



## Conservation Districts

Conservation shapes not only our everyday lives, but also our children's future. It revolves around the use of Best Management Practices to address environmental issues and challenges. As a result of Pennsylvania's unique economy, including its [52,700](#) farms, the commonwealth ranks in the top 10 amongst all 50 states in terms of number of farms and/or farm acres. Furthermore, we are home to over [85,000](#) miles of rivers, streams, and creeks, second in the US only to Alaska. According to [US News](#), Pennsylvania ranks **40<sup>th</sup>** in terms of Air Quality and **39<sup>th</sup>** in terms of Pollution. One in three miles of Pennsylvania streams are impaired. As a result of these challenges, a significant state investment is needed to protect our natural resources.

The creation of conservation districts statutorily ensured the commonwealth's commitment to preserve and sustain vital environmental areas. Located in every county but Philadelphia, conservation districts provide a variety of programs that unite farmers, municipal officials, homeowners, teachers, students, and others under the paradigm of rebuilding and conserving Pennsylvania's natural resources.

Conservation districts address a number of environmental issues, including soil erosion, flood control, dam and reservoir maintenance, storm water management, air quality protection, wildlife preservation, and advocating for the health, safety, and welfare of citizens.

The 1945 law creating conservation districts, Act 217, followed a concerted effort to protect soil, water and related natural resources. In addition to creating the districts, the measure charged the districts with conserving natural resources and developing programs and projects consistent with responsible environmental stewardship.

Act 217 of 1945 created the State Conservation Commission to provide oversight for the county conservation districts and administer a variety of conservation programs, including:

- [Nutrient](#) and [Odor Management](#) programs. Act 38 of 2005 directs phosphorus and nitrogen management practices and year-round setbacks for manure applications, and the implementation of an approved odor management plan;
- [Resource Enhancement and Protection \(REAP\) Program](#), which offers tax credits for farmers implementing best management practices that enhance farm production and protect natural resources. A component of the PA Farm Bill, the tax credit cap was increased from \$10 million to \$13 million in 2019/20 and extended the field of eligible applicants,
- [Dirt and Gravel Road Maintenance Program](#); and the
- [Conservation District Fund Allocation Program](#), which delivers administrative assistance cost share, technical assistance cost share, and agricultural conservation easement program support.

The [State Conservation Commission](#) is an administrative panel under the departments of Agriculture and Environmental Protection. The 14-member commission holds a broad mandate to ensure the wise use of Pennsylvania’s natural resources and maintains a diverse membership.

<b>State Conservation Commission Members</b>	
1	Secretary of Dept. of Agriculture
1	Secretary of Dept. of Environmental Protection
1	Secretary of Dept. of Conservation & Natural Resources
1	Secretary of Dept. of Community & Economic Development
1	Dean of Penn State College of Agricultural Sciences
4	Four farmers, appointed in consultation w/ PA Assoc of Conservation Districts PA State Council of Farm Organizations
2	Non-Farmer members of the public
1	State Conservationalist of the: Natural Resources Cons. Service US Dept. of Agriculture
1	Assoc Director of Penn State Extension
1	President of PA Conservation Districts
<b>14</b>	<b>Total Members</b>

The Commission plays a central role in Pennsylvania’s Chesapeake Bay watershed strategy. Furthermore, the Commission includes 66 conservation districts, which are locally managed by citizens from varying backgrounds.

Traditionally, conservation district efforts are funded through the Conservation District Fund, established by [Act 110 of 2006](#). Proceeds to the fund include transfers from the General Fund, natural gas impact fees ([Act 13 of 2012](#)), the Environmental Stewardship Fund, and interest payments. For 2022/23 the resources available to conservation districts include one-time federal funds from the American Rescue Plan Act.

In a significant change to prior years, the 2022/23 budget allocated \$220

million from the American Rescue Plan Act (ARPA) for conservation efforts. A portion of this allocation directly involves the State Conservation Commission and the Conservation Districts. The 2022/23 [Fiscal Code](#) established two new programs that seek nutrient and sediment reduction: the Agriculture Conservation Assistance Program and the Clean Water Procurement Program. The ARPA funding, along with the creation of these programs, is a step in the right direction for Pennsylvania regarding its obligation to conservation of the Chesapeake Bay. With the infusion of federal ARPA dollars, the State Conservation Commission has access to \$188 million in total funding for 2022/23, compared to \$11.5 million in 2021/22.

Traditionally, the Conservation District Fund receives General Fund transfers from the Department of Agriculture (AGR) and Department of Environmental Protection (DEP). In prior years, the Conservation District Fund received an average of \$3.4 million annually from AGR and DEP’s budget. In contrast, both DEP’s and Department of Agriculture’s fund transfers for 2022/23 are significantly higher at nearly \$10.2 million.

Another ongoing funding source, Act 13 of 2012 (which established the impact fee on natural gas drilling) distributes \$8.86 million in 2022/23. Half of the money is divided equally among conservation districts, while the balance is distributed to the State Conservation Commission. Funds distributed to the State Conservation Commission are deposited into the Conservation District Fund to provide further conservation district support.

