

Maryland Municipal League The Association of Maryland's Cities and Towns

# ΤΕSΤΙΜΟΝΥ

## March 4, 2020

#### **Committee:** House Environment & Transportation

**Bill:** HB 1416 – Public Water Systems – Supplier Requirements (Water Quality Accountability Act of 2020)

**Position:** Oppose

#### **Reason for Position:**

The Maryland Municipal League opposes HB 1416. This bill would require a supplier of water to inspect valves in a public water system in a certain manner, repair or replace some valves, inspect fire hydrants, formulate and implement a cybersecurity plan, identify the locations of valves, and record characteristics and identifiers of some valves. The bill also requires a supplier of water to develop a cybersecurity program by February 1, 2021.

There are approximately 91 municipal community water systems across the State, serving both large and small populations. These water systems are all permitted under the Maryland Department of the Environment and are highly regulated. The plants are required to follow specific permit requirements and undergo routine and rigorous testing on components and water quality. Many of these community water systems are maintained and serviced by the Maryland Environmental Service, which provides expert technical oversight on a continuous basis.

HB 1416 takes a "one size fits all" approach to public water systems and holds systems serving smaller populations to the same standards (i.e. a cyber security plan) as those that service thousands of people. Municipal water systems are just as regulated and safe as privately owned systems, but must operate based on an enterprise fund, which means that these systems cannot operate at a profit. As a result, for medium and smaller municipalities, the rate paid by residents in these cities and towns is already high due to a limited rate base. Adding another layer of unnecessary and duplicative regulation would simply drive costs higher on an already overstressed community system.

The League therefore respectfully requests that this committee either exempt governmentowned public water systems or provide HB 1416 with an unfavorable report.

### FOR MORE INFORMATION CONTACT:

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