



## MEMORANDUM

**TO:** COG CBPC and Work Groups  
**FROM:** Lisa Ragain, Principal Water Resources Planner, COG  
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**SUBJECT:** 2025 Federal and State Legislative Update 1  
**DATE:** March 14<sup>th</sup>, 2025

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The Metropolitan Washington Council of Governments (COG) is monitoring legislation in the Maryland and Virginia General Assemblies, and the Council of the District of Columbia. We are distributing periodic updates that highlight federal and state bills aligning with COG's priorities, including updates on budget items.

### FEDERAL

**Agency Appointments:** The CBPC looks forward to building relationships with incoming agency leadership and staff.

EPA Administrator Lee Zeldin was confirmed on January 29<sup>th</sup> and is now fully in place. Zeldin—a former member of the House of Representatives representing Long Island, NY—is expected to focus most closely on deregulatory measures and energy policy in his leadership of the Agency, though he did support legislative actions to remediate PFAS during this time in Congress. During his confirmation process, he provided Commitments to prioritize water infrastructure policy solutions. He recently released his five pillars for “Powering the Great American Comeback,” which included ensuring access to clean air, land, and water as pillar number one.

Jess Kramer was formally nominated to serve as the Administrator of the EPA Office of Water (OW), the top official for water infrastructure issues in the Trump Administration. Kramer was the top water infrastructure staffer for Senator Shelley Moore Capitol (R-WV), the Chair of the Senate Environment and Public Works Committee. In this role, Kramer was instrumental in the drafting and passage of the water infrastructure portions of the 2021 Bipartisan Infrastructure Law. She also served in the EPA OW during the first Trump Administration and most recently was a Deputy Secretary within the Florida Department of Environmental Protection.

David Fotouhi has been nominated to be the Deputy Administrator of the EPA. He most recently was a partner at Gibson, Dunn & Crutcher in the firm's Environmental Litigation and Mass Tort practice group. He worked at the EPA during all four years of the first Trump Administration, serving as Acting General Counsel, Principal Deputy General Counsel, and Deputy General Counsel.

**Budget Reconciliation:** Congressional Republicans are focused on advancing the major components of President Trump's policy platform via the budget reconciliation process. This allows a majority party to pass legislation with a simple majority of votes in both chambers. The reconciliation process begins with budget resolutions, which direct committees to spend or cut up to a certain amount.

Republicans are looking to pass a reconciliation package that includes defense, immigration, energy, and tax policy provisions. To fund these provisions, Congress will look to programs across the federal government to find cuts, or "pay-fors." The House and Senate do not agree on which provisions to include, how many reconciliation bills they should attempt to pass, what the size of the tax measures should be, and where to look for cuts.

The House budget resolution was adopted on February 24<sup>th</sup> by a vote of 217-215. It provides the Ways and Means committee with a \$4.5 trillion envelope to enact tax cuts; allows a debt limit increase of \$4 trillion; directs a \$230 billion cut to Agriculture (which will likely implicate SNAP); and directs an \$800 billion cut to Energy and Commerce (which will likely target Medicaid).

The Senate budget resolution was adopted on February 21<sup>st</sup> after an overnight marathon voting session. It instructs authorizing committees to allow for a \$515 billion increase to the deficit in the Senate and a \$516 billion increase in the House. However, because of committee overlap on immigration-related committees, the true deficit increase is expected to be \$342 billion.

Both chambers adopted competing budget resolutions. The House and Senate must agree on one bill to move forward. Senate Republicans have not yet decided if they will ask for a formal conference committee with their House colleagues to agree on a bill or if they will do an informal negotiation with the House and White House. While the House would like to have a bill on the President's desk by Memorial Day, the timeline could shift into the summer.

COG and the CBPC sent a [letter](#) to the Senate Environment and Public Works Committee on the reconciliation package. The request was to considerate full funding of the Clean Water and Safe Drinking Water state revolving funds. These funds are crucial for regional infrastructure investments.

