



March 15, 2023

**Bill: Baltimore Regional Water Governance Task Force (SB0880)**

**Position: Favorable with Amendment**

Dear Chairman Feldman and Members of the Education, Energy, and the Environment Committee,

Blue Water Baltimore's mission is to restore the quality of Baltimore's rivers, streams, and Harbor to foster a healthy environment, a strong economy, and thriving communities. **We write today to offer strengthening amendments to SB0880 - Baltimore Regional Water Governance Task Force.**

Blue Water Baltimore is deeply familiar with the systemic problems with Baltimore's water infrastructure, from sewage overflows into our local waterways to sewage backups into residents' homes. We are plaintiff intervenors in the City's Modified Consent Decree for sewage overflows, long-time advocates for assistance for residents impacted by sewage backups, and are currently party to a lawsuit focused on Clean Water Act violations at the Back River and Patapsco Wastewater Treatment Plants. As a Waterkeeper organization, Blue Water Baltimore speaks on behalf of the Patapsco and Back Rivers, and we seek to amplify the voices of the people who live, work, and recreate near these waterways.

Many of the longstanding challenges with water quality and water infrastructure in Baltimore City are rooted in decades of inequitable infrastructure investments and environmental racism. These problems can, therefore, only be redressed through intentional interventions and significant investments that center racial and economic equity. Supporters of water utility regionalization such as the American Water Works Association and U.S. Water Alliance often frame the consolidation of local water systems as a logical way to support aging and under-resourced local systems, much like Baltimore City's. By pooling resources, the argument goes, a regional system can lead to operational, staffing, and financial stability, more reliable service, improved emergency response, and effective long-term planning and management.<sup>1,2</sup>

While there can be significant benefits to consolidating the management of water systems, there are also serious impacts that must be considered and mitigated based on experiences in other jurisdictions. A key point of comparison in this case is Detroit, whose water system was regionalized in 2013, much to the detriment of Detroit's Black residents. Since Baltimore City and County have similar racial and class differences as Detroit does with its surrounding counties, it is vital that legislators look seriously at what happened in Detroit and ensure that you are centering an equity lens in your consideration of this legislation and any subsequent discussions of regionalizing Baltimore's water system.

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<sup>1</sup> American Water Works Association. (Last updated April 19, 2019). [AWWA Policy Statement on Regional Collaboration by Water Utilities](#).

<sup>2</sup> U.S. Water Alliance. (2019). [Utility Strengthening through Consolidation: A Briefing Paper](#).

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## Lessons to Learn from Regional Water Authority in Detroit

Prior to 1977, Detroit fully controlled its region's water system, similar to how Baltimore City owns and manages the Baltimore region's water system today. For decades, predominantly white suburban politicians unsuccessfully attempted to create a regional authority through legislation to take control of the water system away from the city, efforts that predominantly Black city leaders strongly opposed.<sup>3</sup> After violations of federal Environmental Protection Agency regulations, a federal judge oversaw Detroit's water system between 1977 - 2013. This federal oversight is seen by critics of regionalization as the first step toward taking control of the system away from the city.

During Detroit's 2013 bankruptcy process, a regional water board, the Great Lakes Water Authority (GLWA), was officially created. Under this arrangement, Detroit still technically owns the water system but leases it to the GLWA for \$50 million dollars per year. The GLWA is governed by a six-member board: two members are from the city; three others are from the predominantly white surrounding counties, and the last is appointed by the governor.<sup>4</sup> This makeup ensures that the city can be easily outnumbered by representatives from the surrounding counties. Critics have observed that as white suburban leaders have exerted their power through the regional system, they have further racially stigmatized the City of Detroit and removed the City's agency over water provision for its predominantly Black and low-income residents, worsening existing crises such as water shutoffs.<sup>5</sup>

Given Detroit's troubled experience with regional control over its water system and the significant problems with regional approaches to water and wastewater management in other majority Black cities in the U.S., it is incumbent upon the General Assembly to heed these warnings and ensure that Maryland does not repeat these mistakes.

### Strengthening Amendments

As you consider this bill, we urge you to strengthen it by ensuring a **broader range of stakeholders** are represented on and consulted by the Task Force, mandating meaningful opportunities for **public input and engagement**, requiring **racial and economic equity impact assessments**, ensuring any alternative governance models explored by the Task Force **uphold and protect existing ratepayer and labor protections**, and **extending the timeline** for this complex work to be conducted.

This bill seeks to build off the recommendations from a 2021 business review of water and sewer services commissioned by Baltimore City and Baltimore County.<sup>6</sup> A key conclusion of that study – that the City and County need to better understand and evaluate the system before making any decisions about restructuring it – support the need for these strengthening amendments.

