

Effective Great Lakes Conservation: A Policy Perspective

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Introduction

The Nature Conservancy's eight Great Lakes state directors created the Great Lakes Government Relations Committee three years ago, to work in a more coordinated manner on Great Lakes policy priorities. As this committee's three-year plan completes its second year, and in light of the ambitious vision set forth by the new ten-year vision for the Great Lakes priority of the Campaign for a Sustainable Planet, we envision effective conservation on a scale never before contemplated. To achieve this magnitude of results, we will need to add new strategies and new ways of working to our conservation "toolbox."

This document proposes a new policy agenda for the Great Lakes region, to be advanced in collaboration by the state programs. The objectives of this proposed plan are to:

1. Attract increased public funding from existing public resources and develop new public revenue streams to support The Nature Conservancy's priorities in the Great Lakes ecosystem.
2. Advance new legislation to mitigate key threats to the Great Lakes and protect Great Lakes ecosystem function, conservation, restoration, and create incentives for conservation action.
3. Work to redirect and help coordinate efforts of public agencies towards an ecosystem management approach.
4. Identify knowledge and information (natural resource, economics, and social science) gaps critical to informing and influencing the policy agenda.

Below is a proposed action plan and associated strategies to meet these four objectives.

Objective 1: To attract increased public funding from existing public resources and develop new public revenue streams to support The Nature Conservancy's priorities in the Great Lakes ecosystem.

Strategies

A. Coordinate regional advocacy efforts for congressional appropriation requests under existing federal programs.

Land and Water Conservation Fund: The Federal Land and Water Conservation Fund (LWCF) is the primary source of land acquisition funding for four federal land-holding agencies: The National Park Service, the United States Forest Service, the Bureau of Land Management and the Fish and Wildlife Service. LWCF is a congressionally-funded program which receives the majority of its revenues from oil and gas drilling leases off the outer continental shelf. The most recent three-year average (FY 06-08) of annual congressional appropriations for the federal LWCF was \$129.6 million/year.

Nearly all of the funds have been earmarked to specific sites. For example, in Indiana the National Park Service's Indiana Dunes National Lakeshore, (which is a portfolio site in the Bi-National Conservation Blueprint for the Great Lakes), received \$1.5 million in FY 08 for land acquisition and may receive another \$5 million in FY 09.

CELCP -- Coastal and Estuarine Land Conservation Program: Since 2002, The National Oceanic and Atmospheric Administration has administered the Coastal and Estuarine Land Conservation Program (CELCP.) The CELCP program is an important funding source for securing critical coastal lands along the United States marine and Great Lakes coasts. State and local governmental entities are eligible to apply for CELCP funds, which can be used for outright acquisition or conservation easements.

Appropriation levels have varied from \$16 million to \$50 million, and have delivered nearly \$200 million to 132 projects nationally since its inception through 2007.

Forest Legacy: The Forest Legacy Program is a competitive grants program for state governments, administered by the United States Forest Service, which identifies and protects ecologically important forest habitat that is threatened with conversion to non-forest uses.

Through 2006, this program has protected 1,401,000 acres across the United States including projects in every Great Lakes state. The funding for the program has ranged from a low of \$55,000,000 in 2006 to a high of \$68,000,000 in 2004. The preservation of forest cover in the Great Lakes basin results in a number of ecological benefits, including more intact hydrology and higher water quality in the Lakes and their tributaries allowing them to support a wider array of aquatic biodiversity.

Energy & Water: The top priority for Energy & Water Appropriations in the Great Lakes region is funding for the Aquatic Nuisance Species Electric Barrier in the Chicago Sanitary and Ship Canal. We are requesting \$7.5 million in the Construction General account that will allow the U. S. Corps of Engineers to complete construction and refurbishment of the electric barriers, and to develop plans for a permanent biological separation of the Mississippi River and Great Lakes basins.

FARM Bill: The Farm Bill is a five-year authorization of a group of domestic spending programs which represent the largest discretionary domestic spending program of the United States Government. The Farm Bill provides hundreds of millions of dollars annually in support of conservation practices on private lands, including programs which pay landowners to retire working lands and restore wildlife habitats for a period of years, or in some cases permanently.

