

Testimony of Ashley Luszczki
In Opposition to L.D. 757, Resolve, to Study and Oversee Water in the State of Maine, and
L.D. 1696, Resolve, to Study Maine's Absolute Dominion and Beneficial Use Laws Relating to
Water Rights
Before the Environment and Natural Resource Committee
April 29, 2025

Senator Tepler, Representative Doudera and members of the Joint Standing Committee on Environment and Natural Resource, my name is Ashley Luszczki. I am providing testimony on behalf of the Maine State Chamber of Commerce, which represents a network of more than 5,000 businesses. Thank you for the opportunity to provide testimony in opposition to L.D. 757, Resolve, to Study and Oversee Water in the State of Maine, and L.D. 1696, Resolve, to Study Maine's Absolute Dominion and Beneficial Use Laws Relating to Water Rights. The Chamber believes this legislation is redundant – creating yet another study commission – and L.D. 757 will impose significant new risks on Maine's water utilities and water-related businesses.

Dating back to 1979, there have been several comprehensive studies on water resources in Maine – including the regulation of groundwater. Additionally, there is a permanent Water Resources Planning Committee that reviews the status of water, climate change impacts, and the effectiveness of Maine's state policies. Most recently, the 130th Legislature established the Commission to Examine the Role of Water as a Resource in the State of Maine, which delivered a report to the 131st Legislature including a handful of actionable recommendations.

While the Chamber believes an additional study is unnecessary, we are most concerned that Section 2 of L.D. 757 will impose new risks on Maine's water utilities and water-related businesses. It directs the Maine Public Drinking Water Commission to adopt major substantive rules governing the transfer of permits or contracts in the sale of any entity engaged in water withdrawal for export – subjecting these transactions to a political approval process.

For water utilities, this change threatens the stability needed for ongoing investments in infrastructure and system upgrades. Currently, water utility rates and contracts are subject to the review of the Public Utilities Commission and this additional review would add uncertainty to routine transactions, increasing costs for ratepayers and potentially discouraging regional partnerships that strengthen Maine's drinking water systems. For businesses engaged in water withdrawal for drinking water, this provision jeopardizes economic growth and job creation. Investors and operators require certainty when making decisions about expanding operations, building new facilities, or modernizing infrastructure. If every potential business sale or restructuring risks delay or reversal through new rulemaking and legislative oversight, Maine becomes a risky place to invest.

The Chamber believes this approach is particularly troubling because there is no demonstrated problem to solve. Maine already strictly regulates water withdrawal through permitting, monitoring, and public transparency requirements.

The Chamber's mission is to promote a positive business climate and advance policies that foster long-term economic growth in Maine. When policies like L.D. 757 come forward, it risks undermining that

climate by adding a new layer of uncertainty to the regulatory process. This kind of unpredictability is precisely what deters businesses from investing or partnering with the state.

While the intent behind L.D. 757 and L.D. 1696 – ensuring the sustainable management of Maine's water resources – may appear commendable, it is unlikely that establishing another commission after nearly 50 years of studies will make Maine's system more effective. Moreover, L.D. 757 sends an alarming signal that Maine is willing to change the rules in the middle of the game.

Maine can continue to protect its water resources while supporting economic vitality, but L.D. 757 and L.D. 1696 are not the right answers. The Chamber appreciates your consideration and urges you to oppose L.D. 757 and L.D. 1696.