This bill aims to codify the third recommendation from that report, focused on convening stakeholders. The 2021 study specifically named the importance of including “a broad range of stakeholders.”<sup>7</sup> But as currently written, this Task Force is far too narrow in its membership to fulfill that recommendation. At minimum, **low-income ratepayers and labor unions must be represented on the Task Force** to ensure that any potential alternative governing structure does not negatively impact the most vulnerable users of the water system or the workers who operate and sustain it. To enable a diversity

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<sup>3</sup> Jon Cramer. (October 31, 2015). [Race, Class, and Social Reproduction in the Urban Present: The Case of the Detroit Water and Sewage System](#). *Viewpoint Magazine*.

<sup>4</sup> Cramer, 2015.

<sup>5</sup> Kornberg, D. (2016, June 17). [The Structural Origins of Territorial Stigma: Water and Racial Politics in Metropolitan Detroit, 1950s-2010s](#). *International Journal of Urban and Regional Research* 40(2), 263-283.

<sup>6</sup> NewGen Strategies & Solutions. (July 2021). [Water/Sewer Services Comprehensive Business Process Review, Baltimore County and Baltimore City](#).

<sup>7</sup> NewGen, 2021.

of experiences and perspectives to participate on the Task Force, the **required background knowledge should also be expanded** to include utility affordability, sewage backups, climate resilience, stormwater, collective bargaining, racial equity impact assessments, source water protection, integrated planning, and public health.

As well as adding these voices and areas of expertise to the Task Force itself, members should **consult with more stakeholders and experts** as they examine alternative governance models. Since the Task Force does not include representatives for all of the affected jurisdictions, each impacted county must at least be consulted throughout the process. The Task Force should also consult the Maryland Commission on Environmental Justice and Sustainable Communities, the Environmental Protection Agency, and the Washington Suburban Sanitary Commission to reduce unintended consequences to overburdened and underserved communities, ensure strong environmental and social outcomes, and learn lessons from other regions.

In addition to the narrow Task Force membership, a key problem with this bill is the complete lack of opportunities for public input. Baltimore's water and wastewater system serves 1.8 million people. Any discussions about altering the governance and management of a utility that provides vital services to that large of a population **must be vigorously discussed and debated in public with meaningful opportunities for residents and ratepayers to provide input**. The Task Force must advertise all of its meetings and ensure they are open to the public in alignment with Maryland's Open Meetings Act, hold a series of public hearings in all of the impacted jurisdictions, provide a comment period on a draft report before finalizing its recommendations, and explicitly acknowledge and respond to public input in the final report. Specific recommendations about the number and location of hearings and other details can be found in the amendment language attached to our testimony.

As many scholars and activists have pointed out, the regionalization of water and sewer systems is part of a broader national trend of regional and state government entities transferring control of infrastructure assets away from majority Black cities.<sup>8</sup> Given that water regionalization can result in increased water rates, reduced community input, and deferred maintenance on local infrastructure, Justin Keller and Sarah J. Howe of the Metropolitan Planning Council conclude that "communities of color have more to lose from water service regionalization."<sup>9</sup> Therefore, **this Task Force must conduct thorough racial and economic equity impact assessments** to account for any disparate impacts a regional governance structure may have, particularly on Baltimore City's Black and low-income residents.

It is also important to note that regional systems typically preempt existing local laws and programs. Blue Water Baltimore has fought hard for increased protections for residents impacted by sewage backups in Baltimore City through improvements to the Expedited Reimbursement Program and the establishment of the Sewage Onsite Support program. Our allies at the Right to Water Coalition have achieved significant ratepayer protections via the Water Accountability and Equity Act, and Baltimore City voters overwhelmingly approved Ballot Question E in 2018 banning the privatization of the city's water system. Unions in local jurisdictions have fought for years to negotiate collective bargaining agreements for their members. All of these hard-won protections could be jeopardized by a regional body, thereby disenfranchising local residents and workers. **The Task Force must commit to only considering public sector solutions that honor and uphold existing local ratepayer and worker protections.**

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<sup>8</sup> Cramer, 2015.

<sup>9</sup> Justin Keller and Sarah J. Howe. (December 6, 2021). [The missing component in water service regionalization debates: equity](#). Metropolitan Planning Council.

Finally, **the timeline for the Task Force's work must be extended** to enable sufficient time for the numerous analyses necessary to properly assess alternative governance options to be conducted and to solicit public input.

We urge a favorable report on SB0880 with the suggested strengthening amendments.

