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November 18, 2024

Governor Wes Moore Chair, Chesapeake Executive Council Office of the Governor 100 State Circle Annapolis, MD 21401

Dear Governor Moore,

As Chairperson of the Local Government Advisory Committee (LGAC), I represent the collective voice of local elected officials throughout the Chesapeake Bay watershed. LGAC was created by the Chesapeake Executive Council through the 1987 Chesapeake Bay Agreement. LGAC's mission is to share the views and insights of local elected officials with state and federal decision-makers and to enhance the flow of information among local governments.

Over the past nearly 40 years, LGAC has offered recommendations on a range of issues. However, the following long-term priorities have remained consistent:

- Funding and technical assistance for local governments
- Communication and engagement with local governments
- Workforce development and training for local governments
- Alignment of state and federal plans with local government priorities
- Meaningful engagement with the Partnerships' advisory committees

Based on LGAC members' diligent work over the last year, I am pleased to present the attached 2024 Annual Recommendations to the Chesapeake Executive Council. We look forward to discussing these with you at the annual Executive Council Meeting and to collaborating with your staff to address these recommendations.

Sincerely,

Daniel Chao, LGAC Chairperson

CC: Chesapeake Executive Council

Martha Shimpkin, Director, Chesapeake Bay Program

Enclosure





2024 Annual Recommendations to the Chesapeake Executive Council



Each year, LGAC collectively invests a significant amount of time and effort to understand the many issues affecting our local governments' ability to participate in and more fully benefit from watershed restoration and conservation. Based on our work in 2024, LGAC offers the following recommendations for Chesapeake Executive Council consideration:

Principals' Staff Committee Statement on the Advisory Committees

<u>LGAC's Progress in 2024:</u> In February, the Advisory Committee Chairs collaborated to send <u>a letter to the Principals' Staff Committee</u> expressing interest in an increased level of engagement with Chesapeake Bay Program (CBP) leadership. LGAC members presently feel encouraged by the series of productive discussions that the Advisory Committee Chairs have had with the Management Board, the Principals' Staff Committee, and others since then.

LGAC devoted our March 2024 Quarterly Meeting to revamping our <u>bylaws</u>, updating our <u>strategic plan</u>, and creating a new <u>LGAC member position description</u>; all with the goal of streamlining our efforts, increasing our effectiveness, and maximizing our value to the CBP partnership.

For their part, CBP leaders have sought opportunities to hear more from LGAC, including dedicating time on recent PSC and MB agendas, participating in a panel discussion at the July 2024 *Local Government Forum*, and engaging in more robust meetings with our Jurisdiction delegations. Following the July *Local Government Forum*, <u>LGAC comments</u> on the draft Beyond 2025 Steering Committee report reiterated our support for 'a more robust role for the Advisory Committees that includes deeper engagement with state and federal decision makers'.

Both LGAC members and CBP leaders have demonstrated their mutual commitment to forging a stronger relationship with each other and to fostering collaboration that results in actionable, impactful, and timely guidance from your advisory committees.

Recommendation #1: Building on the momentum started earlier this year, LGAC recommends that the Principals' Staff Committee (PSC) begin 2025 by releasing a statement on the Advisory Committees. Such a statement could affirm the unique role of each individual independent Advisory Committee, highlight opportunities for collaboration with the full partnership, clarify the duties of the Advisory Committee Chairs as non-voting members of the Management Board (MB) and PSC, and document plans for deeper engagement with the Advisory Committees.

<u>LGAC's Commitment for 2025:</u> LGAC members are excited to continue collaborating with the other Advisory Committees, including welcoming the new Agricultural Advisory Committee. The LGAC Chair looks forward to deeper engagement with CBP leadership, inclusive of recurring meeting time on the Management Board and the PSC agendas and the collaborative identification of proposed 'special assignments' for LGAC.





