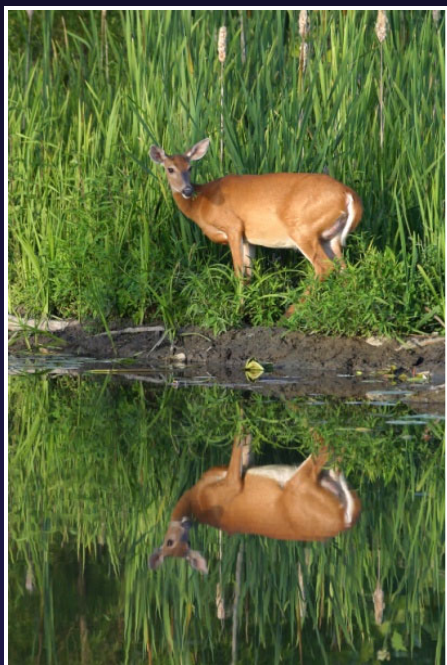


# Joint Banks



Columbia White-tail Deer

Melissa Scianni  
U.S. Environmental Protection Agency

June 2018



# Joint Banking

- Bank provides credits for multiple authorities.
- When 404 credits included, Corps is co-chair.
- Review and approval process follows Mitigation Rule AND policies of the co-chair agencies.

# Legal Authority for joint banks

- 332.3(j)(1)(ii) “...mitigation projects...may be designed to holistically address requirements under multiple programs and authorities for the same activity.”
- 332.3(j)(3) “Can also be used to provide mitigation under ESA...”



# Joint Banks– Potential Pit Falls

- Different authorizing agencies
- Different regulatory authorities
  - ESA, CWA 404/402, MBTA, BGEPA
- Different currencies/crediting methods
- Potentially conflicting directives for bank establishment, operation and use
- May have different goals, performance standards, credit release schedules, financial assurances, etc.





# Joint Banks– Benefits

- Better serve public when regulated resources overlap
- More holistic approach to stewardship
- Typically larger sites with multiple habitat types
- Better use of agency resources
- Potential to reduce agency monitoring & compliance efforts
- Potential for augmented revenues for sponsor

# IRT Coordination

## Critical Areas

- Design of bank
- Crediting
- Credit release schedule
- Ledger tracking

## Important Areas

- Service Area
- Performance standards
- Compliance/ Enforcement



Oregon Red-legged frog

# Crediting

- Credits for each authority generated from distinct areas/habitats



# Crediting

- One area/habitat generating credits for multiple authorities



# Crediting

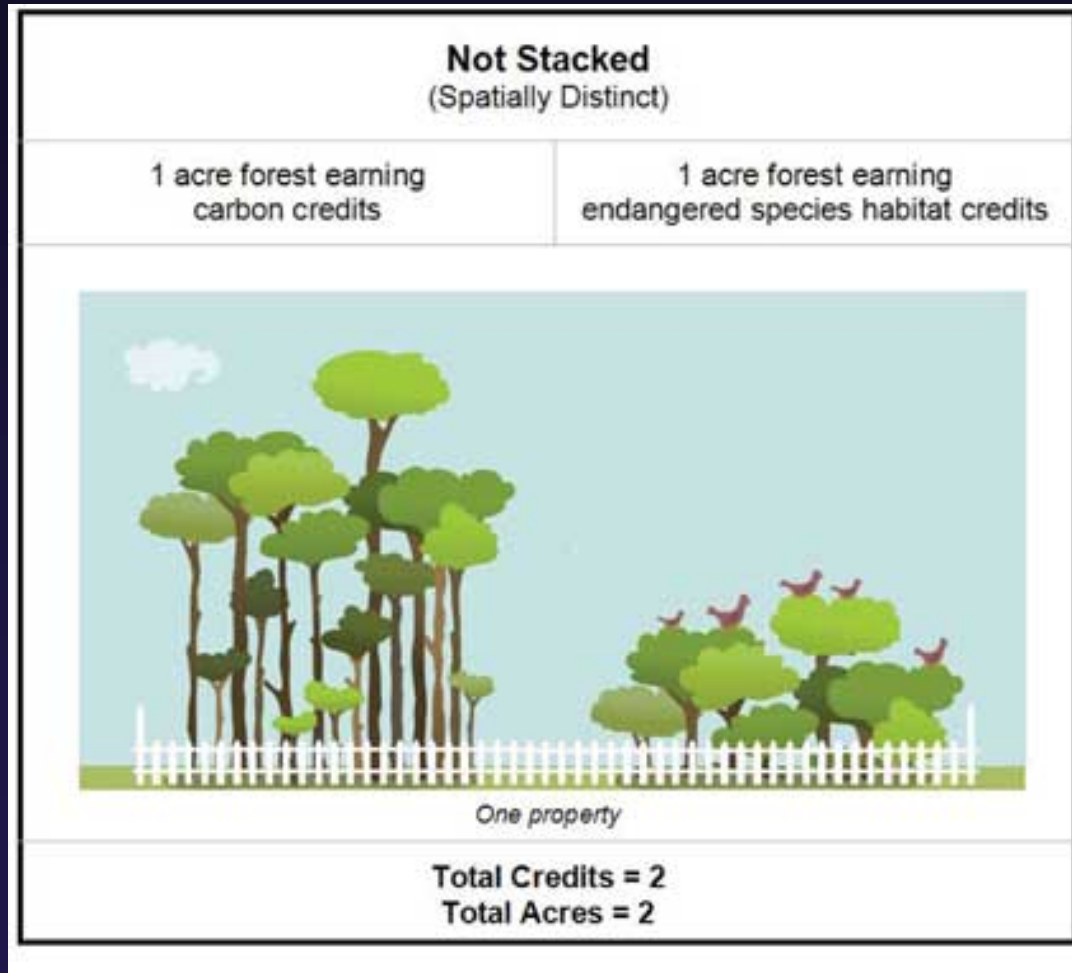
“Under no circumstances may the same credits be used to provide mitigation for more than one permitted activity.”

