



CHESAPEAKE & ATLANTIC COASTAL BAYS TRUST FUND

ANNUAL REPORT & EXPENDITURE PLAN

FY 24 - FY26



Wes Moore Governor
Josh Kurtz, Secretary
David Goshorn, Deputy Secretary

SECRETARY STATEMENT

Maryland is at a critical juncture in our efforts and partnerships to restore and protect the Chesapeake and Atlantic Coastal Bays. With Governor Wes Moore at the helm of the Executive Council for the Chesapeake Bay Program, we began the process of reviewing the 2014 Chesapeake Bay Agreement and are setting the stage to optimize the partnership, reaffirm our commitment, and ensure all the goals and outcomes support our vision for watersheds and the people who benefit from them.

The Chesapeake and Atlantic Coastal Bays Trust Fund (Trust Fund) has been a long-standing, reliable source of funding to engage local partners in achieving our watershed goals. As we move into 2025 and beyond, the Trust Fund's importance will only expand as we incorporate the updated science and focus of the [Comprehensive Evaluation of System Response \(CSER\)](#) report, which shifts our priorities from the deep trenches of the bay to local, shallow-water habitat and impacts to surrounding communities.

The Trust Fund is also a key source of funding for the Whole Watershed Restoration Partnership. This exciting new program establishes a highly collaborative approach to watershed restoration directing a five-year investment of state resources to specific watersheds to accelerate progress and enact demonstrable ecological and social benefits.

We have learned so much over the years of our restoration and conservation activities. As we enact our approaches and incorporate new findings, the importance of our Chesapeake and Atlantic Coastal Bays Trust Fund has never wavered. We thank the Moore-Miller Administration for their continued support of the fund, and thank all of our partners for the passion and commitment that makes this effort possible.

JOSH KURTZ

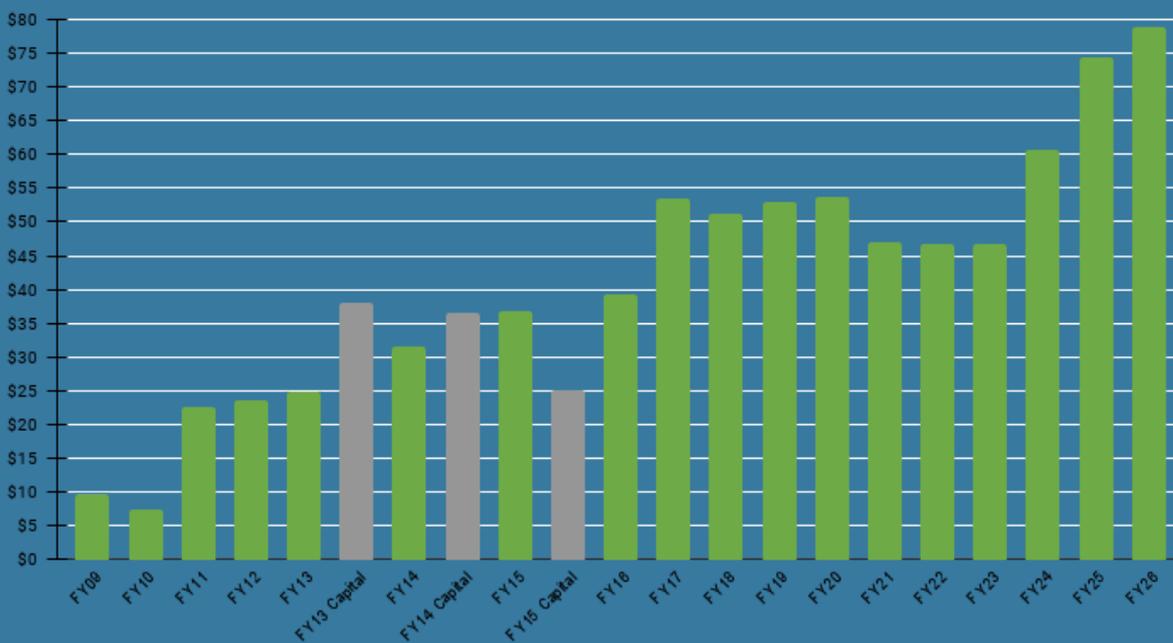
Secretary, Department of Natural Resources



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 Council 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 collaboration; and (4) provides the flexibility necessary to take advantage of constantly changing conditions, opportunities and scientific developments.

