



CHESAPEAKE & ATLANTIC COASTAL BAYS TRUST FUND ANNUAL REPORT & EXPENDITURE PLAN

FY 23 - FY25



Wes Moore Governor
Aruna Miller, Lt. Governor
Josh Kurtz, Secretary
David Goshorn, Deputy Secretary

SECRETARY STATEMENT

The Chesapeake and Atlantic Coastal Bays Trust Fund is an essential resource in meeting the Moore-Miller administration's commitment to a cleaner, healthier Chesapeake Bay. During my first year as Secretary of the Department of Natural Resources, one of my primary goals was to reaffirm the importance of science when making decisions affecting Maryland's natural resources. The Trust Fund has a proven legacy of project delivery that exemplifies the latest restoration science and investment in monitoring and data to advance future knowledge.

The Trust Fund's guiding legislation was developed to allow the department to work with our sister agencies to incorporate new scientific discoveries into our investment decisions and technical assistance provided to local communities. With Restoration Research grants and Innovative Technology investments, the Trust Fund continues to lead efforts across the watershed to advance and share restoration knowledge, while providing the resources needed to utilize science for successful implementation.

The Trust Fund represents an unparalleled investment in the future vitality of the Chesapeake and Atlantic Coastal Bays and I am excited to guide its progress into the future. With a renewed focus on shallow water habitat restoration and climate resilience, coupled with water quality outcomes, the department will continue to be data-driven and outcome focused in its management of vital state resources.

Thank you for the continued partnership in conservation and restoration.

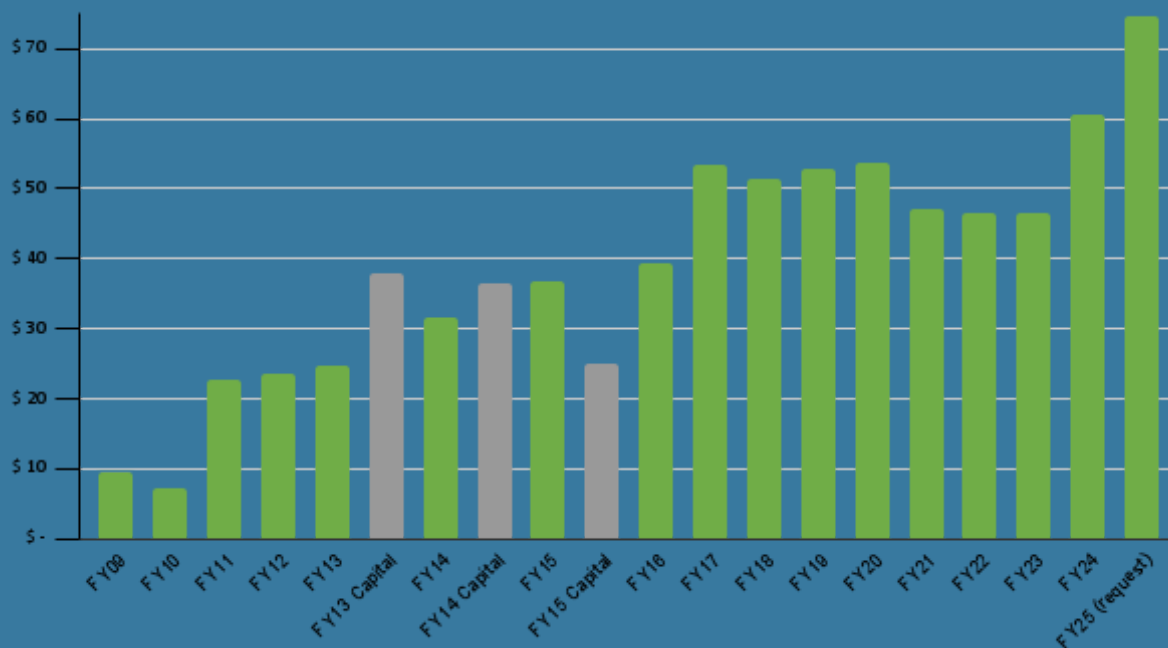
JOSH KURTZ

Secretary, Department of Natural Resources



FINANCIAL OVERVIEW

The Chesapeake and Atlantic Coastal Bays Trust Fund (Trust Fund) is administered by the Maryland Department of Natural Resources (DNR). The allocation and implementation of the Trust Fund is a collaborative effort that includes Maryland's Chesapeake Bay Cabinet agencies and a Scientific Advisory Panel. Essential to the Trust Fund's success is an annual allocation process that: (1) targets funds to the most cost effective locations and practices; (2) leverages funds to the greatest extent achievable; (3) engages community stakeholders to create an environment of accountability; and (4) provides the flexibility necessary to take advantage of constantly changing conditions, opportunities and scientific developments.



Revenue for the Trust Fund is derived from gasoline and rental car taxes. In FY13, FY14, and FY15, the Trust Fund received general obligation bonds (gray bar). Shown in millions.

