Chesapeake Bay Federal Funding

Shannon Frede Environmental Policy Counsel U.S. Senator Ben Cardin Selected Chesapeake Bay- and Water Infrastructure-Related Federal Programs

- Chesapeake Bay Program
 - Innovative Nutrient and Sediment Reduction grants
 - Small Watershed Grants
- Chesapeake WILD
- Clean Water State Revolving Fund
- Section 319 Grant Program
- Sewer Overflow Grants Program
- WIFIA

Chesapeake Bay Program

- Fiscal Year 2023 Omnibus Appropriations: \$92 million for fiscal 2023.
- Infrastructure Investment and Jobs Act (IIJA): an additional \$238 million over five years (FY22-26) for the Chesapeake Bay Program.
- The first \$40 million, <u>announced</u> in May 2022, includes \$25 million to be administered through the NFWF Chesapeake Stewardship Fund:
 - \$10 million in Innovative Nutrient and Sediment Reduction grants
 - \$15 million in Small Watershed Grants
 - The other \$15 million will be distributed to the six watershed states and the District of Columbia under the Most Effective Basins (MEB) program
 - 40% of will be targeted for MEB projects in environmentally overburdened communities.

Chesapeake Bay Stewardship Fund

 The National Fish and Wildlife Foundation (NFWF), in partnership with the U.S. Environmental Protection Agency (EPA) and the federalstate Chesapeake Bay Program (CBP) partnership, solicits proposals through the Chesapeake Bay Stewardship Fund to restore water quality and habitats of the Chesapeake Bay and its tributary rivers and streams.

Innovative Nutrient and Sediment Reduction Grants

- Awards <u>grants</u> of \$200,000 to \$1 million to support innovative, sustainable and cost-effective approaches that dramatically reduce nutrient and sediment pollution to the Chesapeake Bay and its local waterways.
- Grants are awarded on a competitive basis.
- Funded Innovative Nutrient and Sediment Reduction projects can be located through an interactive NFWF <u>map</u>.
- This grant program is currently closed and will reopen in 2023. The 2023 Request for Proposals is available <u>here</u>.

Small Watershed Grants

- Awards grants of \$20,000 to \$200,000 to organizations and local governments that work on community-based projects to improve the condition of their local watershed while building stewardship among residents.
- This grant program is also currently closed and will reopen in 2023.
- The 2022 Request for Proposals is available <u>here</u>.

Most Effective Basins

- EPA is targeting funding in those <u>areas</u> that have been <u>identified</u> as being most effective for improving water quality while targeting disadvantaged communities.
- The allocation for this funding will follow the same funding allocation used for the Chesapeake Bay Implementation Grants: 20% each to MD, PA, and VA and 10% to DC, DE, NY, and WV.

Chesapeake WILD

- FY23 Omnibus: \$8 million
- A new grant program to support fish and wildlife, climate resilience, and equitable access to the outdoors in the Chesapeake Bay watershed.
- The first grant awards, announced October 2022, will fund 12 projects intended to benefit habitats from oak forests to wetlands to riparian corridors.
- The Chesapeake WILD program framework can be found <u>here</u>.

Water Infrastructure

- Division E of IIJA includes many of the drinking water and wastewater provisions from S. 914, the Drinking Water and Wastewater Infrastructure Act of 2021 (DWWIA).
- In addition to authorizing EPA-administered infrastructure grant programs and amending existing programs, IIJA provides emergency supplemental appropriations for drinking water and wastewater infrastructure.

Clean Water State Revolving Fund

- EPA provides grants to all 50 states plus Puerto Rico to capitalize state CWSRF loan programs. The states contribute an additional 20 percent to match the federal grants.
- The 51 CWSRF programs function like environmental infrastructure banks by providing low interest loans to eligible recipients for water infrastructure projects.
- States are responsible for the operation of their CWSRF program.

Maryland's Allotment

- \$144,181,000 in Fiscal Year 2022
 - Drinking Water State Revolving Fund (DWSRF): \$32,892,000
 - DWSRF Lead Service Line Replacement: \$51,797,000
 - DWSRF Emerging Contaminants: \$13,813,000
 - Clean Water Safe Revolving Fund (CWSRF): \$43,401,000
 - CWSRF Emerging Contaminants: \$2,278,000
- IIJA funds are additional to those provided through the regular appropriations process!

Water Quality Revolving Loan Fund

- Provides financial assistance for a wide variety of <u>projects</u> to protect or improve the quality of Maryland's rivers, streams, lakes, the Chesapeake Bay and other water resources.
- Funding Applications Accepted December Through January Annually
- WQRLF assistance is available for:
 - Point Source Pollution Prevention (Public Entities/Local Governments Only)
 - Nonpoint Source Pollution Prevention (Public and Private Entities)
 - Under Clean Water Act Section §319(h), grant funds are also available to reduce or eliminate water quality impairments that are associated nonpoint source pollution.

Sewer Overflow and Stormwater Reuse Municipal Grants

- America's Water Infrastructure Act (AWIA) of 2018 amended section 221 of the Clean Water Act, which reauthorized the <u>Sewer Overflow</u> <u>and Stormwater Reuse Municipal Grants program</u>. These amendments expanded project eligibilities to include stormwater management projects and authorized appropriations for the program.
- Grants will be awarded to states, which will then provide sub-awards to eligible entities for projects that address infrastructure needs for CSOs, SSOs, and stormwater management. In 2021, the Bipartisan Infrastructure Law amended the program to add a focus on funding projects in rural and finically distressed communities while also eliminating project cost share requirements for these communities.

WIFIA

- The Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) established the <u>WIFIA program</u>, a federal credit program administered by EPA for eligible water and wastewater infrastructure projects.
- Minimum project size for large communities: \$20 million
- Minimum project size for small communities (population of <25,000): \$5 million
- Maximum portion of eligible project costs that WIFIA can fund: 49%
 - Total federal assistance may not exceed 80% of a project's eligible costs.