The Trust Fund budget from FY09-FY26.



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

FY26 BUDGET AT A GLANCE



Annual Expenditure Plan (FY24 - FY26)

Targeted Activity	Project Partner	FY24 Actual	FY25 Current	FY26 Request	+/- difference FY25 to FY26
Accountability, Verification and Management					
1. Strategic Monitoring & Assessment	Natural Resources	\$400,000	\$400,000	\$550,000	\$150,000
2. Implementation Tracking	Information Technology	\$200,000	\$200,000	\$200,000	\$0
3. Administration & Management (1.5%)	Natural Resources	\$880,000	\$1,080,000	\$1,220,000	\$140,000
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	\$5,790,000	\$6,290,000	\$6,590,000	\$300,000
7. Water Management Permit Expeditors	Environment	\$850,000	\$850,000	\$850,000	\$0
8. Field Restoration Specialists	Natural Resources	\$850,000	\$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		\$11,520,000	\$12,220,000	\$12,810,000	\$590,000
Non-point Source Pollution Control Projects					
10. Cover Crop Program	Agriculture	\$11,250,000	\$11,250,000	\$11,250,000	\$0
11. Conservation Reserve Enhancement Program Bonus Payments	Agriculture	\$500,000	\$500,000	\$500,000	\$0
12. Grants to Farmers	Agriculture	\$3,010,000	\$3,010,000	\$3,010,000	\$0
13. Manure Management Program	Agriculture	\$1,750,000	\$1,750,000	\$1,750,000	\$0
14. Competitive Grant Program	Competitive grants	\$22,900,000	\$35,850,000	\$34,640,000	\$1,210,000
15. Natural Filters on Public Lands	Competitive grants	\$6,000,000	\$6,000,000	\$6,000,000	\$0
16. Tree Solutions Now Act	Competitive grants	\$2,500,000	\$2,500,000	\$2,500,000	\$0
17. Adaptive Management & maintenance	Competitive grants	\$1,170,000	\$1,440,000	\$1,520,000	\$80,000
18. Whole Watershed	Competitive grants	\$0	\$0	\$5,000,000	\$5,000,000
Sub TOTAL		\$49,080,000	\$62,300,000	\$66,170,000	\$3,870,000
GRAND TOTAL		\$60,660,000	\$74,520,000	\$78,980,000	\$4,460,000

CHESAPEAKE AND ATLANTIC COASTAL BAYS TRUST FUND

FY26 BUDGET DETAILS

Accountability, Verification and Management : \$1,970,000

- 1. Strategic Monitoring & Assessment:** \$550,000 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: \$9,540,000

- 6. Agricultural Technical Assistance:** \$6.59 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: \$66,170,000

- 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:** \$34.64 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.
- 18. Whole Watershed:** \$5.0 million to support a five-year pilot program that targets five Maryland watersheds that best represent the state's diverse land uses, geographies, and impairments