CHESAPEAKE AND ATLANTIC COASTAL BAYS TRUST FUND

FY25 BUDGET AT A GLANCE



Annual Expenditure Plan (FY23 - FY25)

Targeted Activity	Project Partner	FY23 Actual	FY24 Current	FY25 Governor's Allowance	+/- FY24 to FY25
Accountability, Verification and Management					
1. Strategic Monitoring & Assessment	Natural Resources	\$400,000	\$400,000	\$400,000	\$0
2. Implementation Tracking	Information Technology	\$200,000	\$200,000	\$200,000	\$0
3. Administration & Management (1.5%)	Natural Resources	\$700,000	\$880,000	\$1,080,000	\$200,000
Accelerating Restoration through Research & Development					
4. Innovative Technology Fund	Natural Resources/ University of Maryland	\$1,000,000	\$1,000,000	\$1,000,000	\$0
5. Restoration Research Grant Program	Competitive grants	\$300,000	\$300,000	\$300,000	\$0
Implementation Technical Assistance					
6. Agricultural Technical Assistance	Agriculture	\$4,890,000	\$5,790,000	\$6,290,000	\$500,000
7. Water Management Permit Expeditors	Environment	\$750,000	\$850,000	\$850,000	\$0
8. Field Restoration Specialists	Natural Resources	\$750,000	\$850,000	\$850,000	\$0
9. Tree Solutions Now Coordinator & Regional Foresters	Environment / Natural Resources	\$1,250,000	\$1,250,000	\$1,250,000	\$0
Sub TOTAL		\$10,240,000	\$11,520,000	\$12,240,000	\$720,000
Non-point Source Pollution Control Projects					
10. Cover Crop Program	Agriculture	\$11,327,632	\$11,250,000	\$11,250,000	\$0
11. Conservation Reserve Enhancement Program Bonus Payments	Agriculture	\$272,368	\$500,000	\$500,000	\$0
12. Grants to Farmers	Agriculture	\$2,510,000	\$3,010,000	\$3,010,000	\$0
13. Manure Management Program	Agriculture	\$2,400,000	\$1,750,000	\$1,750,000	\$0
14. Competitive Grant Program	Competitive grants	\$14,910,000	\$22,900,000	\$35,850,000	\$12,950,000
15. Natural Filters on Public Lands	Competitive grants	\$5,000,000	\$6,000,000	\$6,000,000	\$0
16. Tree Solutions Now Act	Competitive grants	\$0	\$2,500,000	\$2,500,000	\$0
17. Adaptive Management & maintenance	Competitive grants	\$0	\$1,170,000	\$1,440,000	\$270,000
Sub TOTAL		\$36,420,000	\$49,080,000	\$62,280,000	\$13,200,000
GRAND TOTAL		\$46,660,000	\$60,600,000	\$74,520,000	\$13,920,000

CHESAPEAKE AND ATLANTIC COASTAL BAYS TRUST FUND

FY25 BUDGET DETAILS

Accountability, Verification and Management : \$1,680,000

1. Strategic Monitoring & Assessment: \$400,000 to develop and implement monitoring strategies, collect and analyze data for trends, conduct biological monitoring in Trust Fund priority watersheds and comparison watersheds, and communicate the results of the restoration efforts.

2. Implementation Tracking: \$200,000 to provide hosting, application, maintenance, and data support services for the Trust Fund dashboard, mapper and Maryland's integrated map services.

3. Administration & Management: 1.5% of the total operating allowance to provide fiscal oversight; manage grant programs, including solicitation development, project review, contract and project development and management; coordinate with Chesapeake Bay Cabinet agencies, the Scientific Advisory Panel, Maryland Department of Budget and Management, Department of Legislative Services; and report to the Maryland General Assembly.

Accelerating Restoration through Research and Development: \$1,300,000

4. Innovative Technology Fund: \$1 million to the fund with the goal of accelerating Chesapeake Bay restoration through the development of new innovative technologies. The Trust Fund, U.S. Environmental Protection Agency's Chesapeake Bay Implementation Grant, and the University of Maryland's Industrial Partnership and Mtech Ventures Program all contribute to the fund.

5. Restoration Research Grant Program: \$300,000 to competitively fund monitoring projects that will answer regulatory and restorative questions about best management practices for non-point source pollution in a robust, rigorous and representative manner.

Implementation Technical Assistance: \$9,240,000

6. Agricultural Technical Assistance: \$6.29 million to support agricultural technical assistance positions in Soil Conservation Districts (SCDs). In total, the Trust Fund now supports 83 (58 state and 25 local) SCD positions needed to assist farmers in the implementation of agricultural best management practices as identified in the Watershed Implementation Plan (WIP).

7. Water Management Permit Expeditors: \$850,000 to expedite state review of qualifying stormwater and wetland restoration projects, and to protect the quality of the ground and surface waters.

8. Field Restoration Specialists: \$850,000 to increase the level of field specialists to assist state and local partners identify, engineer, design, and provide construction oversight assistance of priority Chesapeake Bay restoration projects.