**FY 2025 Appropriations:** Government funding for FY 2025 runs out on Friday, March 14<sup>th</sup>. Speaker Johnson and the Trump Administration would like to pass a clean continuing resolution that would cover the rest of the fiscal year, leaving levels mostly unchanged save for a few presidential priorities. Given past inter- and intra-party funding fights, Johnson will likely need Democratic votes to pass a clean CR. Democrats are concerned that the Trump Administration will not adhere to funding levels set by Congress and are demanding guardrails around the process.

#### **COG Links:**

**COG 2025 Legislative Priorities:** The COG Board of Directors works with each department to develop legislative priorities that support our members and programs.

## STATE LEGISLATIVE UPDATES

### DISTRICT OF COLUMBIA

Uncertainty will overlay legislation and priorities for the Council of the District of Columbia as they face \$1 billion federal funding cut.<sup>1</sup> DC Water alone faces [\\$51 million in immediate cuts](#). Congressional control over the legislative process and threats to Home Rule are yet other challenges for the District. The following bills were introduced and await further action.

- [B26-0058](#) (Nadeau): **Recycling Refund and Litter Reduction Amendment Act of 2025**

This bill, aka the Bottle Bill, establishes an Extended Producer Responsibility (EPR) provision.<sup>2</sup> This provision creates a beverage container deposit program. Consumers will pay a 10c deposit per covered beverage container and receive 10c upon returning the container by 2028. Deposit fees increase to 15c in 2033. The Department of Energy and the Environment (DOEE) would create the program and enforce the Act. This legislation is in alignment with the COG [Go Recycle](#) campaign.

The bill is in the Committee on Business and Economic Development and the Committee on Transportation and the Environment.

- [B26-0059](#) (Mendelson): **Tree Preservation Enhancement Amendment Act of 2025**

This bill changes the definition of a Special Tree and increase the fee for removal of Special Trees. It establishes a fee for the removal of Heritage Trees and limits the use of the Tree Fund for plantings on public property. This legislation works toward additional protection for trees and increasing the Tree Fund. This aligns with the recommendations in the COG report: [Conserving Trees and Forests in Metropolitan Washington](#).

The bill is in the Committee on Transportation and Environment.

- [26-0105](#) (Parker) - **Improving Tenant Access to Water Bills Amendment Act of 2025**

This bill seeks to advance water affordability by granting tenants access their water bill and payment options. More specifically for tenants eligible for a payment plan or any customer assistance programs may apply for both the plan or any applicable programs and may receive assistance from the People's Counsel. Authorized tenants will have access to their water bill regardless of one, agent or third party. Tenants paying DC Water bills will have their rent reduce by an equal amount.

The bill is in the Committee on Transportation and Environment.

The Council proposed two bills on lead in drinking water. DC Water is working to comply with EPA rules: the Lead and Copper Rule Revisions ([LCRR](#)) and the Lead and Copper Rule Improvements ([LCRI](#)). DC Water created the [Lead Free DC](#) program in advance of these rules. All parties are in negotiations to align federal rules, District regulations and the existing Lead Free DC program with the DC Council bills. Continued Federal funding through EPA and other agencies is essential for the lead service line replacement program to succeed.<sup>3</sup>

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<sup>1</sup> COG Board letter on [Federal Spending Bill: Impacts to the National Capital Region](#)

<sup>2</sup> [Bottle bills](#) are considered one of the most successful programs for increased recycling.

<sup>3</sup> DC Water estimates meeting the goals of the [2030 Lead Free DC](#) to be \$1.5 billion.

- [B26-0092](#) (Pinto): **Lead-Free DC Omnibus Amendment Act of 2025:**

This bill requires all District lead service lines (LSL) to be replaced by 2030. It creates a DC Water Lead Service Line Replacement Program (LSLRP).<sup>4</sup> Of note is the provision is for LSL removal at no cost to the owner, which could increase costs significantly. The bill goes on to require an inventory of lead service lines in DC and a LSL replacement schedule with prioritization criteria. The provisions detail: flushing protocols; public notice and education; compliance deadlines; pipe materials, and the provision of water filtration devices to properties with lead service lines. requirements regarding the sale of properties with lead service lines amongst others.