BY THE NUMBERS



BUDGETED
FY09 - FY25

\$781,742,000
state funds

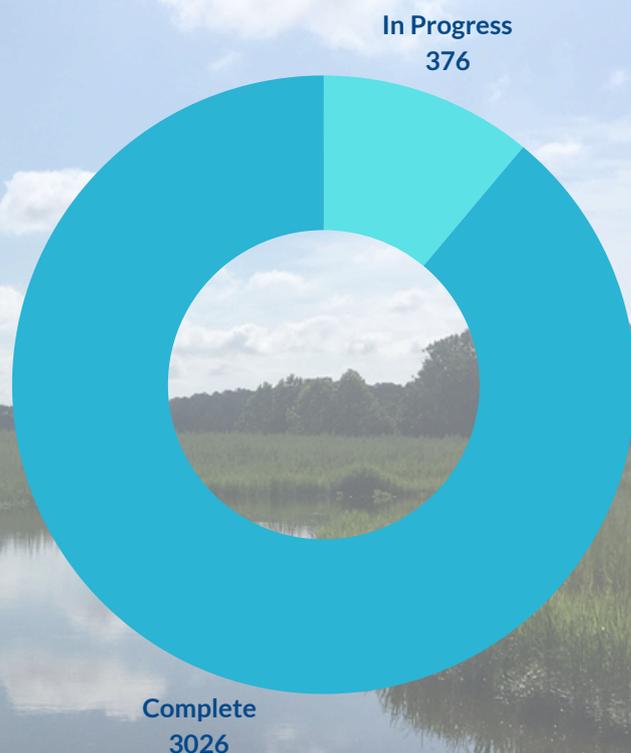
+

\$315,653,149
leveraged funds

\$1,097,395,149
total investment

3,402

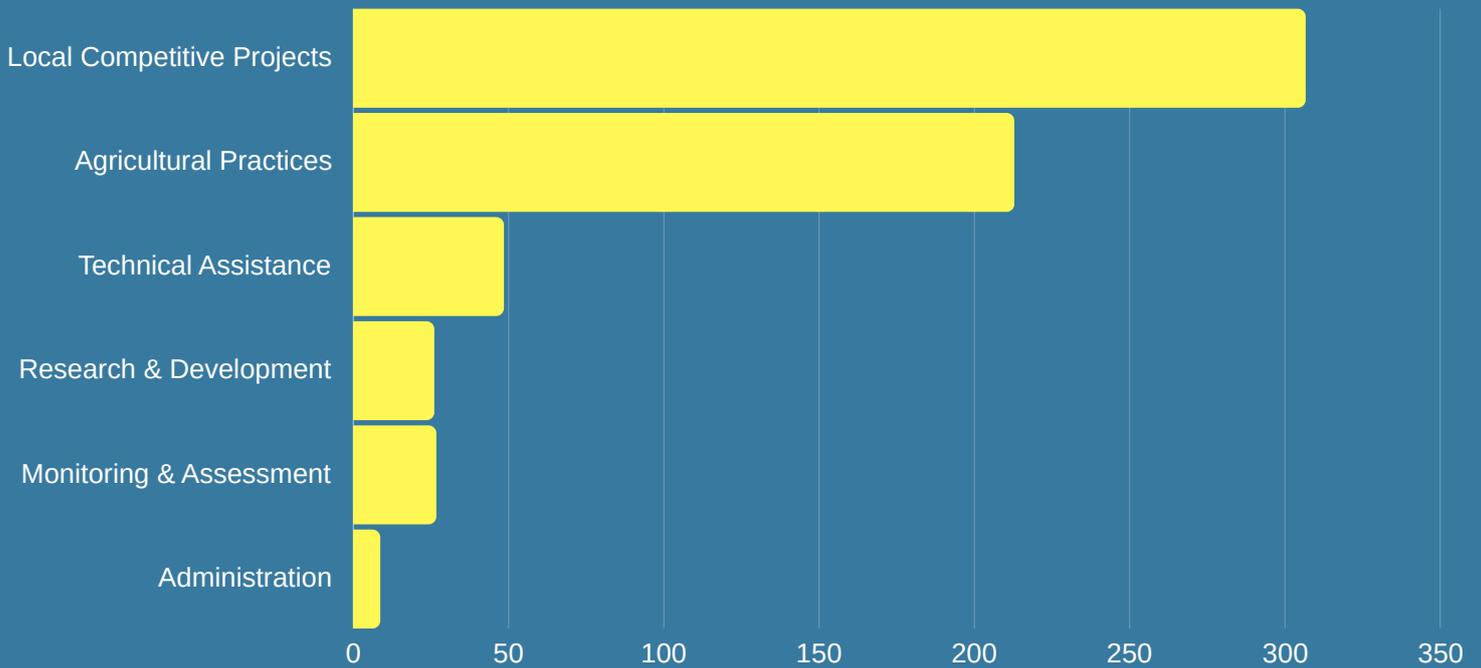
Total Project Sites



BY THE NUMBERS

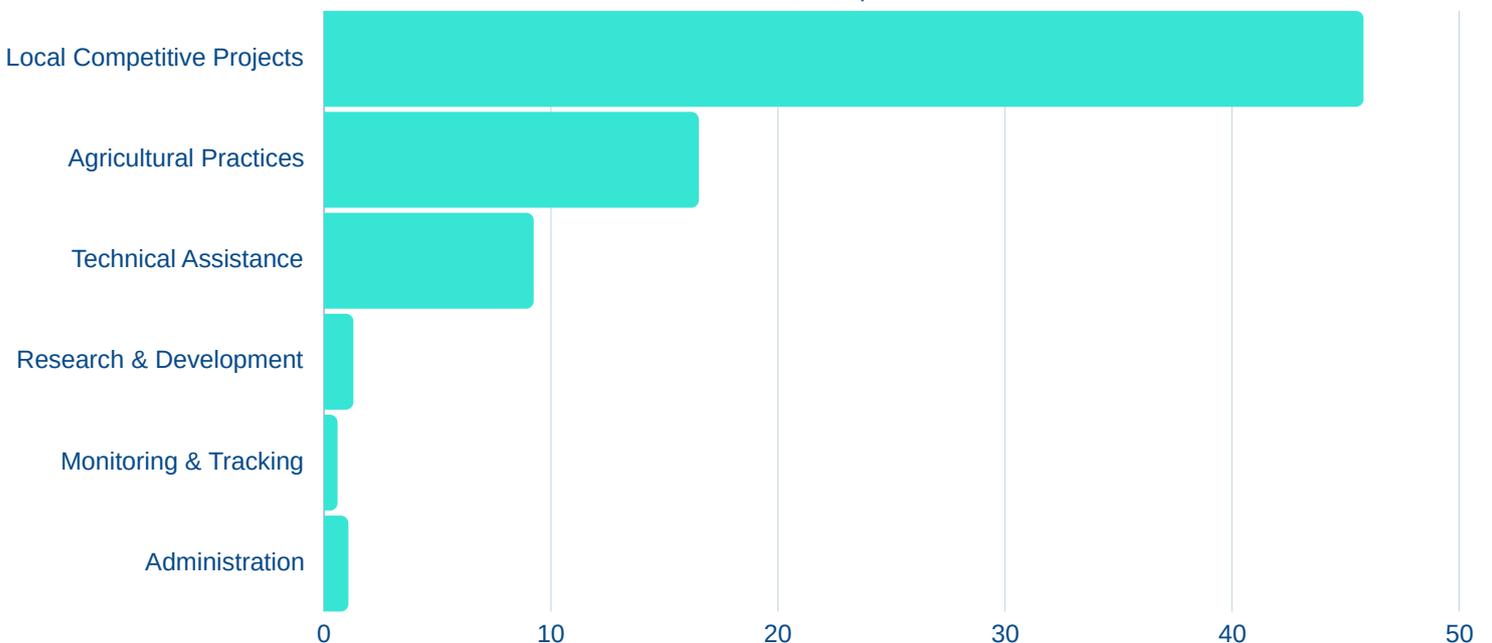
Funding Portfolio FY09 - FY24

in millions \$



Funding Portfolio FY25