Sincerely,

A handwritten signature in black ink that reads "Alice Volpitta". The signature is written in a cursive, flowing style.

Alice Volpitta  
Baltimore Harbor Waterkeeper

Amendment 1. Adjusting the membership of the taskforce

Page 3, line 2  
After "Governor"  
add

**"INCLUDING: 1. ONE REPRESENTATIVE FROM A LOCAL COMMUNITY ORGANIZATION REPRESENTING LOW-INCOME WATER RATEPAYERS IN THE CITY, AND 2. ONE LOW-INCOME WATER RATEPAYER IN THE CITY."**

Page 3, line 3  
After "Mayor of Baltimore City"  
add

**", INCLUDING AT LEAST ONE MEMBER FROM CITY UNION OF BALTIMORE, AFT LOCAL 800, REPRESENTING EMPLOYEES WORKING IN THE CITY'S WATER/WASTEWATER FACILITIES**

Page 3, line 5  
After "County"  
add

**", INCLUDING AT LEAST ONE MEMBER FROM THE BALTIMORE COUNTY FEDERATION OF PUBLIC EMPLOYEES, AFT LOCAL 4883, REPRESENTING COUNTY EMPLOYEES WORKING IN THE COUNTY'S WATER DEPARTMENT"**

Page 3, line 13  
Strike "or"  
and add

**"4. UTILITY SERVICE AFFORDABILITY, INCLUDING PERSONAL KNOWLEDGE; 5. RACIAL EQUITY IMPACT ASSESSMENTS; 6. COLLECTIVE BARGAINING AGREEMENTS; 7. SEWAGE BACKUPS, INCLUDING PERSONAL KNOWLEDGE; 8. STORMWATER; 9. INTEGRATED PLANNING; 10. CLIMATE RESILIENCY; 11. SOURCE WATER PROTECTION; OR 12. PUBLIC HEALTH; AND"**

Page 3, line 14  
After "(ii)"  
add

**"EITHER 1. RECEIVE WATER AND WASTEWATER SERVICE FROM THE WATER AND WASTEWATER UTILITY, OR 2."**

Amendment 2. Including racial equity and economic equity impact assessments

Page 5, line 6  
Strike "and"  
and add

**“(5) CONDUCT A RACIAL EQUITY IMPACT ASSESSMENT AND AN ECONOMIC EQUITY IMPACT ASSESSMENT FOR EACH ALTERNATIVE GOVERNANCE STRUCTURE; AND”**

Page 5, line 7

Strike “(5)”

and add

**“(6)”**

Amendment 3: Directing the Task Force to limit their study to public sector solutions that will (1) exclude private for-profit ownership, operation or management of the systems as prohibited by the Baltimore City Charter, (2) protect democratic decision-making and the rights of workers and residents, and (3) not undermine or conflict with local water affordability laws and charter protections approved by voters.

Page 5, line 11

After “Task Force shall”

Add

**“(1) CONSIDER ONLY ALTERNATIVE GOVERNANCE MODELS THAT ADHERE TO RATEPAYER AND LABOR PROTECTIONS ESTABLISHED BY LOCAL JURISDICTIONS, INCLUDING: (i) BALTIMORE CITY BALLOT QUESTION E OF 2018, WHICH WAS APPROVED BY VOTERS, TO AMEND THE CITY CHARTER TO PROHIBIT PRIVATE, FOR-PROFIT OWNERSHIP, OPERATION OR MANAGEMENT OF THE WATER SUPPLY AND WASTEWATER SYSTEM; (ii) THE WATER ACCOUNTABILITY AND EQUITY ACT OF BALTIMORE CITY, WHICH ESTABLISHED: A LOW-INCOME WATER AFFORDABILITY PROGRAM; WATER SHUTOFF PROTECTIONS FOR VULNERABLE HOUSEHOLDS; A DISPUTE RESOLUTION PROCESS; RIGHTS OF TENANTS TO RECEIVE THEIR BILLS, ACCESS ASSISTANCE, AND DISPUTE RESOLUTION; AND AN OFFICE OF CUSTOMER ADVOCACY AND APPEALS; (iii) COLLECTIVE BARGAINING AGREEMENTS, WORKER PENSIONS, AND BENEFITS FOR WORKERS IN THE CITY AND THE COUNTY; AND (iv) BALTIMORE CITY’S SEWAGE ONSITE SUPPORT PROGRAM AND EXPEDITED REIMBURSEMENT PROGRAM; ”**

Page 5, line 11

Before “consult with”

add

**“(2)”**

Amendment 4: Requiring public input.