Policy staff and consultants of The Nature Conservancy actively participate in the reauthorization process of the Farm Bill, and state policy and conservation staff also participate in the State Technical Committees of the Natural Resources Conservation Service, which establish the allowable techniques for the implementation of conservation practices authorized for payment under the Farm Bill.

NAWCA: The North American Wetlands Conservation Act of 1989 provides matching grants to organizations and individuals who have developed partnerships to carry out wetlands conservation projects in the United States, Canada, and Mexico for the benefit of wetlands-associated migratory birds and other wildlife. The congressional appropriation to fund the Act's grants program in FY 2008 is \$40.3

million. Additional program funding comes from fines, penalties, and forfeitures collected under the Migratory Bird Treaty Act of 1918; from federal fuel excise taxes on small gasoline engines, as directed by amendments to the Federal Aid in Sport Fish Restoration Act of 1950, to benefit coastal ecosystem projects; and from interest accrued on the fund established under the Federal Aid in Wildlife Restoration Act of 1937. \$84.4 million in total is available to fund grants in FY 2008.

GLFWRA: The Great Lakes Fish and Wildlife Restoration Act (GLFWRA) of 2006 amends the GLFRA of 1990, which focused exclusively on fish restoration issues. The GLFWRA of 2006 supports the original act and expands its authority by adding language to support wildlife habitat within the Great Lakes Basin. Awards totaling \$16 million annually, with a total of \$84 million have been authorized by the federal government over the 2007-2011 time period.

The U.S. Fish and Wildlife Service is responsible for dispersing \$14 million of the annual \$16 million for project grants to states and organizations working to restore coastal wetlands to protect fish and wildlife habitats in the Great Lakes Region. For example, a project supported by this legislation in 2006 was awarded to the University of Michigan for the development of a Geographic Information System-based database for great lakes aquatic habitat protection and rehabilitation projects.

Wildlife Conservation and Restoration

Program: In order to receive funds through the Wildlife Conservation and Restoration Program and the State Wildlife Grants Program, Congress charged each state and territory with developing a wildlife action plan. These proactive plans, known technically as "comprehensive wildlife conservation strategies," assess the health of each state's wildlife and habitats, identify the problems they face, and outline the actions that are needed to conserve them over the long term.

This program has provided approximately \$73 million in allocated grants to State Fisheries and Wildlife agencies since 2003 to address habitat needs of non-game, non-endangered species. This program is especially important to TNC because the targeted habitats represent many of the high priorities identified in our ecoregional plans.

B. Develop new federal public revenue streams to support The Nature Conservancy's priorities in the Great Lakes ecosystem.

Great Lakes Coastal Heritage Act (GLCHA): The GLCHA is a new federal legislative initiative

being proposed and developed by TNC. It would result in a \$250 million, five-year renewable program authorization, informed by the latest knowledge in conservation planning, to achieve measurable recovery and protection of Great Lakes Coastal systems.

To promote efficiency, the program would be administered through an existing state-federal partnership, such as the Coastal Zone Management Program, which already exists in each of the Great Lakes states, with the exception of Illinois, which expects to complete its plan by late summer, 2008. Any federal investment would require non-federal match dollars, creating a partnership between state and local units of government, non-profit organizations, industry, and other parties that use the coastal resource.

To build on past expenditures and ensure lasting results, Great Lakes Coastal Heritage Act funds would be directed to projects based upon scoring criteria that maximizes leverage, affords a measure of permanent protection, and demonstrates a verifiable positive contribution to ecological function or protection of unique biological communities. Non-profit organizations and non-federal units of government would be eligible to utilize this funding.

Consideration would be given for projects and activities that can also document a contribution to other social values, such as public access opportunities, cultural interpretation or economic benefit. To date, several members of Congress have expressed an interest in introducing the Great Lakes Coastal Heritage Act. Legislative language is being drafted for review by potential sponsors later this summer.

National Fish Habitat Action Plan (NFHAP): Created in 2000 by a group of representatives from state and federal agencies, educational, business, and not-for-profit organizations, including The Nature Conservancy, NFHAP facilitates and funds the organization of multi-state working partnership of state and federal agencies and private sector entities to protect and rehabilitate aquatic habitats.