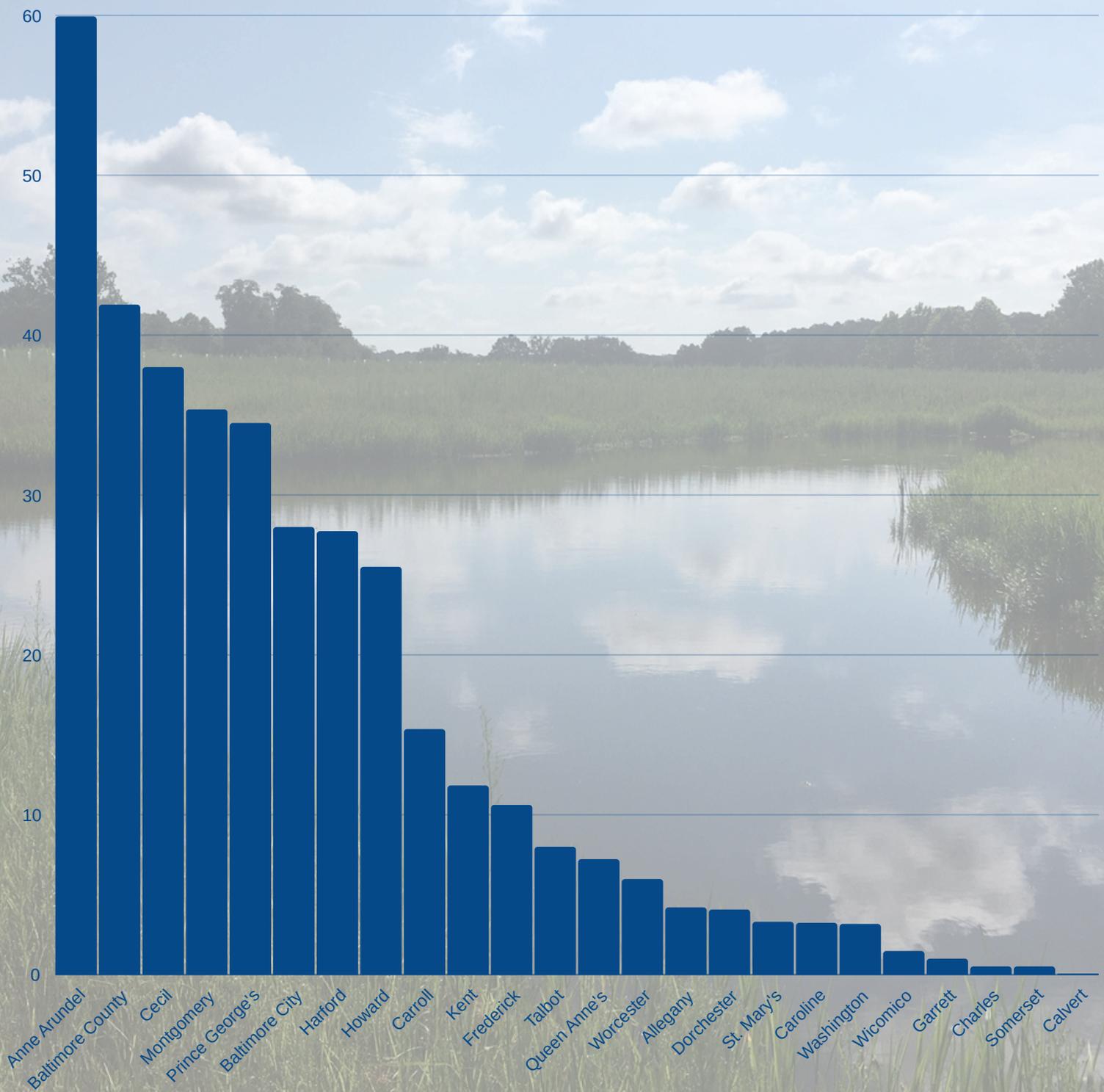
in millions \$



BY THE NUMBERS

Funding by County (FY09 - FY24)

in millions \$



COMPLETED METRICS

As of fall 2024



3,430 acres of non-tidal wetland restored
more than 10x the area of the United States Naval Academy

39,499
volunteers & students engaged



enough to fill
86% of the
seats at
Camden Yards

368,618
linear feet of
stream restored



that's more than 16x the
length of the Bay Bridge

1,678



stormwater management
facilities installed
(includes residential)



1,334
upland acres



1,740
riparian acres



Innovative Technology Fund has invested \$11.0 million with \$13.9 million in private matches, supported **64 new technologies** and 54 Maryland businesses while supporting 166 jobs.