9. Tree Solutions Now Act: \$1.25 million to support the tracking and implementation of the five million tree goal.

Non-point Source Pollution Control Projects: \$62,300,000

10. Cover Crop Program: \$11.25 million to Maryland's Cover Crop Program to supplement funds provided through Maryland's Chesapeake Bay Restoration Fund. Cover crops are critical to achieving the reduction of nutrients necessary to meeting the the WIP.

11. Conservation Reserve Enhancement Incentive: \$500,000 to support the Conservation Reserve Enhancement Program (CREP). Trust Funds are used to provide the state signing incentive for new and re-enrolled acres on eligible best management practices, including grass and forest stream-side buffers, wetlands and permanent stabilization of highly erodible land.

12. Grants to Farmers: \$3.01 million to help farmers adopt best management practices on their farms: to protect natural resources and comply with federal, state and local environmental requirements; address Maryland's nutrient management requirements (Phosphorus Management Tool); and new projects focused on co-benefit outcomes and small farm operations..

13. Manure Management Program: \$1.75 million to transport manure away from farms with high soil phosphorus levels to other farms or locations that can use the manure agronomically. Funding will be leveraged by poultry integrators and state general funds traditionally used to support manure transport. Funds will also be used to support manure injection and nutrient management planning assistance for enhanced natural resource protection.

14. Competitive Grant Program: \$35.85 million to support targeted, sustainable and cost-effective approaches that dramatically reduce nutrient and sediment pollution to the Chesapeake Bay, coastal bays and local waterways.

15. Natural Filters on Public Lands: \$6 million for the implementation of nutrient and sediment reduction projects on public lands. Projects include forested buffers, reforestation, wetland restoration, stream and floodplain restoration, stormwater retrofits and other bioremediation projects.

16. Tree Solutions Now Act: \$2.5 million to plant and maintain 5 million native trees by the end of 2031.

17. Adaptive Management & Maintenance: 2% of the annual fund amount for adaptive management, maintenance and outcome procurement per the Conservation Finance Act of 2022.

