

April 28, 2025

Honorable Craig Hickman, Senate Chair Honorable Lois Supica, House Chair Joint Legislative Committee on Veterans and Legal Affairs 100 State House Station Augusta, ME 04333

Re: Testimony in Opposition to LD 1814, An Act to Increase Transparency in State Government by Amending Laws Regarding Persons Attempting to Influence the Competitive Bidding Process and Lobbyist Reporting During Rule-making Processes

Dear Senator Hickman, Representative Supica, and Members of the Committee on Veterans and Legal Affairs:

The Maine Water Utilities Association (MWUA) appreciates the opportunity to provide testimony in opposition to LD 1814. Two years ago, MWUA opposed legislation before the VLA Committee seeking to expand the definition of lobbying and increase reporting requirements. LD 1814 presents a slightly different approach to the earlier bill, but we believe it continues to create unnecessary barriers and costs to the activities of local government officials who regularly work with state agencies on issues related to agency rules and procurements.

MWUA is a nonprofit association based in Augusta that provides support for water works professionals throughout the State of Maine in advocating for safe drinking water through educational and technical programming as well as advocacy on the local, state, and national level. The Association was formed in 1925 and consists of approximately 86 utility and 60 associate members. Maine's water utilities provide service to approximately 700,000 Maine residents, thousands of Maine businesses and public institutions, and millions of visitors to Maine every year.

Among other things, this bill would expand the definition of "lobbying" under Maine law to include communications and related activities associated with state agency rulemakings and procurements.

Most water utilities in Maine are quasi-municipal public bodies governed by elected or municipallyappointed officials. Some water utilities are even departments of cities and towns. The job of a water utility is to ensure that safe and potable drinking water is delivered to customers at just and reasonable rates. To undertake this important mission, water utilities hire general managers, system operators, and other employees who are paid to ensure that their respective water systems are safe and operational. These paid staff regularly work with several agencies of state government to carry out their duties, including the Drinking Water Program within Maine's Department of Health and Human Services Department – which oversees the safety of drinking water, and the Maine Public Utilities Commission, which oversees the economics or water rates and the operations of water systems. Both of these agencies regularly adopt or modify their rules governing drinking water, and both agencies regularly consult with water utilities as part of their rulemaking activities.

LD 1814 is framed as a bill about transparency, but we believe the bill actually creates unnecessary and costly burdens on local government without providing a corresponding value.

Under LD 1814, the employees of local water utilities who regularly communicate with state agencies related to rulemakings and other important issues governing drinking water would now become "lobbying" activities subject to reporting. These activities would be covered under the bill because the utility employees are engaging in communications as part of their jobs, for which they are paid. And the subject matter of these communications would now be considered part of the definition of lobbying. As a result, the utility would need to keep detailed records of the time spent engaging in these communications, file such records with the Maine Commission on Governmental Ethics, and be subject to fines and penalties for any errors in such reporting.

We believe such burdens are unwarranted. Water systems are not large. Most are small, some extremely small with limited customer bases. With limited exceptions, water utilities do not have their own legal department. They are public stewards of one of our most essential resources—safe drinking water. Passing legislation that burdens them with additional costs or filing responsibilities would create a financial hardship on many systems who simply do not have the resources to bear the costs in time or money.

We struggle to understand how the public benefits from knowing that, for example, an employee of a water utility might have engaged in three 2-hour meetings at the Maine PUC or the Maine Drinking Water Program over the course of a month about a drinking water rule, then spent four hours reviewing proposed rules, and then spent a few more hours drafting and sending a letter to the agency? Under this legislation, those activities would be lobbying, and they would be reportable.

Meanwhile, the cost to the water utilities is not just making the filing, but also putting in place the system for recording the time, making determinations as to whether the particular time meets the legal definition of "lobbying," and then having the system in place for reporting. At a time when water utilities are struggling to hire and retain needed staff, and employees are already overburdened to fulfill their primary mission of ensuring safe drinking water, they will now have to take the time to conform to a whole new reporting system. We do not believe this is warranted.

For the reasons noted above, our association of local water utilities respectfully request that the Committee give this bill an ONTP report. Thank you for the opportunity to provide testimony, and we would be happy to answer any questions from the Committee.

Thank you for your consideration,

house house

Roger Crouse, Chair

MWUA Legislative & Regulatory Affairs Committee