- [B26-0111](#) (George): **Accelerating a Lead-Free DC Amendment Act of 2025:**

This bill establishes a DC Water and DOEE program to ensure the removal of lead service lines (LSL). It will address reporting requirements for progress and implementation, detail copayments and penalties, and again, for DC Water to create and maintain an inventory of lead service lines. A key provision will provide a tax credit through 2026 for private property owners who replace LSL on their property. The bill goes on to amend the Youth Employment Act of 1979 to establish a lead service line job training program at the DC Infrastructure academy.

Both bills are in the Committee on Transportation and Environment.

## MARYLAND

The state faces difficult decisions as Governor Moore and the General Assembly look for \$2 billion in cuts to close a budget gap. The deficit for FY26 is projected to be \$3 billion, potentially growing to \$6 billion in 2030. This is primarily due to costs associated with the Blueprint for Maryland's Future education plan. With the uncertainty of federal funding, additional cuts may be needed. There is wide support for reclaimed water use, however PFAS remains a more complex issue. The 2025 session ends on April 7<sup>th</sup>.

- [HB 0025](#) [SB 265](#) (by request of the Maryland Department of the Environment) **Establishing the Reservoir Augmentation Program in the Department of the Environment:**

This bill provides direction for the planned placement of reclaimed water into a surface water reservoir for use by a drinking water treatment facility. A permit from the Department of Environment (MDE) to perform reservoir augmentation; establishes an Indirect Potable Reuse Pilot Program. MDE will make recommendations to extended or make permanent, and necessary statutory or regulatory changes.<sup>5</sup>

The bill passed the House and had a first reading in the Senate Committee on Education, Energy, and the Environment.

<sup>4</sup> [Lead Free DC](#) detail the DC Water LSLR program. The interactive dashboard includes a searchable inventory and progress metrics.

<sup>5</sup> The [Occoquan Reservoir](#) in Virginia is an example of this approach.

- [SB 0930 \(Gile\)](#) [HB 1296](#) **Managed Aquifer Recharge Pilot Program:**

The bill authorizes the MDE to review, permit, and regulate a pilot to use of treated reclaimed water from a demonstration facility as a source for groundwater augmentation.<sup>6</sup> The demonstration facility will address a groundwater supply or quality problem that is anticipated over 25 years. The program focuses on sustainability and innovative water management. The requirement for annual reporting to the Governor and the General Assembly further emphasizes the program commitment to transparency and accountability.

The CBPC provided [written testimony](#) in favor of the bill. The bill passed the Senate and awaits a second reading in the House.

- [SB 732 \(Love\)](#) [HB 909 \(Stein\)](#) **Sewage Sludge Utilization Permits – Per – and Polyfluoroalkyl Substances – Concentration Limits**

This bill directs MDE to develop standards for certain per- and polyfluoroalkyl substances (PFAS) in sewage sludge (biosolids) use permits issued or renewed by MDE. It directs MDE to develop PFAS concentration limits to a level established in certain health-based standards or by MDE. The bill requires demonstration of compliance and authorizes MDE to establish additional limits. MDE is addressing many of SB 732 provisions via [SB 956 in 2024](#) implementation. The US Environmental Protection Agency (EPA) is halfway through setting [PFAS biosolids standards](#).

Many are advocating to wait for the science and policy before proceeding with this legislation. The bill has COG and the Blue Plains IMA Partners submitted [informational testimony](#) detailing support and concerns for the bill. Of note are the provisions for industrial user of PFAS. The bill is in the Committee on Education, Energy and Environment. Multiple parties are engaged in negotiating amendments.

[SB345](#) (Brooks): **Pesticides - PFAS Chemicals - Prohibitions**

This bill requires the Department of Agriculture to develop and maintain a list of registered pesticides with PFAS chemicals listed as an active ingredient on the pesticide labeling. Prohibiting by 2026. PFAS pesticides listed by the Department would be banned by 2028. This bill remains in the Senate Education, Energy and Environment Committee. COG is in favor of efforts to keep additional PFAS out of the environment.

