheron had referred
20 to that this morning in his testimony. I continue to
21 reinforce that, that as you deal with the daily issues you're
22 dealing with the agriculture. If you really want to fix them
23 we need to send 16,900,000 people home, leave 100,000 farmers
24 here and come back in about 50 years and see what the Bay
25 looks like. It will be just right. And that's a point I jump

1 off on.

2 I'll also encourage you as
3 legislators to call your local county conservation district
4 manager and ask him how he's doing in putting together next
5 year's budget. It is tough right now.

6 Let me just capsulize for you what
7 our board has done in the last few years to address some of
8 those shortfalls. Not only have we had an Ag compliance
9 policy put in place, we've established a plane set outreach
10 coordinator and Ag compliance coordinator just this year. We
11 have gotten involved with the Fencing Out initiative that
12 incurs all farms that fence cattle on streams in Lancaster
13 County. We've got a great partnership there from Farm Bureau
14 and they took it on up through their state organization, and
15 it has great function. And it has EPA's attention.

16 We created a 501(c)(3) to take in
17 monies through a sister organization, especially monies that
18 can go to plane set that don't come through with the 1099, it
19 has the government's footprint on it. So remember us at
20 Christmastime, the Conservation Foundation of Lancaster
21 County. We are the first CD to negotiate a nutrient trading
22 agreement. I see Luke Digger here in the back with Mount Joy,
23 and that was a great success, and that needed to be promoted
24 further along. We're acting as a pass-through entity for
25 PennVest. I believe we'll be uploading in about a week and a

1 half somewhere between \$5 and \$10 million worth of non-point
2 projects. That is huge. And it is a new opportunity for
3 agriculture to even be involved in that.

4 I'm going to go to a question
5 involved in --- actually and answer it although you didn't ask
6 it of me. But I would like to address, and it is a question
7 of are we going to make it, can we get there. And in 2005, we
8 were asked as county conservation districts to establish our
9 game plan to address strategy, our goals. I looked at them.
10 I said I believe they are doable. They called for 80,000-some
11 acres of no-till in Lancaster County. Remember, we reported
12 4,000? In our short survey that we did we found over 50
13 percent of the agents in Lancaster County are no-fill. Do the
14 math. It's not real hard. 400,000 acres, 50 percent, that's
15 200,000 acres. I think that's more than the Trib strategy
16 goals.

17 Now, how do the Trib strategy goals
18 match up with the TMDL? We don't know yet. But the whisper
19 down the hallway is it's about an eight or ten-percent
20 increase. Can I handle eight or ten percent more of no-till
21 acres in Lancaster County than the Trib strategy? You bet we
22 can. And the farmers have stepped it up quite.

23 The other thing I want you to realize
24 is that as these programs roll forward it is critical that the
25 non-farm public realize the benefit that agriculture is

1 playing because then we have tied together a real strong
2 partnership. When they see that their quarterly wastewater
3 treatment fill is lower because of trading and because of what
4 farmers are doing and that we're addressing it, that is a
5 great partnership that we need to establish. So there's many
6 good things going on. You'll find that conservation districts
7 are the common-sense buffer between big brother government
8 which we thought was DEP, we found out it's the bigger bigger
9 brother government in EPA. So they are a buffer. You need to
10 support them. I encourage your consideration of them, and
11 thank you for letting me ramble on a little bit.

12 CHAIR HANNA:

13 Thank you. And now we have three
14 House members with questions and one Senator with a question,
15 and that's going to be really stretching our time, so I'm
16 going to have to ask the House members in particular, phrase
17 your question so that it can be completed within a minute, and
18 the answer can be completed within a minute. We'll start with
19 Representative Keller.

20 MR. KELLER:

21 Thank you. This question is for
22 Matt. We heard testimony from Deputy Secretary Hines about
23 all the firsts that Pennsylvania has established in
24 strengthening to implement the requirements. My question to
25 you is has the numbers changed and how much have they changed

1 by ---?

2 MR. EHRHART:

3 Well, that's a very important
4 question because ultimately that's what we're judged on. And
5 the numbers are starting to trend in a positive direction.
6 Things are starting to improve, and I think you just have to
7 remember, it's a very big system. And the fact that we put
8 another 4,000 acres of cover crops on in Bradford County, it
9 takes that a little while to show up in the monitoring data in
10 the Bay. So I think we are on the right track, and I think
11 there's no doubt that that change in direction is based on
12 Pennsylvania ag's work. I mean, that's where the work's been
13 done for the last 20 years, the largest reductions have been
14 made, and we're just starting to see that play out.

