

## ***Sandboxing Background Reference Materials internal briefing for the Stakeholders' Advisory Committee***

### **Scientific and Technical Advisory Committee (STAC)**

#### **Comprehensive Evaluation of System Response (CESR) In Brief Report**

##### **More Experimentation and Innovation**

“Improving program outcomes will require a commitment to experimentation and innovation with new pollutant control technologies, programs, and behavior change approaches. Program innovation may require permission and encouragement to operate under a new or modified set of administration rules. Sandboxing is a way to test new rules without disrupting existing programs...”

### **Local Government Advisory Committee (LGAC)**

The September 2024 quarterly meeting 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’.

##### **Takeaways developed by LGAC:**

- 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 its potential, regulatory sandboxing needs to be strategically tested in different contexts, not just discussed

##### ***An excerpt from LGAC 2024 letter of recommendations to the Executive Council***

LGAC’s Commitment for 2025: 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.