

Doug Domenech Secretary of Natural Resources

October 27, 2011

Delegate Surovell Post Office Box 289 Mount Vernon, Virginia 22121

Dear Delegate Surovell,

The purpose of this letter is to bring you up-to-date on Virginia's decision to withdraw from the Interstate Commission on the Potomac River Basin (ICPRB).

As you may recall, during the 2011 legislative session, the General Assembly approved Governor McDonnell's proposal to cut state funding for the ICPRB. The Commonwealth pays \$151,500 in annual membership dues to the organization.

As background, the ICPRB is a non-regulatory interstate compact created to manage water resources in the Potomac River basin. Other member jurisdictions are the District of Columbia, Maryland, Pennsylvania, and West Virginia.

The Governor's action was identified by the Department of Environmental Quality as an opportunity to reduce unnecessary state spending without significantly reducing benefits to taxpayers, and to focus limited budget resources on core agency functions. The General Assembly concurred.

There are several reasons why we advocated for this action.

For example, ICPRB's work often overlaps other existing interstate forums such as the multistate Chesapeake Bay Program which works to improve habitat and water quality at no membership cost to the state. Therefore, withdrawal from ICPRB will not have a negative effect on the Commonwealth's larger Chesapeake Bay effort or other water resource programs.

In addition, our membership fee (\$151,500) in ICPRB is expensive, particularly when compared to other interstate organizations—in fact, at least three times the cost of other groups. This membership fee represents the equivalent cost for two full time state employees who could be working on core water quality programs within the Commonwealth.

Finally, while the ICPRB provides commendable contract services to the local public water utilities of the Washington, DC metropolitan region, this is a <u>regional</u> benefit that serves what has largely been viewed as a <u>local function</u>. If local leaders feel there is continued value in the Commonwealth's participation on the ICPRB, other financing options could be considered such as local financing of dues.

In these economic times we are dedicated to spending limited taxpayer dollars in the most efficient and effective way possible. Virginia's membership in the ICPRB is no longer needed to provide quality management of the state's interest in the river basin.

Sincerely,

Doug Domenech

Secretary of Natural Resources