*332.3(j)(1)(ii)*

# Important Terms

- **Credit bundling**: Credits representing spatially overlapping ecosystem functions or services as *single* commodities.
  - This is OK
- **Credit stacking**: Credits representing two or more spatially overlapping ecosystem functions or services as separate commodities, each compensating for different permitted impacts.
  - This is problematic
- **Double dipping**: selling the same ecosystem function or service credit, multiple times.
  - This is not allowed

# Stacked Credits

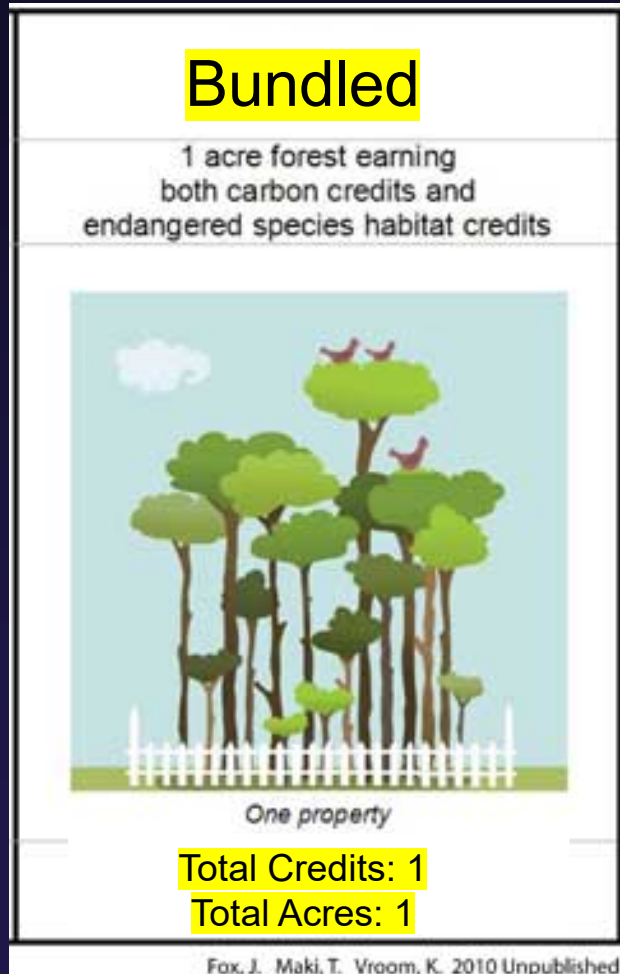




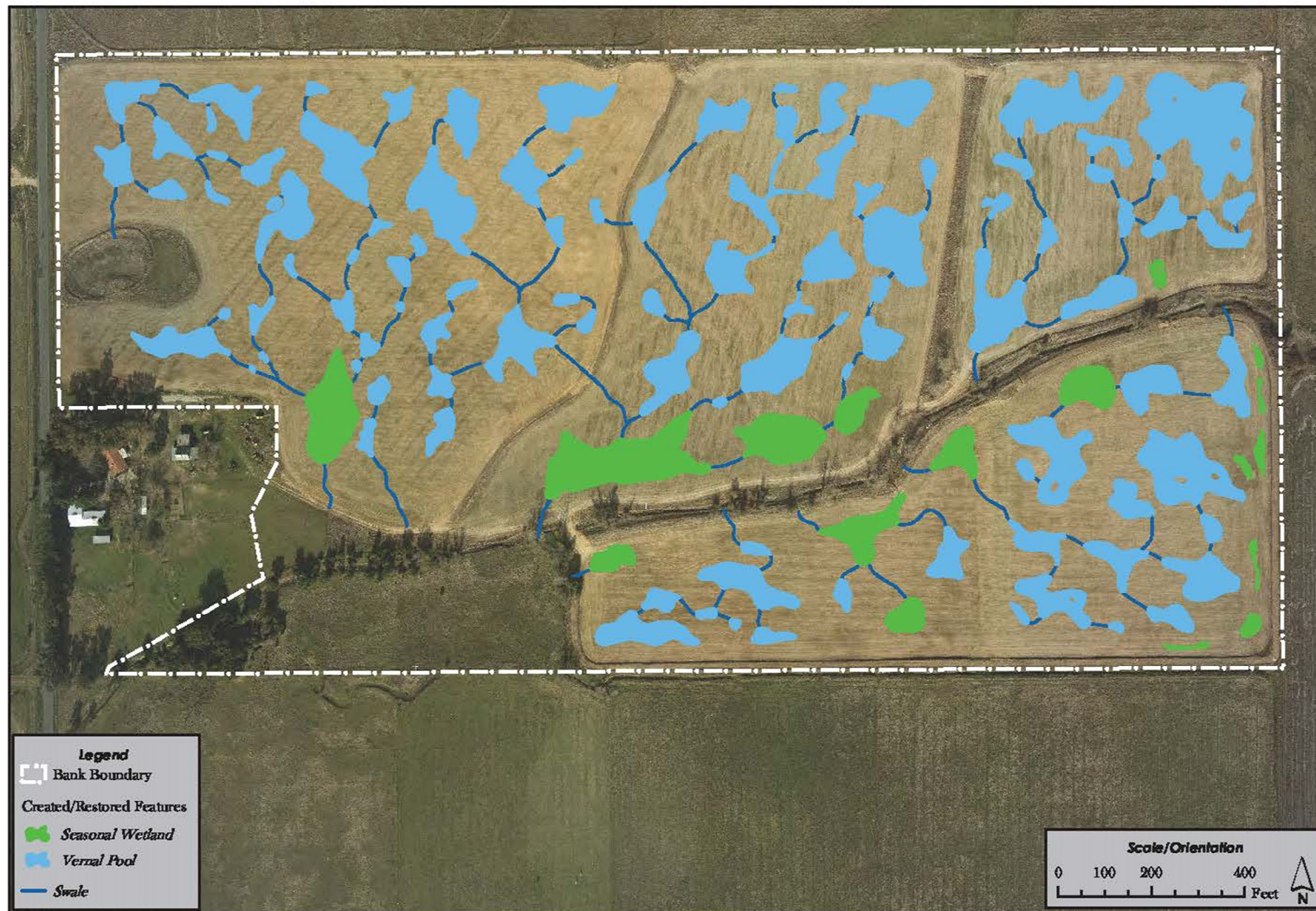
# Bundled Credits

- Where credits for multiple resources occupy the same acre, they are combined into one credit type
- Such credits cannot be sold for impacts under different projects (“unbundled”).
- The same credit may NOT be used for more than 1 permitted activity –332.3(j)(1)(ii)

# Bundled Credits



- Carbon and ESA credits combined
- Credit can be sold for one project:
  - ESA only
  - Carbon only
  - ESA and Carbon



