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> Education, Energy, and Environment Committee

Chair, Joint Committee on Cybersecurity, Information Technology and Biotechnology



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THE SENATE OF MARYLAND Annapolis, Maryland 21401

Testimony in Support of SB871 - Department of the Environment – Community Water and Sewerage Systems – Cybersecurity Planning and Assessments

February 27, 2025

Chair Feldman, Vice-Chair Kagan, and members of the Education, Energy, and Environment Committee:

Thank you for your consideration of SB0871 – Department of the Environment – Community Water and Sewerage Systems – Cybersecurity Planning and Assessments, which strengthens coordination between government agencies to implement more effective cybersecurity regulations and raises minimum standards for Maryland's vulnerable water systems.

Water infrastructure is a cornerstone of Maryland's critical infrastructure, supporting millions of residents and businesses. Cyberattacks on these systems could:

- Contaminate drinking water, endangering public health.
- Disrupt services, causing widespread economic losses.
- Undermine public confidence in utilities.
- Jeopardize compliance with federal and state safety regulations.

A 2023 EPA assessment found 9% of U.S. public water systems were "critically" or "highly" vulnerable to cyberattacks. Breaches could cost \$43.5 billion in sales and \$22.5 billion in GDP losses. Alarmingly, 70% of inspected utilities violated federal cybersecurity standards. In 2023, one-third of water utilities reported a cyber breach—a 21% increase from 2021.

Recognizing this risk, Dr. Matthew Mitroka, NSA fellow with the Maryland Cybersecurity Council, conducted an in-depth analysis of Maryland's water systems. His report highlighted the urgent need for regulation/oversight, resources, and training. SB0871 implements key recommendations from Dr. Mitroka's report, aimed at enhancing resilience and safeguarding public safety:

- Governance & Policy Designate MDE as the State Sector Risk Management Agency, mandate 24-hour incident reporting, and require cybersecurity contacts at facilities.
- Foundational Cyber Security Ensure adoption of best practices, including Zero Trust strategies and OT security measures.
- Risk Management & Resilience Mandate proactive risk assessments, continuity planning, and awareness of third-party cyber risks.
- Resource Management Leverage DoITs Local Cyber resources to enhance cybersecurity support. Raise awareness of free cybersecurity tools, and connect utilities to funding.

• Education & Awareness – Strengthen cybersecurity training for operators, with university and trade organization partnerships for workforce development.

Along with Dr. Mitroka's report, this bill also aligns with the MDE's Cybersecurity Action Plan for Water and Wastewater Systems, which requires legislation for implementation. It defines covered entities as those serving over 3,300 people or utilizing Information or Operational Technology as a part of their operations, which is reflected in this bill.

SB0871 takes a proactive approach by:

- Strengthening cybersecurity oversight by designating MDE as the lead regulatory agency and requiring coordination with DoIT and MDEM to establish standards and best practices.
- Mandating cybersecurity incident reporting to the State Security Operations Center (SOC) in DoIT for community water and sewerage systems.
- Requiring risk assessments and cybersecurity plans for water systems, ensuring proactive measures against cyber threats.
- Protecting critical infrastructure security records from public access to prevent exposure of vulnerabilities

In summary, Maryland cannot wait for a catastrophic cyberattack to act. This bill establishes clear, actionable measures to protect our water infrastructure. It will ensure that 96.5% of our constituents on large water systems (such as Washington Suburban Sanitary Commission Water, City of Baltimore, City of Hagerstown, City of Frostburg as well as those on Medium systems (such as the town of Mount Airy or Town of Centreville) have the necessary safeguards to protect their water.

The Maryland Cybersecurity Council Subcommittee on Critical Infrastructure unanimously supports Dr. Mitroka's report, with input from cybersecurity experts, including Howard Barr, John Abeles, Greg Von Lehmen, and Hannibal Kemerer. We also have the support from the US Department of Defense, and you will hear from John Garstka, the Director for Cyber Warfare within the Office of the Deputy Assistant Secretary of Defense for Platform and Weapon Portfolio Management, Office of the Under Secretary of Defense for Acquisition and Sustainment.

We are working with MDE, DoIT, and MDEM on amendments to make this bill workable and have forwarded them to the committee.

For such an indispensable resource as water, we can not stand idle until a cyberattack targets Maryland's water supply. For these reasons, I respectfully request a favorable report on SB0871.

Sincerely,

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Senator Katie Fry Hester Howard and Montgomery Counties