



# **Green and Blue Infrastructure Policy Advisory Commission**

**November 30, 2022**

**Deputy Secretary Suzanne Dorsey, Co-Chair**



# What is Conservation Finance Act (CFA)?

## Key takeaways:

- New ways to support restoration in a time of great need
- Pay for success financing
  - Reduces public risk
  - Prioritizes least-cost projects
- Opportunity to prioritize co-benefits
  - Environmental justice
  - Resilience
- Defines key concepts:
  - Green Infrastructure
  - Blue Infrastructure (first in the country)
  - Environmental Outcomes

**“BLUE INFRASTRUCTURE” MEANS A WATER–BASED NATURAL AREA OR NATURAL FEATURE, OR A SYSTEM OR FEATURE DESIGNED TO PROTECT, MIMIC, OR ENHANCE A NATURAL FUNCTION, THAT:**

- (I) ABSORBS AND FILTERS POLLUTANTS;
- (II) ATTENUATES SHORELINE EROSION;
- (III) PROTECTS COMMUNITIES FROM FLOODING OR STORM SURGE;
- (IV) REDUCES EROSION; OR
- (V) SEQUESTERS CARBON.

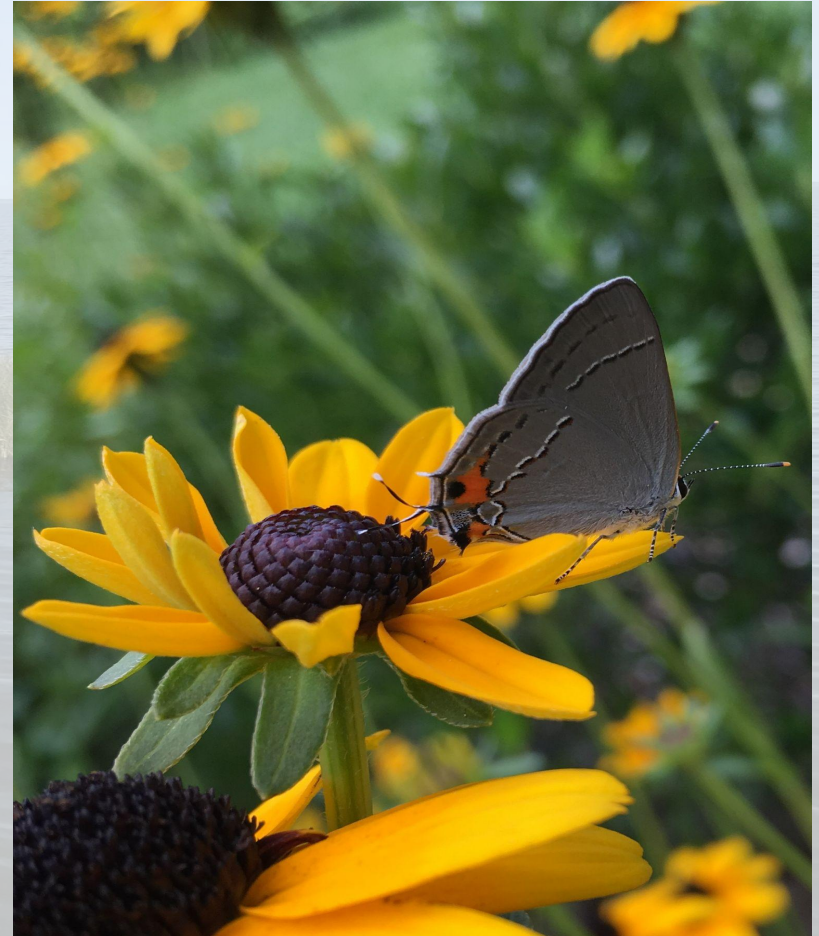
**“GREEN INFRASTRUCTURE” MEANS A LAND–BASED NATURAL AREA OR NATURAL FEATURE, OR A SYSTEM OR FEATURE DESIGNED TO PROTECT, MIMIC, OR ENHANCE A NATURAL FUNCTION, THAT:**

- (I) ABSORBS AND FILTERS POLLUTANTS;
- (II) PROTECTS COMMUNITIES FROM FLOODING OR STORM SURGE;
- (III) REDUCES EROSION; OR
- (IV) SEQUESTERS CARBON.



