## **Aligning for Growth**

May 1, 2017

While much good work has been done in the past, it is necessary to establish some guide posts for making decisions related to a Bay TMDL growth policy.

- <u>Articulation of principles and continuously using them</u> to keep the process on track is important moving forward for communication/messaging to more involved stakeholders and the public.
- As a result, we have brought forward the principles in both the Phase I WIP and the AfG workgroup for consideration.

## **Guiding principles from the WIP**

- 1. Account for nutrient loads from new development.
- 2. Encourage development that will result in relatively small increases in loads to accommodate future growth.
- 3. Ensure an adequate supply of offset generators and help achieve targeted load reductions of the agricultural sector.
- 4. Balance incentives between development in and outside of sewered areas, commensurate with their relative impacts on the TMDL, to minimize increased loads from future development;
- 5. Provide local government the ability to use land use decisions to contribute directly to TMDL goals;
- 6. Recognize State and local governments accountability for impacts of land use decisions on TMDLs: and
- 7. Ensure that management of land use and the regulation of pollution are mutually supportive.

## Guiding principles from the AfG workgroup

- Just as the Watershed Implementation Plan requires that existing loads of nitrogen, phosphorus and sediment must be reduced to meet the allocations in the Chesapeake Bay TMDL, it also requires that loads from population increase and economic growth that do not have load allocations under the TMDL be offset by an Accounting for Growth program.
- 2. The Accounting for Growth program cannot undermine other important state policies such as growing the economy, preserving agricultural and forestland, revitalizing communities, conserving energy, and addressing climate change.
- 3. The AfG program will encourage developers to plan and locate their developments to minimize pollution, and will require developers to offset the remaining pollution by securing reductions elsewhere.

- 4. Offsets must last as long as the new load exists, but the specific practices producing the offsets may change and the responsibility for maintaining the offsets may be shifted to another entity with its consent.
- 5. The AfG program needs to minimize market restrictions and barriers to participation while maximizing accountability and transparency.
- 6. Verifiability and enforcement are critical components to the AfG program.
- 7. A nutrient trading program will be established to offset new and increased loads and to spur innovation, accelerate pollution reductions, and reduce the overall cost of restoring and maintaining a clean Bay.
- 8. The AfG program will establish a platform for trading with sufficient predictability and stability to satisfy the reasonable expectations of buyers, sellers and investors, and encourage innovation and a robust market.
- 9. Maryland's point and nonpoint trading policies and procedures will be fully integrated, with low transactional costs and manageable administrative burdens for the participants and the implementing agencies.