<u>Testimony in Support of HB 0538 Tax – Subtraction Modification – Water</u> <u>Affordability Assistance</u>

Given by: Kendra Brown

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House Ways and Means Committee

I am Kendra Brown, Chair of the Maryland Advisory Committee to the U.S. Commission on Civil Rights. I am testifying today in support of HB 0538 Tax -Subtraction Modification - Water Affordability Assistance. Access to water is a fundamental human right and it is essential to sustaining life. Access to affordable water has never been more relevant than it is today.

Over the past decade, however, across the country the cost of water has risen at three times the rate of inflation, much faster than increases in income. As a consequence, the issue of water affordability is an issue not only in Maryland but also for the nation. As part of its responsibility to advise the Commission on civil rights, the Maryland Advisory Committee released the report on July 27, 2022 entitled: "Water Affordability in Maryland."¹ Key points from the report are as follows:

- 1. Access to clean, affordable water is a fundamental human right recognized by the U.N. General Assembly in 2010.
- 2. Despite this recognition, there are no state or national standards to guarantee affordable access to clean water.
- 3. A decades-long decrease in federal funding has contributed to rising household water costs, while decreasing local and state revenues have led to declining infrastructure maintenance.
- 4. Water assistance programs are inconsistently allocated throughout the state, and nearly exclusively focused on supporting owner occupants.
- 5. The ongoing impact of historic racial segregation in housing has concentrated these concerns in low-income neighborhoods and communities of color.

¹ Available at <u>md-sac-water-affordability.pdf (usccr.gov)</u>.

6. Additional data on shutoffs, liens, and payment plans is needed for policy makers to document or remedy inequities.²

Despite these looming crises, Maryland has no uniform, statewide standards or programs governing water access and affordability. Some communities offer no assistance to low-income residents, some offer discounts to low-income seniors and people with disabilities, but any discounts are available only to owner-occupants. No state law or program mandates or provides water assistance to all residents who need it, whether they own or rent their homes.

In part, the variable array of water assistance programs reflects the state's patchwork system of providing water through an assortment of private, public, or private/public entities. Local rates can and do vary, as do policies regarding water shut-offs and other punitive practices. Some policy variation is necessary, since the water needs of rural communities can be very different than those of large cities, and each deserve water policies that address their unique concerns.

The bi-partisan Committee provided an assessment of the testimony received by the Committee over several briefings and set forth recommendations. I invite you to read the recommendations in the report but will highlight one of our key recommendations, which was that the U.S. Commission on Civil Rights send the report to the Maryland Governor and State Legislature and issue the following recommendations:

- 1. Public water providers in the state of Maryland should incorporate incomebased rate structures.
- 2. Public water providers in the state of Maryland should end the use of punitive practices, including, but not limited to, water shut-offs and tax liens.
- 3. The state of Maryland should declare water assistance nontaxable income.

The report addresses a wide range of concerns with the goal of addressing the policy gaps which threaten water access for vulnerable communities. We must all do our part to ensure access to affordable water is uninhibited as it is a fundamental human right and is vital to sustaining life.

² Available at policy-brief-maryland.pdf (usccr.gov).