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Kaitlyn Nuzzo, Government Relations Director The Nature Conservancy in Maine kaitlyn.nuzzo@tnc.org



Joint Standing Committee on Appropriations and Financial Affairs

RE: LD 2225 - An Act to Provide Funding to Rebuild Infrastructure Affected by Extreme Inland and Coastal Weather Events

Senator Rotundo, Representative Sachs, and members of the Joint Standing Committee on Appropriations and Financial Affairs, my name is Kaitlyn Nuzzo and I am the Government Relations Director for The Nature Conservancy in Maine. I appreciate this opportunity to testify in support of LD 2225, An Act to Provide Funding to Rebuild Infrastructure Affected by Extreme Inland and Coastal Weather Events. We appreciated Governor Mills' focus on resiliency efforts in the State of the State Address and thank the Governor, Speaker Talbot Ross and Senate President Jackson for bringing this bill forward.

The Nature Conservancy (TNC) is a nonprofit conservation organization dedicated to conserving the lands and waters on which all life depends. Guided by science, we create innovative, on-the-ground solutions to our world's toughest challenges so that nature and people can thrive together. We use a collaborative approach that engages local communities, governments, the private sector, and other partners. The Nature Conservancy has been leading conservation in Maine for more than 60 years and is the 12th largest landowner in the state, owning and managing roughly 300,000 acres. We also work across Maine to restore rivers and streams, partner with fishermen in the Gulf of Maine to rebuild groundfish populations, and develop innovative solutions to address our changing climate.

LD 2225 adds critical funding to the Maine Infrastructure Adaptation Fund. The Fund is a key source of financial support for communities across the state and has already awarded grants for 52 projects across the state from Frenchville to Ogunquit and from Eastport to Brownfield. Using state funds for infrastructure adaptation, repair, and improvements allows for important flexibility, including the ability to match and secure federal grant funding. These grant awards leverage other sources of funding to help Maine realize major infrastructure improvements while boosting local capacity.

Our state has recently experience d back-to-back severe weather-related events. Sadly, damaging events like these were once considered likely to strike every 100 years, but have now become much more commonplace. Aging infrastructure, like culverts, storm water systems, and working water fronts, are not capable of keeping up with the current realities of storm and flooding patterns. Many of these structures were designed to meet standards from 50+ years ago and are rapidly deteriorating, resulting in risks to communities, public safety, ongoing economic vitality, and natural resources. An investment of \$50M into this Fund will build on past success and help Maine communities rebuild and improve resiliency for the future.

One key focus area of the Maine Infrastructure Adaptation Fund is the Municipal Stream Crossing Upgrade Grant Program. This program matches local funding for the upgrade of culverts on municipal roads to increase community safety and improve fish and wildlife habitat. Culverts are an essential but often overlooked element of Maine's transportation infrastructure. They provide water passage and drainage beneath roads and serve as connectors for fish and wildlife. According to TNC data, there are over 3,000 aquatic "barriers" on municipal, paved roads ac oss Maine – culverts that are undersized or "hanging" and therefore at high risk for washout and failure and limiting fish passage.

In 2023, the Municipal Stream Crossing Upgrade Grant Program was recapitalized with \$4M to support a new round of culvert grants. Just last week, MaineDOT announced the awards from that round which will support 20 culvert upgrades in 18 communities. While this is an exciting announcement, it is important to point out the ongoing need – for just this round there were more than 75 applications and a requested need for more than \$13M. Each of the 8 rounds of this grant program has demonstrated much more need than funds available. Culvert upgrades are expensive projects that strain municipal budgets. This grant program has proven success in helping towns address these issues before they become emergencies and resulting in better road infrastructure.

TNC worked with Representative Fay and key partners including the Associated General Contractors and Maine Audubon to advocate for longer term funding for this grant program. We proposed a \$50M bond (LD 212) to allocate \$10M per year for 5 years to address this ongoing need. We hope a significant portion of the funding allocated to the Maine Infrastructure Adaptation Fund is allocated to the culvert grant program, and that the Maine Legislature continues to ook for ways to provide longer term funding for culvert upgrades and the other key infrastructure challenges addressed in LD 2225.

Thank you for the opportunity to testify in support of LD 2225. We urge this committee to support this bill, and our organization is happy to answer questions or support this effort moving forward.