



RMC
Rural Maryland Council

Rural Maryland Council 2014 Legislative Priorities

The Rural Maryland Council (RMC), an independent state agency, brings together rural leaders, government officials at all levels, and the representatives of the non-profit and for-profit sectors to develop public policy solutions to the challenges unique to rural Maryland. Ultimately, our mission is to improve the quality of life while preserving the cultural heritage of Maryland's rural communities.

The baseline projections for Fiscal Year 2015 estimate a structural deficit of \$361.9 million. Revenue projections by the Board of Revenue Estimates released in December 2013 also project a general fund deficit of \$188.6 million. However, the Spending Affordability Committee recommended that the State's Fiscal Year 2015 budget grow at a rate of 4% and at the same time resolve at least \$125 million of the general fund structural gap.

For the Maryland General Assembly's 2014 Legislative Session, the Rural Maryland Council supports the following legislative priorities:

Funding of the Rural Maryland Prosperity Investment Fund (RMPIF): In 2006, the General Assembly established the Rural Maryland Prosperity Investment Fund to provide grants to regional non-profit and educational entities for economic and community development projects that would help bring rural Maryland's standards of living up to statewide averages by 2020. As of Fiscal Year 2014, however, no funds have ever been appropriated for RMPIF. Obtaining this critical support in the amount of \$6 million for Rural Prosperity is a top priority.

Continued funding for RMC Operating Costs and Maryland Agriculture Education and Rural Development Assistance Fund (MAERDAF): The RMC's General Fund and Special Fund appropriations from the State have significantly declined. Like funding for the RMC, the MAERDAF fund has also experienced significant budget cuts over the past several years. In Fiscal Year 2014, RMC and MAERDAF each received an appropriation of \$167,000. We ask that critical support for the RMC and MAERDAF be maintained.

Funding for the five Regional Councils: Maryland's rural areas are served by five regional councils that were established by the General Assembly to serve as a forum for the resolution of region-wide issues and the attainment of regional goals. The RMC has been working in partnership with the regional councils and continues to support the work of these important organizations. The goal is for the regional councils to receive their historical legislative intention of \$200,000 each. However, RMC understands the State's fiscal challenges and appreciates the administration's commitment to the regional councils in FY14 by increasing their funding to \$150,000 each (the highest level since FY03), and supports that the funding level be maintained in FY15.

Transportation Funding for local government: In recent years, Maryland's municipal governments have been subject to reduced State funding resulting from decreases in their share of highway user revenues (HUR). This reduction in State funding continues to affect the ability of local governments to provide transportation

services within their communities. During the 2011 session, the General Assembly increased the share of highway user revenues for municipalities from 0.1% to 0.6% for fiscal 2012 and from 0.3% to 0.4% for fiscal 2013 and beyond. However, this funding share still reflects a sizeable decrease from the share of highway user revenues that was allocated to local government in the past. RMC supports MACo and MML in their request that state policymakers evaluate highway funding and the effects of these drastic local reductions to Maryland's roadway – and to take necessary steps to restore HUR and local roadway infrastructure.

Expansion of rural broadband: The Communications Tax Reform Commission met in 2012 and 2013 to assess the feasibility and fiscal implications of modernizing State and local communications taxes and fees to account for recent changes in the communications industry. A final report was submitted in June 2013. Proposals considered by the Commission included funding for the expansion of broadband service in rural areas.

Expansion of loan reimbursement programs to enhance rural health care: The Maryland Health Care Commission has released a draft report of the Evaluation of Regional Health Delivery and Health Planning in Rural Areas. The Commission established a workgroup that met during the summer of 2013 to address issues of particular importance to rural health delivery. The Commission recommended expanding loan reimbursement programs to help retain new high quality professionals in rural areas in Maryland and removing stringent eligibility guidelines.

The RMC will also monitor various legislative proposals as they are introduced. Areas of interest include:

- Bay Restoration Funds for the replacement of failing septic systems;
- Stormwater management fees, nutrient management and Accounting for Growth regulations;
- Funding for land preservation, conservation easements and the Core Smart Growth Funding Programs;
- Funding for the Maryland Agriculture and Resource-Based Industries Development Corporation; and
- Expansion of telemedicine and Medicaid reimbursement rates.

About the Rural Maryland Council

The RMC has been instrumental in improving economic and rural development. When rural-serving nonprofit organizations noted that they lacked access to philanthropic dollars they need to undertake important community and economic development projects, the RMC led the effort to establish MAERDAF, which provides small grants to rural-serving nonprofits and community colleges. Between FY 2001 and FY 2014, MAERDAF awarded nearly \$3 million in grants to rural organizations leveraging this funding into a total of \$11 million.

The RMC is the *only entity in state government* specifically designed to convene rural leaders across the state and across disciplines to identify economic development challenges common to rural areas and to develop and implement realistic, workable solutions. The RMC is an independent state agency and federally designated State Rural Development Council under the USDA's National Rural Development Partnership. Our mission is to bring together federal, state, county and municipal government officials as well as representatives of the for-profit and nonprofit sectors to identify challenges unique to rural communities and to craft public policy, programmatic or regulatory solutions. As a collaborative partnership, the RMC operates under the guidance of a 40-member Executive Board, in a nonpartisan and nondiscriminatory manner.

For more information, visit the RMC's website at: www.rural.maryland.gov

50 Harry S. Truman Parkway

Annapolis, Maryland 21401

(410) 841-5772

rmc.mda@maryland.gov