The Road Back to “No Net Loss” – By Jeanne Christie

In October 2012 the United Nations Environment Program released a report, “The Economics of Ecosystems and Biodiversity for Water and Wetlands.” It concludes that half the world’s wetlands have been lost since 1900 and documents some of the monetary, social and cultural losses that have occurred as a result of those losses. It also describes the monetary, social and cultural benefits that have resulted from wetland restoration and protection. In the U.S. the lower 48 states have also lost about half of the wetlands that were in existence at the time of European settlement and the great majority of these losses also occurred during the 20th century.

If the American public thinks of wetlands at all, it is probably in the context of regulation under the Clean Water Act or a similar state or local program. These programs regulate some activities in some wetlands and other waters. They are not comprehensive. Nevertheless, the requirement for a permit to dredge or fill wetlands has been a highly contentious area of public policy since these programs were established. It is one of the primary reasons that Congress has not made any major changes to the Clean Water Act since 1987 even as new sources of pollution and advances in technology have created both new opportunities and new challenges for protecting the physical, chemical and biological integrity of the nation’s waters.

The Clean Water Act may slow down the rate of wetland loss, but it does not stop it. In 2008 the U.S. Fish and Wildlife Service reported for the first time that the nation had achieved no net loss of wetlands—that the nation had gained 32,000 acres of wetlands/year from 1998 to 2004. But it was achievable only because programs such as the North American Waterfowl Management Act and the Wetland Reserve Program of the Farm Bill funded restoration of hundreds of thousands of acres of wetlands annually. Achievement of the No Net Loss goal was shortlived. The most recent U.S. Fish and Wildlife Service Status and Trends Report (2004-2008) indicated there was a net loss of 13,800 acres per year.

We have and shall probably continue to lose more wetlands than we gain because

1) there are many activities that are not regulated under the Clean Water Act such as wetland drainage;

2) there are many wetlands that are not protected at all under the Clean Water Act (isolated wetlands);

3) there are still federal programs that incentivise wetland loss; and

4) sea level rise in combination with catastrophic events such as Hurricane Sandy may destroy and alter coastal wetlands just as it has coastal communities.

In the weeks following Hurricane Sandy there have been a number of news articles and editorials questioning the wisdom of rebuilding coastal communities that are likely to suffer repeated catastrophic damage through a combination of sea level rise and less numerous but more intense hurricanes and coastal storms.
This was the primary topic of discussion for the recent-most conference call of the Natural Floodplain Function Alliance. Many long-time experts in emergency response to floods and hurricanes were surprised at the number of media reports that question whether building back to pre-hurricane conditions is a wise investment of federal funds in New York and New Jersey. These reports have provided examples of other areas of the country where the government has repeatedly spent millions and sometimes billions of dollars supporting the restoration of homes and communities following hurricanes and floods.

For example, a New York Times article published November 19 pointed out that just one island off the coast of Alabama has received $80 million since 1979 to fix storm damaged structures and infrastructure such as roads and utilities. That adds up to $60,000 per resident on Dauphin Island and does not include another $72 million received through the federally subsidized flood insurance program.

The article also points out that when tax money supports putting things back the way they were they replicate the risk. Future storms of similar strength will destroy buildings and infrastructure again and again. The length of time that elapses between one natural disaster and another is highly variable. But regardless of the times between events, some areas along coasts and rivers are inherently vulnerable to floods, storms and hurricanes. Building and rebuilding in these locations will lead to expensive losses in property and put people in harm’s way over and over.

Hard infrastructure to protect these communities is expensive. When the cost is calculated for Hurricane Sandy, there are likely to be some areas where it is just not feasible.

New tools are needed. One approach would be a combination of hard (constructed) protection and green (soft) protection such as wetlands and natural areas. Green infrastructure could serve as a buffer and also improve the local economy through recreation, green energy and investment in businesses less susceptible to storm damage. This kind of approach has the potential to build local communities, reduce the costs of damage to individuals and tax payers and restore and conserve wetlands and other natural resources.

There is, in fact, a coalition of environmental organizations, taxpayer advocates, insurance companies and housing organizations who support smarter, more effective policies to promote disaster safety and preparedness and foster sound environmental stewardship of our coasts. Members of SmarterSafer.org include National Wildlife Federation, The Nature Conservancy, the Competitive Enterprise Institute, Taxpayers for Common Sense and Liberty Mutual Group—organizations that might normally be expected to be polar opposites.

This is not the first time that a coalition of environmental groups and fiscal conservatives has joined forces. When the Farm Bill moved to the floor of the Senate this past summer environmental groups such as the National Wildlife Federation and fiscal conservatives such as Taxpayers for Common Sense both supported linking crop insurance to Conservation Compliance. The Farm Bill passed by the Senate was amended to address their common concern.

At the end of October R Street, an institute supporting free markets and limited, effective government, issued a press release stating that the Farm Bill (not yet brought to the floor in the House) needed stronger protections for taxpayers and the environment. It linked to a report
“Conservation Compliance: The Obscure Environmental Provision key to Protecting Taxpayers and Privatizing Crop Insurance” http://rstreet.org/wp-content/uploads/2012/10/RSTREET5.pdf which supported tying crop insurance to conservation compliance. Crop insurance is poised to become one of the largest programs in the Farm Bill. Last year the federal government spent $7.4 billion to subsidize crop insurance premiums according to a Government Accounting Office report released this spring. In many cases will be the only program of importance agriculture producers. It is not linked to conservation compliance (swampbuster and sodbuster) which make producers ineligible for participation in agriculture programs in the current Farm Bill if they destroy wetlands or natural grasslands. If the next Farm Bill does not relink crop insurance and conservation compliance agriculture producers will be able to drain wetlands already subject to frequent flooding and collect crop insurance on them whenever a crop fails. http://www.taxpayer.net/images/uploads/downloads/CropInsurance_FedCashAssurance.pdf

This has the potential to significantly increase wetland losses and cost to taxpayers through the federally subsidized crop insurance program. The lost flood storage capacity of these drained wetlands and altered floodplains are likely to be reduced leading to accelerated runoff and increased flood heights for downstream communities. While the Senate did link conservation compliance to crop insurance, a recent statement by U.S. Secretary of Agriculture Tom Vilsack concludes that Congress ultimately will not keep this provision in the Farm Bill which may be sent to the President’s desk this year or next. http://www.desmoinesregister.com/article/20121023/BUSINESS01/310230048/1018/SPORTS1301/?odyssey=nav%7Chead&nclick_check=1 Past Bush Administration Natural Resources Conservation Service Chief Bruce Knight expressed concern over this outcome in a follow up editorial to the Des Moines Register. http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=2012311070081

It should not be a surprise that fiscal conservatives and environmentalists are aligned in their support for actions that reduce costs to taxpayers, improve the environment and move people out of harm’s way. These ideas make sense. The challenge will be to revise public policy to reflect these priorities. If successful, the nation may also again achieve ‘No Net Loss’ of its wetland resources and demonstrate how it can be done to the rest of the world.


UNEP Report: “The Economics of Ecosystems and Biodiversity for Water and Wetlands”