The bill is in the Committee on Education, Energy and Environment.

- [HB0506](#) (Jones, by request of the Governor): **Chesapeake Bay Legacy Act**

By far and away the most sweeping legislation, this bill encompasses fisheries, healthy soils, water conservation, watershed and oyster restoration, water quality monitoring and more. It creates a program to fund farmers to use conservation practices. The bill is deep and complex. COG commissioned a [comprehensive analysis](#) to fully understand the scope of the Act. The bill aligns with COG legislative priorities and CBPC efforts.

The bill is in the Committee on Transportation and Environment.

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<sup>6</sup> The HRSD [SWIFT pilot plant](#) in Virginia is an example of demonstration facility.

## VIRGINIA

The Virginia 2025 General Assembly Session began with a \$2 billion state budget surplus. Lawmakers addressed a significant Medicaid funding gap due to federal funding cuts and a focus on one-time new spending initiatives. Early crossover took place on February 4<sup>th</sup>, adding pressure to efficiently tackle an ambitious agenda that included debates on tax relief, education funding, and energy infrastructure. The 2025 session was notably short, ending after 45 days on February 22<sup>nd</sup>.

Additionally, the upcoming gubernatorial election and the entire House of Delegates are up for re-election this fall creating an intricate political landscape. This session was a critical stage for early maneuvering and policy positioning. There was less water-related legislation in this session compared with the previous session, but more scrutiny for data centers. The bills listed passed through the session.

- [SB 1319](#), (McPike): **Industrial wastewater; publicly owned treatment works.**

This bill requires all publicly owned treatment works (POTW) to require certain industrial users to self-report the use of per- and polyfluoroalkyl substances (PFAS) as part of a pretreatment program. The industrial user PFAS reports will be sent by POTW to the Department of Environmental Quality (DEQ). POTW are required to notify industrial users to self-report PFAS to DEQ. Finally, the bill directs the PFAS Expert Advisory Committee to include recommendations to develop an inventory of PFAS testing methods and control technologies for industrial sources.

- [HB 2050](#), (Bulova) **Occoquan Reservoir PFAS Reduction Program.**

The bill objective is to reduce excess levels of perfluoroalkyl and polyfluoroalkyl substances (PFAS) in Occoquan Reservoir drinking water supply. Specific types of facilities in the watershed are required to implement PFAS monitoring and report results to the Virginia DEQ. The bill requires PFAS discharged by facilities not exceed any maximum containment limits (MCL) for PFAS in 2028. Industrial dischargers not listed in the bill are exempt as are, any POWT, drinking water treatment plants and a municipal solid waste facility.

The bill passed with broad support. COG submitted a [letters of support](#) to the House and Senate.

- [HB 2749](#), (LeVere Bolling) **Department of Health; waterworks; mandatory reporting.**

This bill requires waterworks to report any critical equipment failure or malfunction or contaminant release to the Virginia Department of Health's Office of Drinking Water (VDH) as soon as practicable but no more than six hours after discovery. The waterworks are required to submit a monthly operating report to the Office to include any noncritical equipment failure or malfunction that could adversely affect water quality, public health, or service continuity in such report.

- [HB 1601](#), (Thomas) **Data centers; site assessment for high energy use facility.**

This bill provides additional requirements and optional requirements around permitting for high energy use facilities (HEUFs) like data centers. This includes allowing localities to require a site assessment which considers impacts to ground and surface waters of the facility. The bill does not supersede or limit existing local zoning authority.

- [SB 1166](#) (Salim, Chief Patron) **Invasive plant species; retail sales, penalty, delayed effective date January 1, 2027.**

This bill requires, retail outlets to post invasive species signage in proximity to specified plant species. Retailers must educate consumers about invasive plant species, and alternatives. The Department of Agriculture and Consumer Services to develop signage requirements no later than October 1, 2025. The Commissioner will be able to issue a stop sale order and mark or tag an invasive plant at a retailer establishment without signage. This bill may provide collaboration opportunities for the COG [PRISIM](#) program.