The following chart tracks conservation district funding and the state agency source of revenue.



<b>Conservation District Funding</b>					
<i>(dollar amounts in thousands)</i>					
	<b>2018/19</b>	<b>2019/20<sup>(1)</sup></b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
<b>PUC: Act 13 Impact Fee Distribution</b>	\$ 7,750	\$ 7,897	\$ 7,897	\$ 8,173	\$ 8,860
<b>DEP: Transfer to Fund</b>	\$ 2,506	\$ 2,506	\$ 2,506	\$ 2,506	\$ 7,516
<b>AGR: Transfer to Fund</b>	\$ 869	\$ 869	\$ 869	\$ 869	\$ 2,669
<b>Agriculture Conservation Assist. Program</b>	\$ -	\$ -	\$ -	\$ -	\$ 147,840
<b>Clean Water Procurement Program<sup>(2)</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ 21,120
<b>Total Conservation Funding</b>	<b>\$ 11,125</b>	<b>\$ 11,272</b>	<b>\$ 11,272</b>	<b>\$ 11,548</b>	<b>\$ 188,005</b>

(1) DEP's Transfer to Conservation District Fund comes from Environmental Stewardship Fund, instead of the General Fund

(2) Administered by PennVEST in conjunction with DEP and the State Conservation Commission

Conservation district grants support services, projects and activities that benefit the agricultural community, promote training and development of professional staff to carry out their collective mission, and implement DEP programs at the local level.

Conservation districts closely work with state environmental agencies to meet Pennsylvania's obligations under the Chesapeake Bay program. Pennsylvania holds 35 percent of the Chesapeake Bay watershed, and roughly 33,000 farms are situated along the Potomac and Susquehanna River basins, the latter being the largest bay tributary.

As Gov. Tom Wolf's administration implements its Chesapeake Bay strategy of investing more time and resources to address pollution and runoff hurting the bay, conservation districts are working to help the commonwealth win agricultural community compliance.

As part of a multi-state, multi-agency effort, Pennsylvania has been involved in the **Chesapeake Bay Water Implementation Plan (WIP)** since 2010. The plan, headed by the U.S. Environmental Protection Agency (EPA), covers river basins that are bay tributaries. EPA has assigned pollution reduction goals to each state to meet by 2025. Each state's water implementation plan outlines the pollution reduction goals for phosphorus and nitrogen.

The commonwealth has completed [Phase 1](#) and [Phase 2](#) of its Chesapeake Bay WIP and finalized [Phase 3](#) in July of 2022.

<b>Phosphorous/Nitrogen Pollution</b>			
<i>(amounts in millions of pounds)</i>			
<b>Type</b>	<b>1985</b>	<b>Current</b>	<b>2025 Target</b>
Phosphorous	6.02	3.75	2.90
Nitrogen	122.23	105.99	73.49

If Pennsylvania does not meet its WIP goals, EPA would increase federal enforcement and compliance. Additional consequences include:

- New phosphorus/nitrogen water quality standards,
- More agricultural, industrial, and municipal operations would need to obtain clean water permits,
- Stricter nutrient/sediment reductions for current clean water permit holders, and
- Redirecting federal grant funding away from state priorities to EPA priorities.

The importance of multi-faceted conservation efforts also includes funding support for improvements related to **flood control and stormwater infrastructure**. Funding for such efforts was also part of the allocation of American Rescue Plan Act (ARPA) dollars included in the 2022/23 budget. While not allocated to the State Conservation Commission or the Conservation



Districts, \$320 million was allocated to the Commonwealth Financing Authority (CFA) for water and sewer projects, which in turn would result in reduced pollution levels downstream within the Chesapeake Bay.

The table below lists 2022/23 ARPA funding that supports the various conservation efforts at CFA (\$320 million) and across other departments and programs (\$220 million).

<b>2022/23 ARPA Conservation Funding</b>			
<i>(dollar amounts in thousands)</i>			
<b>Transf Source</b>	<b>Dept/Area</b>	<b>Program/Fund</b>	<b>Allocation</b>
ARPA Transf	CFA	H2O PA - Water & Sewer Projects	\$ 214,400
		Other Water & Sewer Projects	\$ 105,600
Clean Streams Transf	State Conservation Commission	Agriculture Conservation Assist. Prog	\$ 147,840
Clean Streams Transf	PennVEST	Clean Water Procurement Prog	\$ 21,120
Clean Streams Transf	Multiple	Nutrient Management Fund	\$ 21,120
Clean Streams Transf	DEP	Program Administration @ 4%	\$ 8,800
		Storm Water Management	\$ 8,448
Clean Streams Transf	DCNR	Keystone Tree Restricted Acct	\$ 8,448
Clean Streams Transf	Multiple	Acid Mine Drainage Abatement and Treatment Fund	\$ 4,224
			<b>\$ 540,000</b>
			<b>\$ 540,000</b>