INVESTMENT IN AGRICULTURE FY24

Cover Crop Program

Total acres: 442,700
 Nitrogen reduced: 3,050,00 lbs
 Phosphorus reduced: 3,500 lbs

\$11,117,689

CREP Incentive

New Enrollment

Total acres: 264
 Nitrogen reduced: 72,704 lbs
 Phosphorus reduced: 1,498 lbs

\$232,311

2,156 acres re-enrolled

Agricultural Technical Assistance: \$5,790,000

Category	Total Accomplished	Est. Nitrogen Reduction (lbs)	Est. Phosphorus Reduction (lbs)	Est. Sediment Reduction (tons)
Acres of conservation planning	62,238	87,133	6,224	4,724
Best management practices applied or installed	419	26,615	1,969	480
Verified best management practices meeting standards	2,051	130,280	9,640	2,352
TOTAL		244,028	17,883	7,556

IN FOCUS: WHOLE WATERSHED ACT

In 2024, the Maryland legislature passed the Whole Watershed Act ([SB 969/HB 1165](#)), which establishes a highly collaborative, science-based approach to watershed restoration across the state to promote innovative and science-based solutions to waterway restoration efforts. The legislation will use existing state funds, which includes the Chesapeake & Atlantic Coastal Bays Trust Fund, to create a new [Whole Watershed Fund](#) that will support a five-year pilot program targeting five Maryland watersheds that best represent the state's diverse land uses, geographies, and impairments.

A direct response to the Chesapeake Bay Program's Scientific and Technical Advisory Committee's [Comprehensive Evaluation of System Response](#) (CESR) report, the pilot projects will be designed to address multiple restoration and conservation benefits, including water quality, increased public access, wildlife habitat, fisheries improvement, environmental justice, and climate resiliency. Selected projects will be overseen by a state management team composed of agency experts to help find efficiencies in project permitting and funding as well as to evaluate results.



MEASURING FOR RESULTS



State Fiscal Year	SFY 2024 actual	SFY 2025 working	SFY 2026 estimate
Funding Level	\$60,600,000	\$74,520,000	\$78,000,000
Nitrogen (lbs) Annual practices	3,471,543	3,471,543	3,228,551
Nitrogen (lbs) Landuse practices	120,649	135,983	131,458
Phosphorus (lbs) Annual practices	20,130	20,130	19,699
Phosphorus (lbs) Landuse practices	7,226	9,602	7,586
Sediment (tons) Annual practices	407	407	407
Sediment (tons) Landuse practices	7,560	13,005	11,964

Cumulative totals

Landuse Practices
FY13 - FY24

1,566,953

lbs nitrogen

214,964

lbs phosphorus

185,391

tons sediment

PARTNER SPOTLIGHT: TUCKAHOE WETLAND PROJECT

The Tuckahoe State Park Project site is owned and managed by Maryland Park Service (MPS). MPS has worked with the Maryland Chesapeake & Coastal Service (MCCS) and other partners in recent years to identify and implement habitat conservation projects at Tuckahoe State Park. The partnership identified 80 acres of agricultural fields between Eveland Road and Tuckahoe Creek that support various habitat restoration practices.