## WILDLANDS

Locust Road Mitigation Bank  
Habitat Development Plan

Figure 3  
As-Built Plans



# Locust Road Credits

- Established Vernal Pools: 11.39 ac
- Established Seasonal Wetland: 1.62 ac
- Credits:

Authority	Credit Type	Credit Amount
404 & ESA	Vernal Pool / VP Fairy Shrimp	11.39
404	Seasonal Wetland	1.62

1 acre = 1 credit

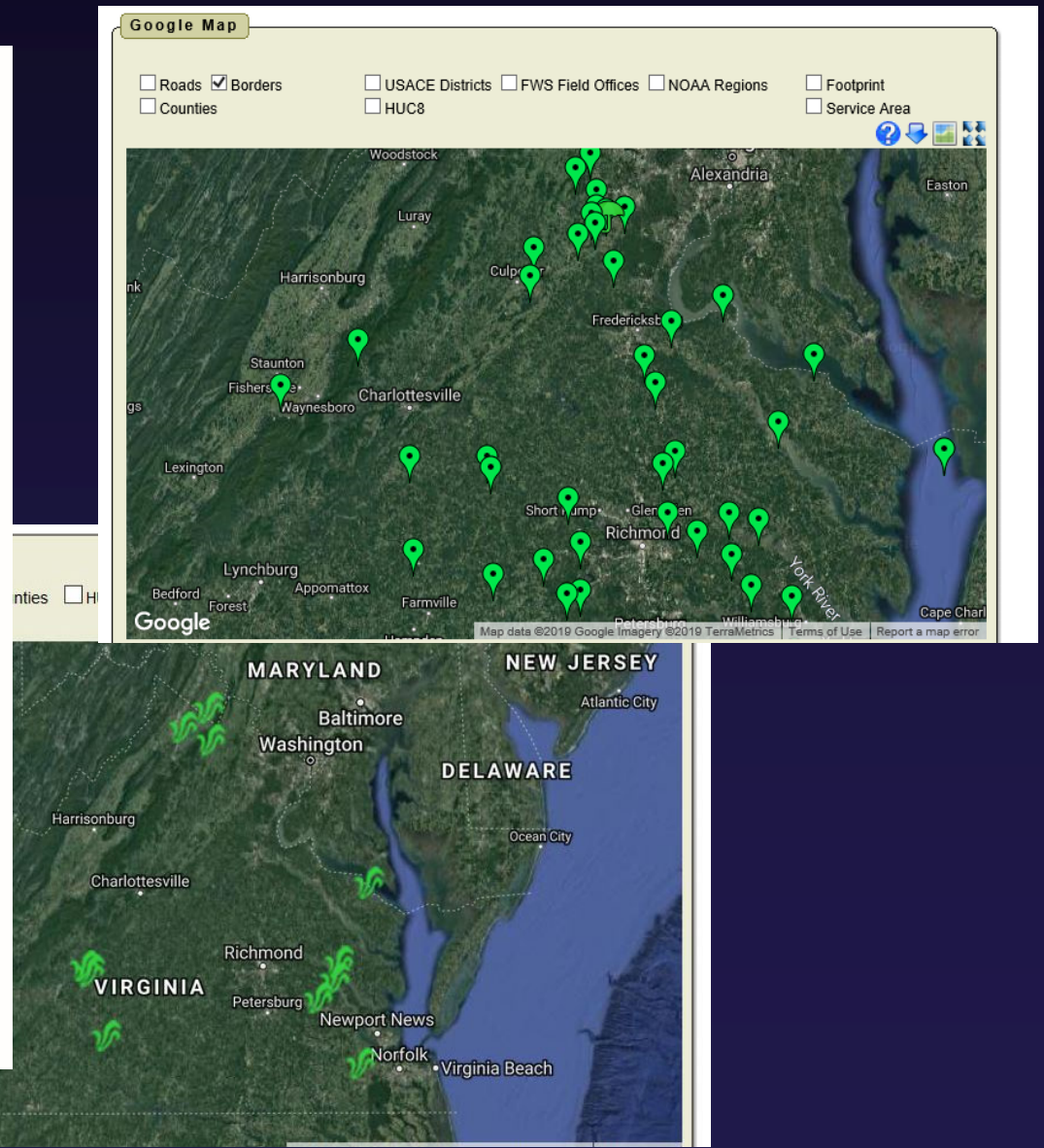
\* Additional 0.91 acres of seasonal wetland created but used to compensate construction impacts