BY THE NUMBERS



BUDGETED
FY09 - FY24

+

\$707,450,000

state funds

\$283,870,701

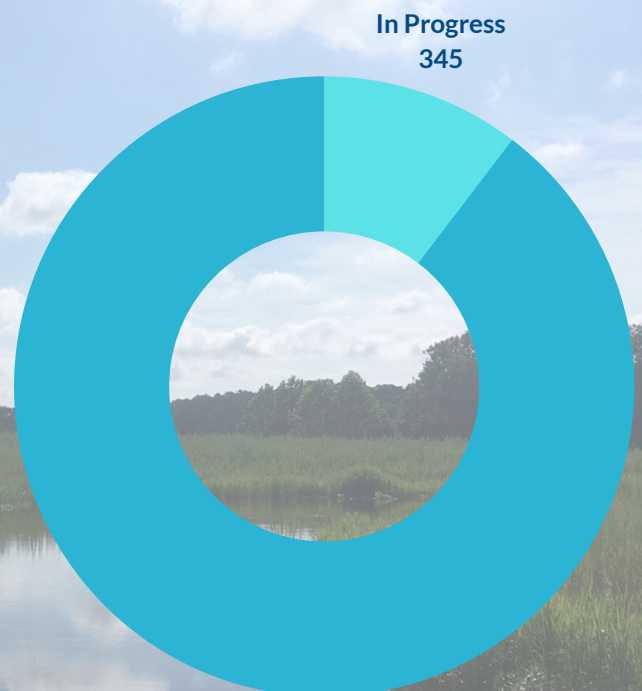
leveraged funds

\$991,320,701

total investment

3,327

Total Project Sites



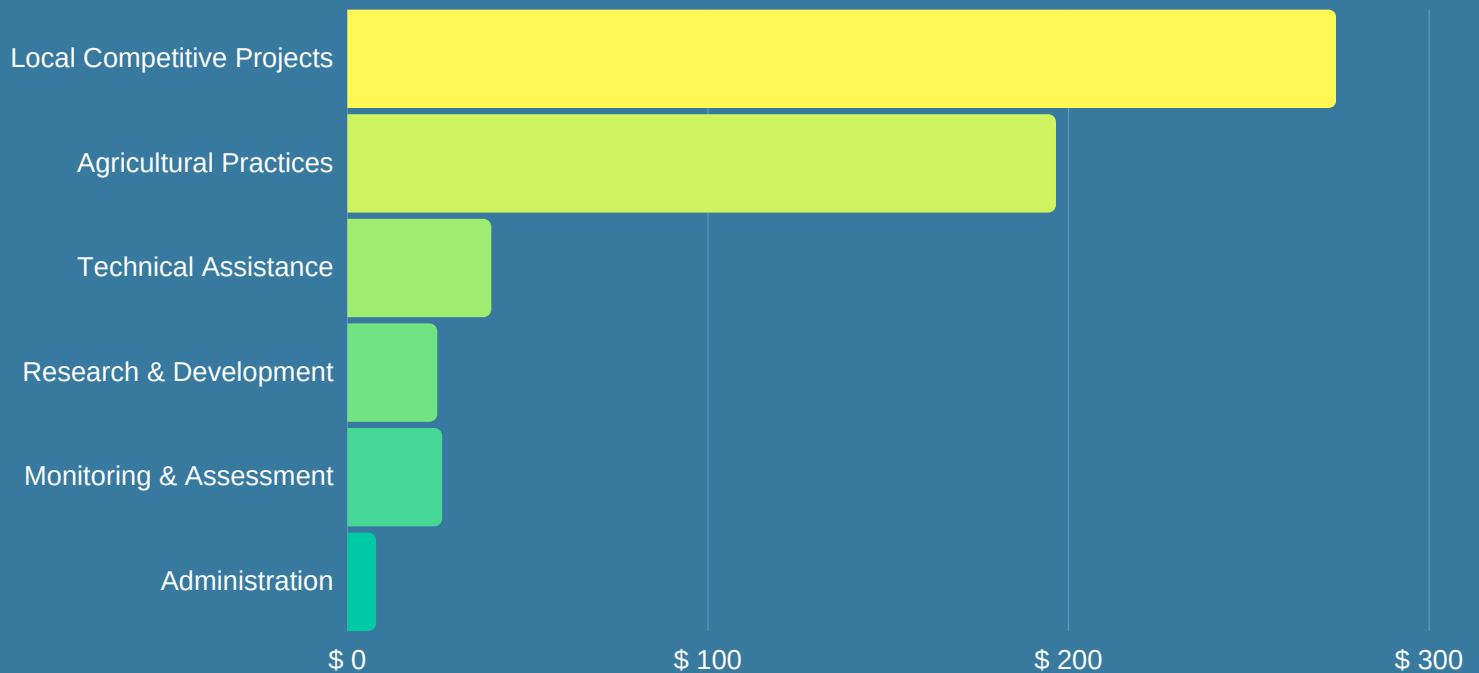
Complete
2982

In Progress
345

BY THE NUMBERS

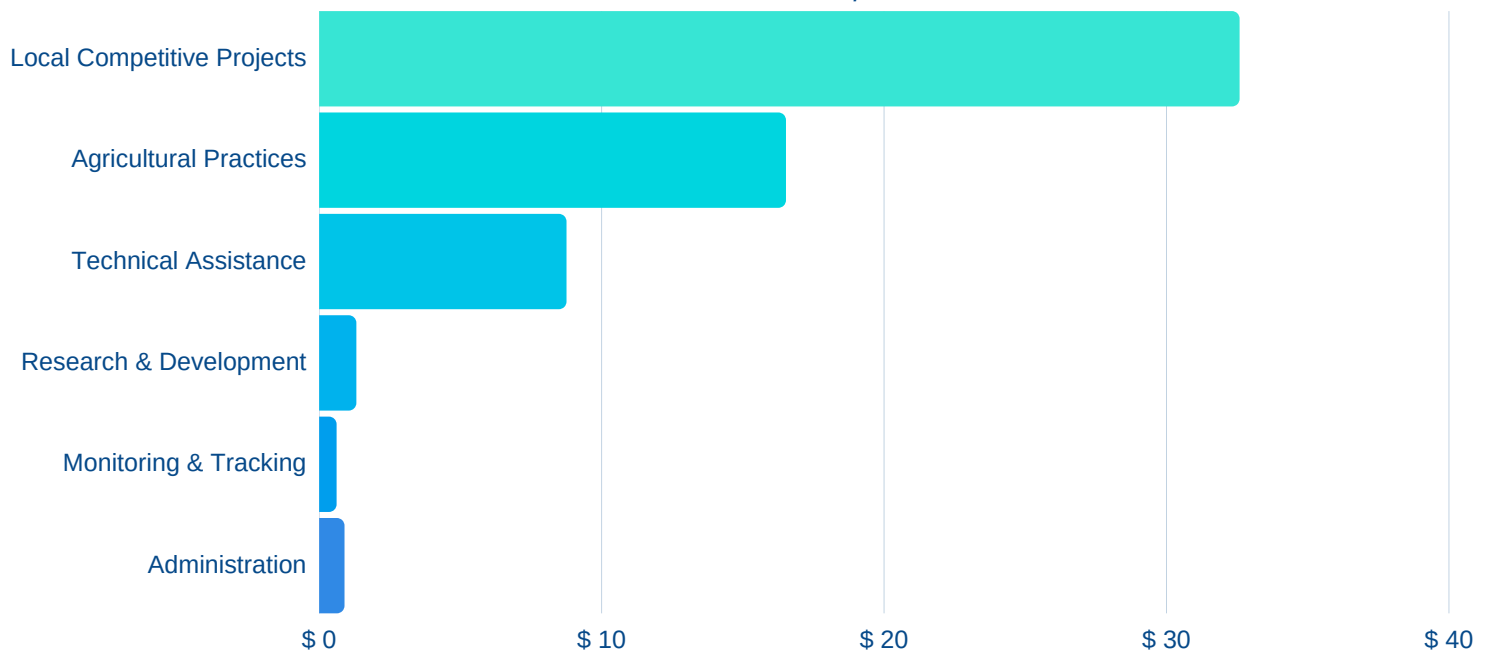
Funding Portfolio FY09 - FY23

in millions \$



Funding Portfolio FY24

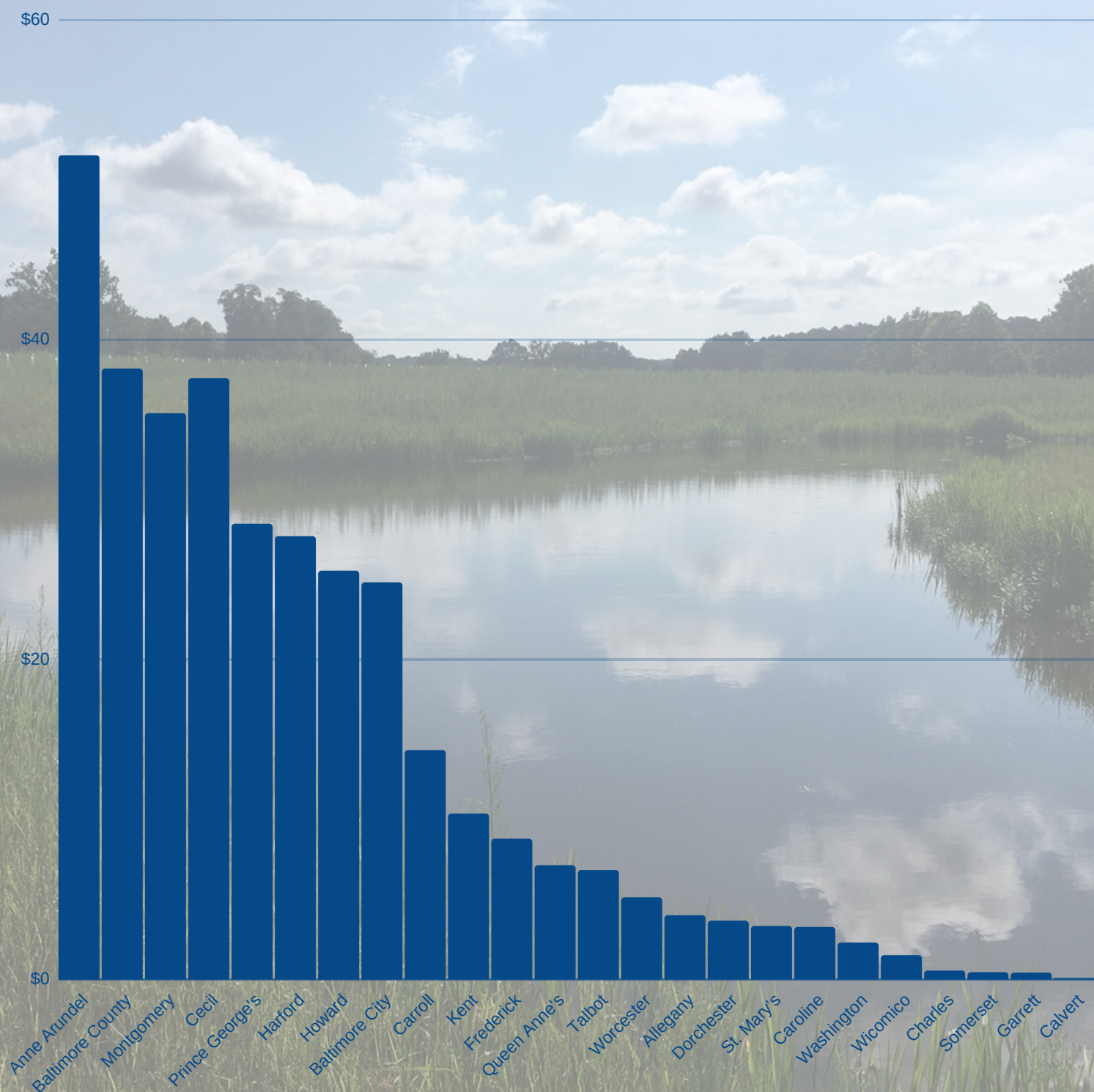
in millions \$



BY THE NUMBERS

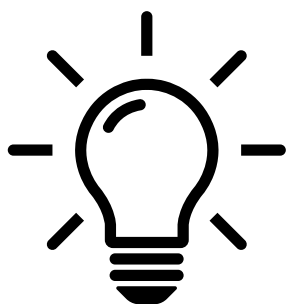
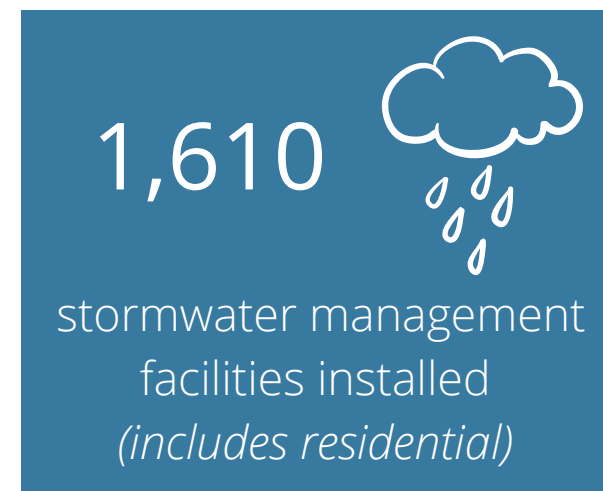
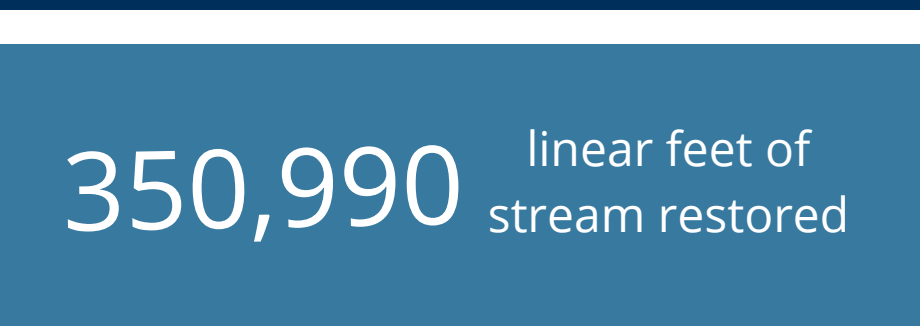
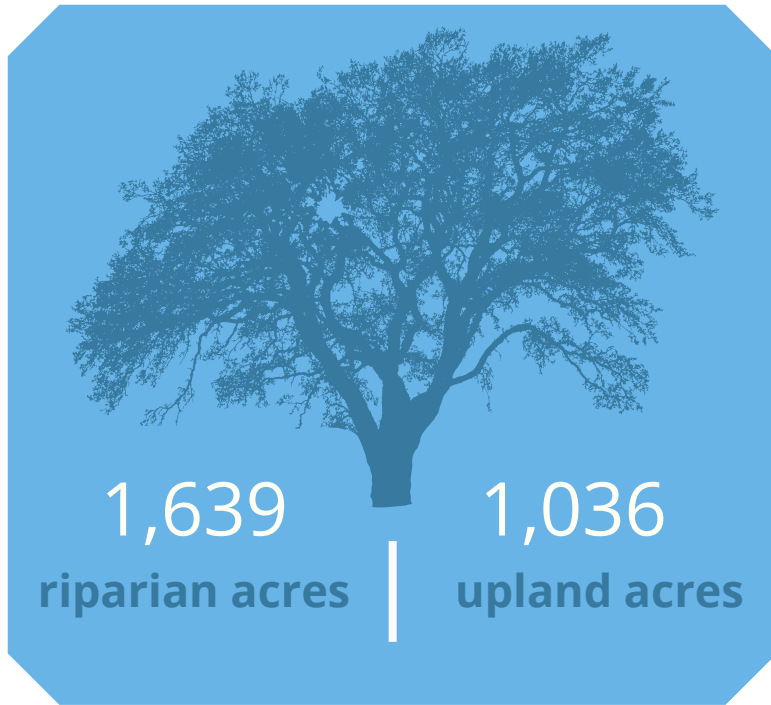
Funding by County (FY09 - FY23)

in millions \$



BY THE NUMBERS

Completed as of fall 2023



Innovative Technology Fund has invested \$10.9 million with \$13.5 million in private matches, supported 63 **new technologies** and 53 Maryland businesses while supporting 116 jobs.