In 2019, MCCS oversaw implementation of an approximately 20-acre pilot project in that area. At a smaller scale, the project demonstrated restoration feasibility in the targeted habitat conservation area. The next phase sought to build upon those successes and expand restoration practices to the remaining acres at the site, restoring a total of 60 acres of agricultural fields to a series of emergent wetlands interspersed with mixed deciduous tree plantings and early successional meadow habitats. Specifically, the effort targeted 12 acres of emergent wetland restoration in multiple areas of hydric soil inclusions at the site. Depressional areas were restored to seasonal, passively managed wetlands. Ditched areas and sites along field edges incorporated water control structures to promote habitat management directed toward specific priority wildlife species, such as black rail and American black duck. The remaining 48 acres were planted in equal parts forest and grasses. This comprehensive restoration approach maximized habitat diversity at the site, benefitting a greater range of priority wildlife species, and also amplified nutrient and sediment reduction efficiencies associated with the project.

All project construction components are complete and planting and monitoring components are forecasted to be complete by June 2025.



FY24 Project List

Allegany County

Western Maryland RC&D:

\$235,120 for 39.9 acres of reforestation activities in private and public lands. (Districts 1B & 1C)

Anne Arundel County

Anne Arundel County

\$500,000 for retrofitting five stormwater outfalls and restoring approximately 1,890 linear feet of a tributary. (District 4)

Arundel Rivers Federation:

\$1,617,602 for 600 linear feet of concrete channel removal and a pond retrofit (District 32.)

The Resilience Authority of Annapolis and Anne Arundel County

\$441,625 for restoring a 558 linear foot section of stream between Phases I & II and addressing the 340 linear foot stormwater gully that flows into the tributary. (District 31B)

The Resilience Authority of Annapolis and Anne Arundel County

\$4,948,380 towards restoring 2,600 linear feet of incised stream, enhance and restore 5.3 acres of wetlands. (District 31A)

Baltimore County

Islamic Society of Baltimore

\$741,172 for the removal of 123,154 square feet of impervious surface, as well as the installation of permeable pavers and microbioretentions,

as well as plant conservation landscaping. (District 44B)

Maryland Forestry Foundation

\$34,858 to plant approximately 4 acres of trees and 2 acres of native meadow. (District 11)

Sherwood Episcopal Church

\$1,701,204 for a Regenerative Stormwater Conveyance (RSC). (District 10)

The Land Preservation Trust

\$1,306,998 for 2,300 linear feet of stream restoration and 5.6 acres of riparian buffer. (District 10)

Baltimore City

Backyard Basecamp, Inc

\$583,727 for the creation of a dry stream channel, widening of the swale, and installation of native plants. (District 45)

GreenTrust Alliance

\$3,000,000 for the stabilization of up to 2,180 linear feet of eroding shoreline; re-establishment of 9.2 acres of tidal marsh. (District 46)

Caroline County

ShoreRivers

\$168,000 to install 7 acres of wetlands and 7 acres of trees. (District 37B)

Carroll County

Carroll County Government - Bureau of Resource Management

\$550,000 for a stormwater management facility retrofit converting the existing shallow marsh facility to a complex

surface sand filter system. (District 5)

Maryland Forestry Foundation

\$510,606 to plant approximately 78 acres of trees and 5 acres of native meadow on 14 sites. (Districts 5 & 9A)

Cecil County

Maryland Forestry Foundation

\$12,598 to plant approximately 2 acres of trees. (District 35A)

Dorchester County

Ferry Cove Shellfish

\$438,000 for shellfish aquaculture as an innovative structural Best Management Practice (BMP). (District 37B)

ShoreRivers

\$144,000 to install 6 acres of wetlands and 6 acres of trees. (District 37A)

Frederick County

Frederick County Government

\$1,050,717 for a large-scale riparian buffer (350 trees per acre and forest easement). (Districts 3B and 4)

Land and Cultural Preservation Fund

\$386,337 to reforest 30 acres with 9,000 native trees and shrubs on designated agricultural lands within a Targeted Ecological Area and Targeted Resiliency Area. (District 4)

Maryland Forestry Foundation

\$239,335 to plant approximately 38 acres of trees on 7 sites. (District 2A & 4)