Page 5, line 12

After “Service”

strike “.”

and add

**“; AND (3) PROVIDE OPPORTUNITIES FOR PUBLIC INPUT BY: (1) PUBLISHING A DRAFT OF ITS FINDINGS AND RECOMMENDATIONS FOR PUBLIC REVIEW ON THE WEBSITES OF THE CITY AND COUNTY; (2) HOLDING PUBLIC HEARINGS: (I) PRIOR TO THE DEVELOPMENT OF A DRAFT REPORT; (II) AFTER THE ISSUANCE OF A DRAFT REPORT; (III) WITH HEARINGS HELD ONLINE AND IN PERSON AT DIFFERENT TIMES OF DAY AND LOCATED AT: 1. THE SEVEN EARLY VOTING SITES WITHIN THE CITY; 2. FIVE LOCATIONS IN THE COUNTY AT SITES WITHIN THE WATER SYSTEM SERVICE AREA THAT ARE CONVENIENT FOR PUBLIC TRANSPORTATION; AND 3. ONE LOCATION IN EACH OF THE FOUR OTHER JURISDICTIONS OF THE AFFECTED COUNTIES. (3) PROVIDING A PUBLIC COMMENT PERIOD OF AT LEAST 90 DAYS ON THE DRAFT REPORT PRIOR TO FINALIZING THE FINDINGS AND RECOMMENDATIONS; (4) ASSESSING THE PUBLIC INPUT IN THE FINAL REPORT BY (I) SUMMARIZING THE PUBLIC HEARINGS, PUBLIC COMMENTS, AND OTHER FEEDBACK; (II) ADDRESSING HOW THAT INFORMATION WAS INCORPORATED INTO THE FINAL REPORT AND RECOMMENDATIONS; AND (III) EXPLAINING THE REASONS WHY ANY PUBLIC FEEDBACK WAS NOT INCORPORATED INTO THE FINAL REPORT AND RECOMMENDATIONS; (5) ADVERTISING ALL TASK FORCE MEETINGS ON THE WEBSITES OF ALL AFFECTED JURISDICTIONS AND THE MARYLAND DEPARTMENT OF ENVIRONMENT, AND ON AT LEAST ONE SOCIAL MEDIA ACCOUNT; AND (6) HOLDING ALL MEETINGS OPEN TO THE PUBLIC ONLINE AND IN-PERSON, PURSUANT TO THE MARYLAND OPEN MEETINGS ACT.”**

Amendment 5: Expanding the timeline to allow sufficient time to conduct the review and solicit public feedback.

Page 5, line 13  
 After “On or before”  
 add

**“JUNE 30, 2025, THE TASK FORCE SHALL REPORT ITS DRAFT FINDINGS AND RECOMMENDATIONS TO THE MAYOR OF BALTIMORE CITY, THE COUNTY EXECUTIVE OF BALTIMORE COUNTY, THE GOVERNOR, AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.”**

Page 5, line 13  
 Strike (i)  
 Add  
 “(j)”

Page 5, line 13  
 After “On or before”  
 strike “January 30, 2024” and  
 add  
**“June 30, 2027”**

Page 5, line 13

After “Task Force shall report its”

add

“**final**”

Page 5, line 21

After “remain effect through June 30,”

strike “2024” and

add

“**2027**”

Page 5, line 21

After “at the end of June 30,”

strike “2024” and

add

“**2027**”

Additional provisions to further the purposes of this legislation:

- Provide not less than \$2 million in funding from the State general fund to produce expert analyses on various governing models and alternatives, and to provide stipends for low-income ratepayers to participate on the taskforce. Analyses should include:
  - Comprehensive rate analyses;
  - Fiscal impact analyses for the City, County, stormwater systems of City and County, and the water /sewer utility systems;
  - Racial equity impact assessment;
  - Economic equity impact assessment;
  - Environmental impact and environmental justice analyses;
  - Legal analysis, including an assessment of legal consequences for local ratepayer and labor protections established by local jurisdictions, for the existing federal consent decree, and for any outstanding lawsuits;
  - Examination of other case studies of regional models beyond the limited sampling included in the 2021 review, and inclusive of Detroit/ Great Lakes Regional Water Authority, as there is substantial research available about how this regionalization deepened regional racial inequities; and
  - Alternatives analysis of options other than a governance change to address the underlying problems, such as how to address staffing shortfalls and equity in allocation of state and federal funding to the water/sewer system.
- Expand the Task Force’s scope of study to assess all six tasks included in the entire 2021 review.
- Expanded consultation in section (h) to include representatives for all affected jurisdictions, the Maryland Commission on Environmental Justice and Sustainable Communities, the U.S. Environmental Protection Agency, and the Washington Suburban Sanitary Commission.