LGAC's Comments on Beyond 2025 Are Relevant for Phase II

<u>LGAC's Progress in 2024:</u> Over the last 18 months, LGAC has had strong representation on the Beyond 2025 Steering Committee, including participating in all monthly committee meetings, the 'People' small group, the 'Shallow Waters' small group, and the Beyond 2025 Symposium.

In addition, LGAC convened a <u>Local Government Forum: Looking Beyond 2025</u> on July 11, 2024 that engaged more than 73 local officials and invited guests. LGAC members also hosted a series of roundtable discussions that engaged more than 70 additional local government officials and staff from around the watershed (see <u>Report</u> and <u>Appendices</u> for full details). These robust discussions with a broad range of local government stakeholders informed <u>LGAC's comments</u> on the draft Beyond 2025 Steering Committee Report, titled *A Critical Path Forward for the Chesapeake Bay Program Partnership Beyond 2025*.

LGAC Chairperson Daniel Chao's <u>opinion piece in the Bay Journal</u> succinctly summarized the needs of local governments during this pivotal moment.

Recommendation #2: As the partnership moves into Phase II, LGAC's feedback on the draft Beyond 2025 Steering Committee report is more relevant than ever. Local governments continue to be critical partners in protecting and restoring local waterways. Several of the key issues raised by LGAC in Phase I have not been fully resolved and therefore LGAC recommends the following in Phase II:

- investing in plain language communication materials to more effectively engage constituents
- increasing technical and administrative assistance to local governments and their partners
- convening key stakeholders to discuss how to balance conservation efforts and development pressure throughout the watershed

<u>LGAC's Commitment for 2025</u>: LGAC is committed to participating in Phase II of the Beyond 2025 work, including but not limited to: consulting on plain language communication materials, supporting the design and roll-out of new or expanded local government technical assistance programs, and helping to lead any future conversations related to land use, land preservation, and conservation.

Regulatory Sandboxing is an Opportunity to Innovate While Minimizing Risk

LGAC's Progress in 2024: LGAC's 2023 Annual Recommendations letter highlighted regulatory sandboxing as an opportunity to drive innovation and suggested that local governments could be valuable partners for exploring regulatory sandboxes. The CBP response letter proposed utilizing a 2024 LGAC quarterly meeting to 'have further discussions with LGAC to better understand what regulatory sandbox examples exist that could perhaps serve as a model for potential replication.'

To this end, <u>LGAC's September quarterly meeting</u> included two sessions on regulatory sandboxing: one to further understand the concept, and one to explore two potential opportunities for regulatory sandboxing. Expert speakers defined regulatory sandboxing as 'a space, crafted and controlled by a regulator, designed to allow the testing of novel products or processes to be conducted under supervision prior to their full entry into the marketplace' (full presentation). Discussions yielded a few key takeaways:

- a clear process to identify and set-up regulatory sandboxes is needed
- interest in regulatory sandboxes is higher in the regulated community than in the regulator community





- regulatory sandbox opportunities for best management practices (BMPs) can be divided into three key categories: implementation, verification, and crediting
- innovative solutions could lower costs for local governments and scale up benefits to communities
- regulatory sandboxing is one opportunity to test out innovative solutions, but other options (pilots, exemptions etc.) could also be appropriate
- regulatory sandboxes are a clear opportunity for public/private partnerships
- successful regulatory sandboxes create clear guardrails for regulatory flexibility
- to fully determine it's potential, regulatory sandboxing needs to be strategically tested in different contexts, not just discussed

LGAC members welcome regulatory sandboxing as a possible opportunity to grant local governments flexibility to meet regulations in cost-effective and innovative ways, but implementation of regulatory sandboxes needs to be carefully managed to avoid undermining existing regulations or negatively impacting natural resources.

<u>LGAC's Commitment for 2025</u>: LGAC is eager to work collaboratively with the Scientific and Technical Advisory Committee (STAC), EPA, the jurisdictions, and others in 2025 to further explore opportunities and barriers related to regulatory sandboxing and local governments. LGAC members are ready and willing to support state partners who wish to implement and expand sandboxing, especially as it relates to engaging or partnering with local governments.