The Conservancy will be coordinating the organization of a NFHAP partnership with the United States Fish and Wildlife Service, the Council of Great Lakes Fisheries Agencies, and state and local officials throughout the basin. When implemented, the partnership would bring several million dollars of federal funding to the upper Midwest annually, with a leverage ration of about 8 to 1. When fully functional, the partnership would engage TNC, state fisheries management agencies, local drainage authorities, municipalities, watershed groups and other

interested parties through the creation of a Hydrologic Improvement (HIL) Matching Fund and Hydrologic Improvement Knowledge Enhancement (HIKE) Teams. The HIL Fund and the HIKE Teams would provide matching funds and technical assistance for local drainage and water management projects that were designed to improve lake or stream hydrologic regimes and aquatic habitat.

C. Pass state ballot and bond initiatives to support Great Lakes priorities.

- Michigan is working to place a measure on the August 2008 primary ballot which would modify the Michigan Natural Resources Trust Fund (MNRTF) to allow a portion of the funds currently being deposited in the corpus of the Trust Fund to be used for acquisition and development of conservation and recreational lands. It would also allow the MNRTF Board of Trustees to use a portion of that revenue stream to service bonds to finance larger projects. Preliminary planning is also taking place for a possible Environmental/Economic Development Bond Initiative to be placed on the Michigan ballot in 2010.
- Minnesota will ask voters in 2008 to adopt a constitutional amendment which will raise the sales tax by 1% which raises about \$300 million per year. These revenues will be split equally among three dedicated accounts (1) water, (2) wildlife and (3) parks & arts. In Minnesota, a ballot amendment must pass by a simple majority of voters (over 50%) voting in that election, but if you don't vote on the amendment your vote counts as a "no." Current polling places the amendment at 59% voter approval.
- Ohio voters, in November 2000, created the Clean Ohio Fund, which provided \$400 million over four years to support four program areas: green space conservation, farmland preservation, recreational trails, and brownfield revitalization. The fund will be placed on the November 4, 2008 ballot for voters to authorize fully funded renewal. To date, Clean Ohio has protected more than 26,000 acres of natural areas.

Objective 2: Advance new legislation to mitigate key threats to the Great Lakes and protect Great Lakes ecosystem function, conservation, and restoration, and create incentives for conservation action.

Strategies

A. *Aquatic Invasive Species (AIS) Policy Initiatives.*

In order to successfully address threats to ecosystem health posed by aquatic organisms, policy strategies must be implemented at the state, national and international level. States are both the last line of defense and the first line of attack when dealing with aquatic invasives.

The Great Lake states need to build the financial capacity and legal authority to both respond to new threats quickly so those threats can be eradicated when appropriate and possible, and to manage in a cost effective manner threats that will not be eradicated. The federal responsibility is to provide the legal framework that allows states to work effectively and to coordinate efforts that go beyond state boundaries and to represent the interests of the states with foreign governments.

And ultimately, this effort becomes international both because many of the species of concern come from outside the borders of the United States, and in the Great Lakes basin specifically the lakes are an international shared resource. TNC has assembled the staff resources to address these policy concerns at all levels of government, through the ongoing efforts of TNC's World Office Global Invasives Team, Lindsay Chadderton, Director of Aquatic Invasives for the Conservancy, and state programs within the basin. The specific policy efforts that will begin to more effectively address the AIS threat are:

- Ships are the single greatest source for the introduction and spread of aquatic invasive species worldwide, according to a report released this week by The Nature Conservancy. (Assessing the Global Threat Of Invasive Species to Marine Biodiversity.) On April 24, 2008, the United States House of Representatives passed HR 2830, the Coast Guard Authorization Act, which contains the provisions TNC has sought related to the regulation of shipping and control of Aquatic Invasive Species. The Senate version of the Coast Guard Authorization is expected to be passed by Unanimous Consent, and the relevant committees of jurisdiction (primarily Commerce, with input from EPW Committee with regard to Clean Water Act implications) have agreed to support attaching the ballast provisions to the bill in conference.
- Ask the Congress to increase funding for the USDA Animal and Plant Health Inspection Service' (APHIS) Emerging Plant Pest Program. These funds are sought to complete eradication of the Asian Longhorned Beetle and to contain or slow the spread of the Emerald Ash Borer, Sudden Oak Death pathogen, and Sirex Woodwasp.

- Secure technical assistance to states in the design and implementation of strategies to control, and where feasible, eradicate aquatic invasive species.