FY 2024 Project List Continued

Western Maryland RC&D:

\$183,152 for 21.6 acres of reforestation activities in private and public lands. (Districts 2A & 4)

Garrett County

Western Maryland RC&D:

\$338,061 for 49 acres of reforestation activities in private and public lands. (District 1A)

Harford County

Maryland Forestry Foundation

\$69,281 to Plant approximately 11 acres of trees on 2 sites. (District 35B)

Kent County

ShoreRivers

\$144,000 to install 6 acres of wetlands and 6 acres of trees. (District 36)

Shore Rivers

\$868,133 to create 11 acres of treatment wetlands at a dairy farm. (District 36)

Prince George's County

Maryland Forestry Foundation

\$62,983 to plant approximately 10 acres of trees. (District 27B)

The Prince George's County, Maryland

\$75,000 for reforestation and permanent conservation of 12.37 acres of active agricultural land. (District 26)

The Prince George's County, Maryland

\$600,000 to retrofit an existing stormwater management pond and restore approximately 900

linear feet of degraded stream. (District 26)

The Prince George's County, Maryland

\$3,000,000 for a stream restoration project of approximately 6,515 linear feet. (District 27A)

University of Maryland

\$1,752,134 for a stream restoration featuring 2,300 LF of Regenerative Stream Conveyance (RSC) and floodplain reconnection, and retrofitting of an old detention pond. (District 21)

World Arts Focus dba Joe's Movement Emporium

\$250,000 for urban retrofit best management practices (BMPs). (District 47A)

Queen Anne's County

Maryland Forestry Foundation

\$122,817 to Plant approximately 19.5 acres of trees on 2 sites. (District 36)

Somerset County

Audubon Mid-Atlantic

\$100,000 to restore 70 acres of deteriorating high tidal marsh. (District 38A)

Talbot County

ShoreRivers

\$144,000 to install 6 acres of wetlands and 6 acres of trees. (District 37B)

Shore Rivers

\$759,673 to restore 2,300 linear feet of agricultural stream channel and restore/create 5 acres of wetlands. (District 37B)

Washington County

Maryland Forestry Foundation

\$436,157 to plant approximately 69.25 acres of trees on 12 sites. (Districts 2A & 9A)

Western Maryland RC&D:

\$468,743 for 68.1 acres of reforestation activities in private and public lands. (District 1C & 2A)

Worcester County

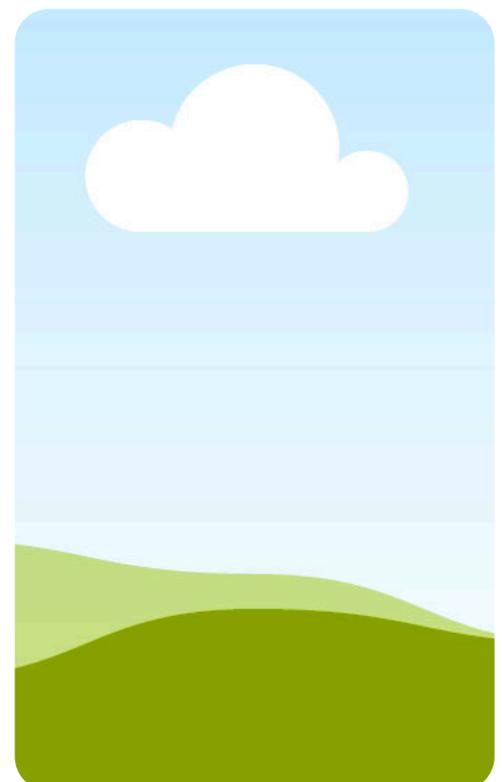
The Nature Conservancy

\$841,500 for 49 acres of wetland re-establishment, 10 acres of wetland rehabilitation and 29 acres of upland buffer restoration.

Statewide

Maryland Forest Service

\$675,960 for 275 acres of afforestation on State Park lands.



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

dnr.maryland.gov

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