INVESTMENT IN AGRICULTURE FY23

Cover Crop Program

Total acres: 395,003
Nitrogen reduced: 2,725,523 lbs
Phosphorus reduced: 3,160 lbs

\$11,327,632

CREP Incentive

New Enrollment

Total acres: 340
Nitrogen reduced: 13,447 lbs
Phosphorus reduced: 274 lbs

\$272,368

2,385 acres re-enrolled

Agricultural Technical Assistance: \$4,890,000

Category	Total Accomplished	Est. Nitrogen Reduction (lbs)	Est. Phosphorus Reduction (lbs)	Est. Sediment Reduction (lbs)
Acres of conservation planning	47,403	66,364	4,740	7,196,000
Best management practices applied or installed	435	27,631	2,045	998,000
Verified best management practices meeting standards	2,378	151,051	11,177	5,454,000
TOTAL		245,046	17,962	13,648,000

MEASURING FOR RESULTS



State Fiscal Year	SFY 2023 actual	SFY 2024 working	SFY 2025 estimate
Funding Level	\$46,660,000	\$60,600,000	\$72,520,000
Nitrogen (lbs) Annual practices	3,228,551	3,228,551	3,228,551
Nitrogen (lbs) Landuse practices	100,650	98,072	109,416
Phosphorus (lbs) Annual practices	19,699	19,699	19,699
Phosphorus (lbs) Landuse practices	7,827	6,799	8,170
Sediment (tons) Annual practices	407	407	407
Sediment (tons) Landuse practices	12,684	7,560	9,297

Cumulative totals

Landuse Practices
FY13 - FY23

1,455,050
lbs nitrogen

208,678
lbs phosphorus

185,390
tons sediment

IN FOCUS:

JABEZ III STREAM AND RIPARIAN BUFFER RESTORATION

For more than a decade, environmentalists and local officials have been working to clean up the Jabez Branch, rated to be one of Anne Arundel County's most damaged waterways. Thanks to a partnership between the Severn RiverKeeper, Anne Arundel County and the state of Maryland, this damaged coastal ecosystem will be rehabilitated.