# Green & Blue Infrastructure

- **Conservation Finance Act:**
  - Financing for green and blue infrastructure has equal footing to gray infrastructure,
  - Allows loans for forest conservation, and
  - Loan guarantees to nonprofits and for profits for green/blue infrastructure, pay for success, or impact bond work.
- **Green and Blue infrastructure is a priority for the state revolving loan funds.**





# Environmental Outcomes

**Environmental outcome:** a commodity that is modeled or directly measured as a single, quantifiable, and certified unit of improvement to the environment





# Pay for Success

**In CFA, *Pay for Success Contracting* is defined as**

**“means a performance–based procurement method through which a unit **contracts** with an organization to **deliver services or commodities** in **exchange for payment** based on the **achievement of outcomes.**”**





# Pay for Success Contract Process





# What is the Commission in CFA?

Advise the Secretary (MDE), the Baystat Subcabinet, and local government officials on ways to **facilitate and accelerate the scale and pace of implementation of green and blue infrastructure projects** in the State, including projects designed to:

- (1) reduce nutrient and sediment loads entering the Chesapeake Bay;
- (2) sequester nutrients already in the Chesapeake Bay;
- (3) improve climate resilience;
- (4) sequester carbon;
- (5) protect and restore important terrestrial or aquatic habitats;
- (6) restore streams or wetlands;
- (7) build living shorelines;
- (8) augment or restore shellfish populations; or
- (9) restore forest or agricultural lands.





# Goals & Vision of the Commission

- **Vision:** To build communities that are equitable and use natural systems to provide vibrant, healthy, and safe places to live in a changing climate

- **Goals for 2023:**

- Prioritize communities impacted by Environmental Justice (EJ) concerns;
- Identify opportunities for pay-for-success procurement with existing programs;
- Identify barriers to implementation;
- Track and register nitrogen, phosphorous, and carbon outcomes; and
- Identify co-benefits to facilitate tracking.





# Commission Report

- “On or before **January 1 each year**, the Commission shall report to the Secretary, the Governor, and, in accordance with § 2–1257 of the State Government Article, the General Assembly on its findings and recommendations.”
- The 2022 Report will give background on the:
  - Commission members
  - 2023 Work Plan
  - 2023 Goals





# MDE Overview

- MDE is charged with:
  - Staffing the Green and Blue Infrastructure Policy Advisory Commission and the Task Force on State and Local Government Accounting for Natural Capital.
- What is MDE currently doing with green and blue infrastructure?
  - Policy within each administration (ARA, LMA, WSA)
  - Allocated Funding



# Future Coordination with ARWG

- Centralized tracking/registration:  
“The Common App”
  - Quantification/Verification
  - Co-Benefits
  - Risk Assessment Tools
- Outreach and education:
  - Policy leaders
  - Implementers
  - Procurement Professionals





# Final Thoughts:

**The future requires a new vision and more tools to make real equitable, healthy, and resilient communities in a changing climate.**

- **Conservation Finance Act** adds to the grant and cost share financing tool box:
  - low risk
  - cost effective restoration outcomes
  - Builds on existing quantification and verification tools
- **Common application & tracking** can:
  - simplify access to funding
  - support equity and co-benefits
  - prioritize resiliency
  - build trust in science-based outcomes





# Questions and Discussion



# Staff Contact

Gabrielle Leach

Deputy Director

Legislative and Intergovernmental Relations

Maryland Department of the Environment

[Gabrielle.Leach@maryland.gov](mailto:Gabrielle.Leach@maryland.gov)