

Testimony Neither For Nor Against LD 861, "An Act Related to the Work of the Public Advocate" May 1, 2025

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities and Technology,

My name is Heather Sanborn, here today as Public Advocate, to testify neither for nor against LD 861, "An Act Related to the Work of the Public Advocate."

I greatly appreciate Representative Warren talking with me about this bill over the weekend and making some changes in her most recent sponsor's amendment.

I have personally struggled with what to say about this bill. But, I have committed to testify before you on behalf of ratepayers, and I stand before you today as Public Advocate. I do think ratepayers could be well-served by thoughtful revolving door legislation. Well-crafted revolving door legislation would reduce the risk of decisionmakers being swayed during their term in office by private negotiations for their next job, as well as limiting the risk of their influence improperly swaying their former colleagues after their term of public service has ended.

It's tempting to think that ratepayers would be well-served by a maximalist approach that just bans any potential for a former commissioner or public advocate being employed by any energy industry player for life. But this too could have negative consequences for ratepayers both in terms of recruiting talented people to work in these important state government positions and in ensuring their independence while in office.

The independence of these roles should be prized above all. Before I was confirmed, former public advocate Tim Schneider told me: "Be fearless and be unconcerned with reappointment. Think of this job as a role you can only have for four years and do what you need to do in those four years to zealously advocate for ratepayers."

But I can imagine that a public advocate or a PUC commissioner facing a lifetime ban might think differently about taking politically unpopular positions that would lead the governor to not reappoint them.

So, it is critical not to take a maximalist approach and instead to carefully craft legislation that is tailored to reduce ratepayer risk without blunting their independence from the governor.

There are models from other states that are available to follow. They tend to target the activities a former employee engages in, rather than the identity of their future employer. They generally include prohibitions on appearing in front of the commission and prohibitions on lobbying the legislature for a period of one or two years.

Revolving door legislation is also usually broadly applicable throughout state government rather than singling out only one or two office holders.

If the committee is interested in pursuing revolving door legislation, I urge you to dig in on the details and really think about what incentives and disincentives are created by the particular provisions of any proposed statutory language.

I welcome your questions and would be pleased to provide additional information for the work session.

Respectfully submitted,

Heather Sanborn Public Advocate

¹ MD Public Utilities Code § 2-306 (2024) https://law.justia.com/codes/maryland/public-utilities/division-i/title-2/subtitle-3/section-2-306/