B. *Climate Change Legislation.*

Support an initiative led by the Conservancy's Worldwide Office to pass Climate Change legislation including adaptation funding

The Nature Conservancy is participating with a group of environmental NGOs and businesses in an association known as the US Climate Action Partnership (USCAP). Members of USCAP have come together to call on the federal government to quickly enact strong national legislation to require significant reductions of greenhouse gas emissions.

The Nature Conservancy is seeking the following specific attributes in a national cap and trade program:

1. A program which is robust enough to achieve a 10 to 30% reduction in U.S. annual emissions of greenhouse gases within 15 years and a 60-80% reduction in these emissions by 2050. [We have agreed to these levels as part of USCAP; however, it is likely that emission reductions at the higher end of these ranges will be needed to avoid significant harm to biodiversity.]
2. Ability to use carbon offsets that credit sequestration of atmospheric carbon, especially forest carbon sequestration.
3. The auction of at least a significant share of the greenhouse gas allowances established by the program and use of some of those auction proceeds to support strategies to assist species with adaptation to climate change.

C. *Secure permanent authorization of National Fish Habitat Action Plan (NFHAP).*

As a member of the NFHAP Board, The Nature Conservancy is working with federal and state agencies and NGOs to ensure NFHAP legislation is introduced and congressional hearings are held. The legislation would authorize the Secretaries of the Interior and Commerce departments to establish the National Fish Habitat Board and authorizes \$75 million annually for fish habitat projects that are approved by the Board. It also provides up to 10% additional funding each for the US Fish and Wildlife Service and the National Oceanic and Atmospheric Administration and 5% additional to the US Geologic Survey to provide technical assistance to Fish Habitat Partnerships. The legislation also requires a regular report on the status of the nation's fish habitat to Congress.

The legislative committee of NFHAP, of which TNC is a member, is working with staff and members

on both the House and Senate side to introduce the bill, and the group of likely original co-sponsors is growing. As this bill moves forward, Christy Plummer in TNC's Worldwide Office will be working closely with state government relations staff to ensure that the importance of this program is heard both in DC and in the congressional districts across the country.

On the operational side of NFHAP, TNC has an organizational goal of ensuring the Nature Conservancy is a key non-federal partner in at least two to three additional NFHAP partnerships.

D. Advance Great Lakes coastal conservation through CZMA reauthorization.

The Coastal Zone Management Act authorizes a state-federal partnership to manage our nation's coasts. In exchange for financial and technical support from the federal government (the National Oceanic and Atmospheric Administration), approved state-level coastal management programs have authority to manage their coasts pursuant to an approved plan, with which even federal agencies must be consistent.

Although there have been several important updates since its passage in 1972, there are some critical improvements that The Nature Conservancy supports being incorporated through the current reauthorization process. Some of TNC's key recommendations include more holistic, multi-objective planning and management of coastal resources on an ecosystem-relevant scale; better coordination between local, state, and federal government; and more accountability so the program's success can be better documented and rewarded through increased funding.

Working with TNC policy staff in Washington DC, the Great Lakes Government Relations Team will ensure that our organization-wide position and draft CZMA legislative language incorporate the specific needs of the Great Lakes. All Great Lakes states are currently eligible to participate under the Coastal Zone Management Act, and all but Illinois have approved programs. In addition to working with Illinois state agencies to complete their application, there are a number of ways that TNC can engage at the state-level to strengthen existing plans and their implementation.

E. Secure Passage of the Annex to the Great Lakes Compact.

The ability to make decisions about the utilization of water resources is fundamental to protecting aquatic ecosystems. Concerns have arisen in recent years about the ability of the states within the Great Lakes basin to make these decisions, especially in light of international trade agreements and diminishing political influence domestically due to faster population growth in other parts of the United

States. For the past seven years, TNC has participated in the negotiating process between representatives of the eight Great Lakes governors as they crafted the agreement known as the Annex to the Great Lakes Compact. With the successful completion of those negotiations, the process moves to individual state ratification of the Compact language and state implementing statutes. Because all of the states must adopt identical compact language in order for the agreement to move forward, TNC involvement in this phase of the process is at the state program level and involves both advocating for adoption of the language of the compact and for state implementing language which is supportive of the mission of TNC.