# VA Nutrient Offsets



## Trading Nutrient Reductions from Nonpoint Source Best Management Practices in the Chesapeake Bay Watershed: Guidance for Agricultural Landowners and Your Potential Trading Partners



# Joint Banks

- Multiple agencies (i.e. co-chairs) sign bank instrument

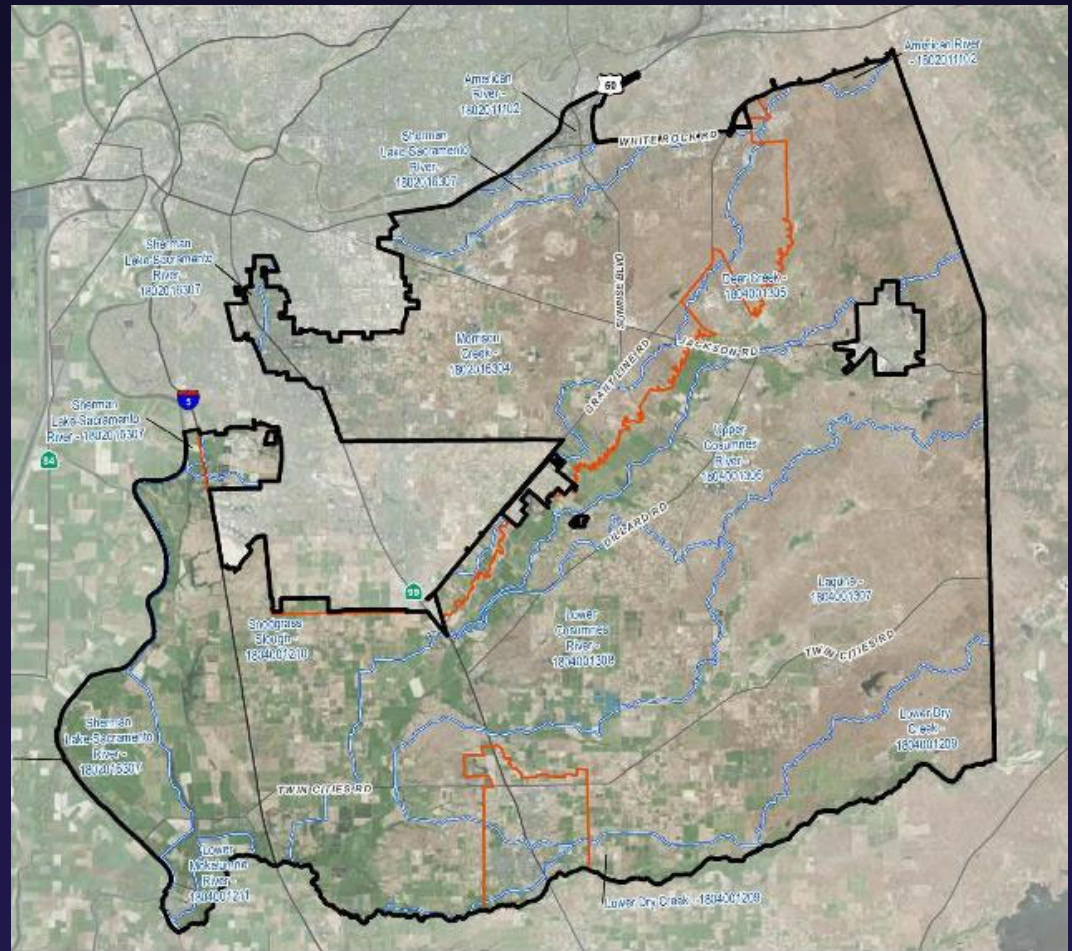
OR

- Only 404 credits are assigned in instrument
- Co-chair agency calculates number of 404 credits need to meet their needs

# Joint ILF Programs

## South Sacramento HCP

- 404 ILF Program overlaid on HCP Plan Area
- Allows for 404 credits to be generated at the HCP preserves
- Accounting of funds and credits separately for ILF





>245,000 acres (1992–2018)

>70 listed species

Data source: RIBITS, June 2018



# Joint 404–State Credit Banks/ ILF



# Key Points

- No “double dipping”
- Single credit can't be sold for two different projects.
- Combined credit (e.g. ESA/404 credit) can be sold to a project needing mitigation for both resources.