



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

TESTIMONY

February 23, 2023

Committee: Senate Education, Energy, and the Environment Committee

Bill: SB 531 - Public Water Systems - Supplier Requirements (Water Safety and Cybersecurity Act of 2023)

Position: Oppose

Reason for Position:

The Maryland Municipal League strongly opposes SB 531. 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, 2024.

As was discussed last time this legislation was introduced in 2020, **this is national model legislation by private water suppliers with the sole purpose of undercutting public support of public water systems in an effort to later acquire them.**

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.

SB 531 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

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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 provide SB 531 with an unfavorable report.

FOR MORE INFORMATION CONTACT:

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