15 CHAIR HANNA:

16 Representative Denlinger.

17 MR. DENLINGER:

18 Nice to hear you testifying. My
19 question, John, if I may, perhaps more than one of our
20 testifiers today utilized the --- folks around the field. Can
21 you share, the first question, --- as you interact with
22 farmers what level of understanding do they have about the
23 development and what's their level of education and knowledge
24 that you encounter with them? And secondly, for those that do
25 have some amount of understanding or education, what is the

1 attitude towards it? Is it feared, understanding ---?

2 MR. MCNUTT:

3 I guess I have a significant
4 advantage in this being an agriculture educator for 25 years,
5 so I've had some questions from students before. And I
6 consider you not a student, but maybe a graduate study. First
7 of all, I'll answer the second part first. The farmers that
8 have the best attitude towards compliance and understanding is
9 the CAPO operator or those regulated under Act 38, who
10 definitely know that. To the defense of the farmers I will
11 stand in front of them and say I put on the farmer meetings
12 for 25 years and I've invited some speaker there by the name
13 of Luke --- Mike Brubaker. And we enjoyed being in the field
14 together. But we never put on a meeting about compliance, did
15 we?

16 And I've said and my word picture is
17 that 1972, we drove a signpost in the dirt, but we never hung
18 the sign that all farmers were required to have a conservation
19 plan. In '77, we drove the stake in that said all farms are
20 required to have an --- at minimum a manure management plan.
21 We never hung a sign on it. The sign's never got hung until
22 just a couple years ago through the apron effort. And that
23 came out of Secretary McGinty as she worked with the Governor
24 on 1222. So we do have that signage out there now.

25 So to the question of meeting a

1 south. In your testimony you talked about how those are ---.
2 Are we doing anything like that in Pennsylvania?

3 MR. EHRHART:

4 There currently is a pilot along the
5 Susquehanna River where they're trying to evaluate a number of
6 things. How it works in this climate, because obviously we're
7 a little cooler than those places. Second, what's the
8 capacity of that algae to generate biofuels. And then how can
9 we use, you know, what's left of the algae, whether it's
10 fertilizer or other use. There's been a lot of discussion
11 about, you know, how to make that work in conjunction with
12 smaller wastewater treatment plants. The focus has been in
13 Lancaster County so far and a lot of our wastewater treatment
14 plants are very small so there's issues to scale.

15 MR. KESSLER:

16 All right. And I have some
17 information I'd like to share with you then.

18 MR. EHRHART:

19 Thank you.

20 CHAIR BRUBAKER:

21 My fellow senators have said that we
22 do have another obligation to get on to so I'd like to thank
23 you at this time on behalf of the Pennsylvania Senate Ag and
24 Rural Affairs Committee. Thank you to all the panel. Thank
25 you, Chairman Hanna. We have a truly nonpartisan effort here

1 and I can say is I really enjoy working with everyone.

2 I'd like to offer my respective
3 conclusion. Number one, I've learned that Pennsylvania
4 farmers have done not just a moderate level of improvement but
5 a huge level of improvement, and we do need to congratulate
6 them. And then secondly I learned that for every one-dollar
7 government money farmers have been using to improve their
8 landings but eight dollars of their own money. Thank you. So
9 that was a huge learning thing. That's one.

10 Number two, I keep hearing this 2025
11 deadline date. I don't want anyone to leave here, anybody
12 watching PCN to misunderstand. 2025 is certainly our date in
13 time as many have testified. There's interim dates to be
14 clean. So it's not only going down to 2025. If you got that
15 impression, we'd like to leave here believing that we can do
16 nothing in the short-term, and that's not at all true. Mr.
17 Bell has testified that there's some current obligations and
18 we need to keep that in mind.

19 And I also learned that there's a
20 significant amount of positive best management practices being
21 placed on the land that are not being recorded. I'm looking,
22 I believe, at accommodations that are going to help people to
23 collect that data. I'm hoping that farmers are comfortable in
24 reporting that. Maybe we'll create a safe harbor for them to
25 report. In other words, if a farmer's reporting their

1 your everyday farm life. So please look to us to help you as
 2 you try and deal with this, and we'll continue to work with
 3 our panels and with both the federal and state agencies to try
 4 and make sure that we continue to achieve this. The goals
 5 that I heard earlier that are one, clean water, and also
 6 number one, in vital farms. We'll conclude on that note.
 7 Thank you all.

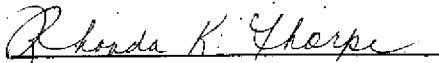
8 * * * * *

9 HEARING CONCLUDED AT 12:00 P.M.

10 * * * * *

11 CERTIFICATE

12 I hereby certify that the foregoing
 13 proceedings, hearing held before Mike Brubaker was
 14 reported by me on 08/18/2010 and that I Rhonda K.
 15 Thorpe read this transcript and that I attest that
 16 this transcript is a true and accurate record of the
 17 proceeding.

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