Ten years ago, the Severn River Commission sent a letter to the Maryland Department of Natural Resources identifying the Severn Run Environmental Area valley as destabilized and a source of sediment, debris, trash and chemicals into the Severn Run (2013). Over the past ten years partners have worked tirelessly to conduct research, create a design, and permit a restoration for this stream reach.

This project located in Reach III of the Jabez Branch will help to address a significant erosion and pollution problem that continues to grow. Large sections of the coastal plain have been destabilized and are moving downstream with each rain event - transferring tons of sediment, debris, and pollution into the Severn River. High runoff volumes from roadways and surrounding impervious areas have negatively impacted the headwaters of the Severn River for decades. This project will restore 2,600 linear feet of incised stream, enhance up to 2.6 acres of existing wetlands, and create/restore an additional 2.7 acres of new wetlands.



"These are the types of comprehensive projects and partnerships that the Department of Natural Resources is promoting as we update our overall Chesapeake Bay cleanup strategy," **said DNR Secretary Josh Kurtz.** "We're embracing the lessons we've learned over the past 40 years and adapting our strategy to reflect the latest science. As rising sea levels and stronger storms resulting from climate change threaten Maryland, we must invest in more impactful projects like this one."

**adapted from the October 2023 department & Anne Arundel County press release*

PARTNER HIGHLIGHT

Trust Fund Investment:

\$2,747,220

Local Leverage:

\$264,018

Project Partners:

- ShoreRivers
- DNR Resource Assessment
- Salfner / Jefferies Farms
- NRCS

Restoration Components:

- 4,352 linear feet of stream
- 14 acres of riparian wetland reconnected
- 2,418 trees, shrubs & live stakes planted

Estimated Annual

Reductions:

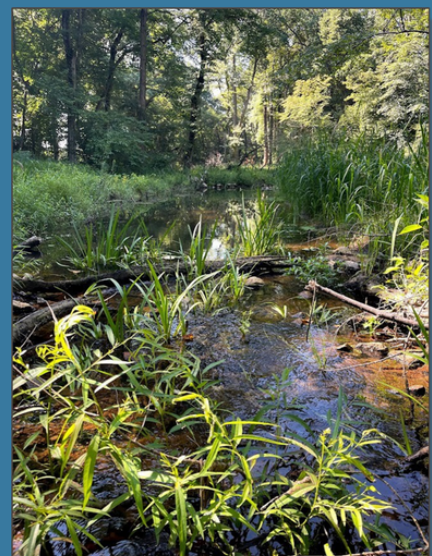
- 3,364 pounds of nitrogen
- 450 pounds of phosphorus
- 429 tons of sediment

ShoreRivers

Upper Sassafras Headwaters Stream and Floodplain Restoration

ShoreRivers completed a stream restoration and floodplain reconnection project in the upper Sassafras River on an unknown tributary in summer 2021, totaling 4,352 linear feet of stream restored. This site is directly downstream of an active ShoreRivers non-tidal sampling site that historically has the highest monitored nutrient concentrations in the non-tidal Sassafras. This project completed almost 8,000 consecutive feet of perennial stream restoration that reaches from a headwaters agricultural ditch to the main stem of the Sassafras River; this work was a continuation of floodplain reconnection techniques used in 3,800 linear feet on the upstream property. The site was a high priority based on significant nutrient and biological background sampling conducted by both ShoreRivers and the Department of Natural Resources (DNR). The site was originally proposed as a restoration opportunity by the local National Resource Conservation Service (NRCS) office and Maryland Department of the Environment (MDE). Since completion, the project has been used as a tour site for technical staff from the local Soil Conservation Districts and NRCS and has been used to promote stream restoration to prospective landowners that want to see an example of completed stream restoration efforts in-person.

The drainage to this project site is mainly agricultural, including 689 acres of cropland and a 15.3-acre concentrated animal feeding operation. The sub-watershed also includes 43 acres of state and county roadways. In this system, flashy stormflow runoff events are exacerbated by a culvert at the upstream end of the reach, which funnels high-velocity water into the stream channel. Due to high volumes of runoff, the majority of this tributary was incised with steep, eroded banks, ranging from 3 to 5 ft. As a result, the reach was disconnected from its historic floodplain and unable to disperse its energy during storm flows, increasing the severity of bank erosion and over-widening of the channel.