The final phase of this process will involve federal ratification which again will be coordinated by the Great Lakes Project in conjunction with the Government Relations Division of TNC Worldwide Office. The current status of the compact in the eight Great Lakes states is:

Indiana: *Adopted February 2008*

Illinois: *Adopted August 2007*

Michigan: *Legislation introduced and being debated in Legislature*

Minnesota: *Adopted February 2007*

New York: *Adopted March 2008*

Ohio: *Legislation introduced, passed by House in February 2008, being debated by Senate.*

Pennsylvania: *Legislation introduced, passed by House in December 2007, being debated by Senate.*

Wisconsin: *Legislation introduced, passed by Senate in March 2008, Assembly adjourned without passage. Governor plans to call special legislative session after issues are resolved.*

F. State tax-incentive legislation passed.

While a number of states in the Great Lakes basin offer programs to landowners which provide some level of tax relief for certain land uses, such as lands kept in agriculture, forestry, or open space, only 12 states, (none in the Great Lakes Basin) currently have tax-incentive programs which offer tax credits for the donation of lands or rights in land for conservation purposes. The Michigan, Minnesota and Wisconsin TNC chapters have all been successful in getting tax-incentive legislation introduced, but none have been successful to date in getting the legislation adopted. The primary barrier to date has been tight state budgets and a difficulty in predicting the level

of participation and hence the budgetary impact for states if they adopt these incentives. State government relations staff will continue to work with interested legislators to craft legislation which will address the fiscal and operation concerns related to these programs.

Objective 3: *Work to redirect and help coordinate efforts of public agencies towards an ecosystem management approach.*

Strategies Underway

Acting as government relations liaison to United States Forest Services' (USFS) Eastern Region for TNC's Central Region, the Wisconsin Chapter's government relations staff has convened high-level partnership meetings with USFS Eastern Region and is currently planning a spring meeting. The ecosystem management approach continues to be an issue that both organizations seek to partner on, and has been a major theme at meetings.

One of the major agenda items at the last partnership meeting was watershed work being done by Mark Fedora in the northern great lakes basin. This work is being supported through a cooperative agreement between USFS and TNC. Kent Cannoughton, the new Regional Chief for the Eastern Region, is planning to attend an upcoming partnership meeting which is tentatively scheduled for May 23. A watershed approach to conservation as well as climate change adaptation and mitigation will be subjects of the agenda.

Emerging Strategies

- Organize and secure recognition for Great Lakes Fish Habitat Project.
- Advocate for agency coordination to address vectors of introduction for aquatic invasive species.
- Secure environmental flow management criteria in Great Lakes Compact State implementing language.

Objective 4: *Identify science (natural resource, economics, and social science) gaps critical to informing and influencing the policy agenda.*

One of The Nature Conservancy's organizational strengths has been a hard-earned reputation for making conservation decisions based upon the best available scientific knowledge, and going to get that knowledge when it doesn't exist. As we undertake

larger scale conservation initiatives, and especially as we engage a broader range of partners whose primary interest may not be biodiversity conservation, we must gather the information that will empower us to be thought leaders in the areas where we want to have an impact. The following is a partial list of some of the most pressing knowledge gaps we currently face.

- What are incentives that could be used with smaller scale forest land owners to achieve management regimes that are beneficial to specific conservation targets on a landscape scale?
- What is the cost structure (infrastructure and maintenance) of techniques of hydrologic management/rehabilitation that maintain the productivity of agricultural lands while improving stream flow regimes, aquatic ecological function and/or water quality?
- What is the cost (infrastructure and maintenance) per unit of environmental benefit of various alternative storm water management techniques?
- What modifications to the existing transportation network provide the greatest environmental benefit per unit cost?
- What network of functional coastal systems must be protected/created to achieve a given level of environmental benefits and what is the unit cost?
- What are incentives that could be used with smaller scale coastal land owners to achieve management regimes that are beneficial to specific conservation targets?
- What are the costs (infrastructure and maintenance) per unit of environmental benefit for various aquatic invasive species programs?
- What is the cost (ecologic and biologic) of the current open waters management regime on the Great Lakes and are there techniques or investments which could reduce those costs and/or improve the self sustaining functionality of the system?
- What is the impact on aquatic species or ecosystems of pharmaceutical compounds and synthetic hormones which pass through existing waste treatment systems and enter Great Lakes waters?