FY 2023 Local Awards

Allegany County

Western Maryland RC&D: \$190,350 for 37.3 acres of reforestation activities. (District 1B & 1C)

Anne Arundel County

Anne Arundel County: \$474,000 to retrofit five (5) stormwater outfalls and restore approximately 1,400 linear feet of the Green Branch stream corridor. (District 32)

Anne Arundel Soil

Conservation District: \$72,740 to design and hand-build 8 Beaver Dam analog structures (BDAs) along the main flow path, known as UT Little Patuxent. (District 32)

Chesapeake Rivers

Association: \$256,814 to decommission an earthen dam and restore 480 feet of stream and 0.86 acres of wetlands at Belvoir Farms. (District 33)

Maryland Forestry Foundation: \$5,660 to plant 1 acre of upland forest. (Districts 33)

Resilience Authority of Anne Arundel Co and City of Annapolis: \$3,171,117 to restore 2,600 linear feet of incised stream, enhance and restore 5.3 acres of wetland. (Districts 31A)

Baltimore County

Baltimore County: \$2,500,000 for stream restoration at Miller Branch and Minebank Run. (Districts 42B & 44B)

Baltimore County Soil

Conservation District: \$393,469

for beaver dam analogs at Little Gunpowder. (Districts 7)

Center for Watershed

Protection: \$556,045 to install a submerged gravel wetland and green infrastructure at Maryland Fairgrounds. (District 42A & 42B)

The Land Preservation Trust:

\$1,463,575 for phase II of the King's Eye stream, riparian and wetland restoration in Piney Run. (District 10)

Caroline County

Town of Federalsburg: \$174,997 for stormwater management and tree planting at Marina Park. (District 37B)

Washington College: \$5,500 for pollinator plantings through the Natural Lands Program. (District 36)

Carroll County

Carroll County: \$31,000 for 3.6 acres of tree planting at Willow Pond. (District 5)

Cecil County

Cecil County: \$2,000,000 for stream restoration & stormwater management at CCPS Administrative Services Center. (District 35B)

Cecil County: \$1,000,000 to add eight stormwater management facilities as well as tree plantings at the North East Beach Parking Lot in Elk Neck State Park. (District 36)

Cecil Land Trust: \$2,375,000 for stream and wetland restoration at Bare Farm. (District 35B)

Delmarva RC&D: \$125,328 for construction of a low sill breakwater to protect houses and Puritan tiger beetle habitat in Chesapeake Haven Estates (Districts 35A)

Maryland Forestry Foundation: \$28,302 to plant riparian forest buffers on private property. (Districts 35A)

ShoreRivers: \$133,992 for 25 acres of riparian and upland tree planting. (District 36)

Washington College: \$49,200 for 40 acres of row crop conversion to short and tall meadow. (District 36)

Frederick County

Maryland Forestry Foundation: \$519,014 for a myriad of upland and riparian forest planting at multiple private sites. (Districts 3A, 3B & 4)

Western Maryland RC&D: \$30,084 for a 5 acre reforestation planting. (District 4)

Garrett County

Western Maryland RC&D: \$8,581 for a 1.7 acre reforestation planting. (District 1A)

Harford County

Harford County: \$980,000 for stream restoration and stormwater management in Church Creek. (District 34A)

Harford Land Trust: \$119,277 for wetland and riparian forest restoration. (District 35B)

Maryland Forestry Foundation:
\$141,508 for upland and riparian reforestation and cropland conversion to meadow. (Districts 35B)

Kent County

ShoreRivers: \$380,369 to install 23 acres of wetlands on agricultural properties. (District 36)

Washington College: \$37,280 to convert 26 acres of cropland to meadow and shrubs. (District 36)

Montgomery County

City of Rockville: \$2,000,000 to restore 3,800 linear feet of urban stream at Croydon Creek. (Districts 17)

Montgomery County: \$555,000 to install stormwater management and reforestation at numerous locations. (Districts 14, 18, 19 & 39)

Queen Anne's County

Prospect Bay Country Club:
\$100,000 to support nature-based techniques on 1,200 LF of shoreline that include ecological uplift. (District 36)

Washington College: \$52,970 for 22 acres of conversion of cropland to meadow and shallow water wetland. (District 36)

St. Mary's County

Maryland Forestry Foundation:
\$16,981 for upland reforestation on private property. (District 29C)

Talbot County

Maryland Forestry Foundation:
\$16,981 for upland reforestation on private property. (District 37B)

ShoreRivers: \$85,639 to install a 2 acre wetland to treat 55 acres of agricultural land. (District 37B)

Washington College: \$132,330 for roughly 50 acres of conversion of cropland to meadow and shallow water wetland. (District 37B)

Washington County

Maryland Forestry Foundation:
\$80,660 for upland reforestation on private land. (District 1C & 2A)

Western Maryland RC&D:
\$264,190 for roughly 45 acres of upland and riparian buffer planting. (District 2A)



To learn more about the Trust Fund and to track projects
funded in your region, please visit:

dnr.maryland.gov

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