



Rural Maryland Council 2019 Legislative Review

While the Session ended silently in tribute to Speaker of the Maryland House of Delegates Michael Erin Busch, the 2019 Maryland General Assembly Legislative Session was positive overall for rural communities. Highlights for the RMC included FULL FUNDING for the Rural Maryland Prosperity Investment Fund(RMPIF) in the State's Fiscal Year 2020 Operating Budget.



Lt. Governor Boyd Rutherford presents the Rural Maryland Day Proclamation to the Rural Maryland Council on February 14, 2019.

RMC in Annapolis

The Rural Maryland Council (RMC) thanks Governor Hogan and the Maryland General Assembly for their support of the RMC and rural communities. This includes the funding of both the RMC's RMPIF and Maryland Agricultural Education and Rural Development Assistance Fund (MAERDAF). Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) will receive its core funding, as well as \$2.5M for the Next-Gen Farmland Program. The Regional Councils received their continued funding through FY2020. Further, the budget committees approved funding for rural land preservation, including Program Open Space, the Rural Legacy Program, and the Maryland Agricultural Land Preservation Program. Program Open Space's Stateside initiatives received \$50.1M and its Local programs will have \$56.6M.

The Legislative Committee met bi-weekly to review legislative efforts, advance its legislative priorities and increase work with legislators. Other activities included testifying before standing committees, working with the Rural Caucus and local rural delegations, as well as drafting and submitting written position statements.

This year, Governor Hogan proclaimed February 14, 2019 as Rural Maryland Day. As part of Rural Maryland Day, the RMC welcomed more than 100 rural advocates to meet with dozens of elected officials and staff. The RMC was officially recognized during floor sessions in the State House and, in partnership with the Maryland Association of Soil Conservation Districts and the Maryland Dairy Industry Association, hosted a luncheon with over 250 attendees.

2020 Budget Breakdown

The State's Fiscal Year 2020 Operating and Capital budget were passed with bipartisan support. The Fiscal Year 2020 Budget Bill, HB100, includes \$46.6 billion in appropriations, a growth of 4.0% over Fiscal Year 2019. The FY2020 budget met the Spending Affordability Committee's FY2020 recommendations, leaving \$1.1 billion in the Rainy Day Fund (6% of general fund revenues) and \$105.1 million in the General Fund. State aid to local government will total \$8.2 billion, with direct aid increasing by \$490.4 million. State support for public schools totals a record \$7.0 billion. Direct aid to local school systems will increase an estimated \$434.4 million, or 7.5%. \$516.1 million total was put towards school facilities, with \$418.8 million for local school construction. Unfortunately, these provisions do not signal secure footings for these priorities. Per the Department of Legislative Services, a cash shortfall of approximately \$900 million is forecast in fiscal 2021, alongside a structural deficit of nearly \$1.0 billion, projected to rise in later years.

RMC Legislative Highlights:

SB634 - Electric Cooperatives - Powers - Conducting or Communications Facilities

Sponsor: Senator Eckardt

Passing both chambers and signed into law, this bill authorized an electric cooperative to construct, maintain, or operate or allow others to construct, maintain, or operate conducting or communications facilities for telecommunications and broadband Internet services along its rights-of-way.

SB581/HB1260 - Transparency in Reporting Opportunity Zones; Senate Bill 756 – Investment in Rural Opportunity Zones

Sponsors: Senator Ferguson/Delegate Lierman; Senator Hester

Signed into law as SB 581, carrying the Governor’s Opportunity Zone Bill, SB756’s articles, and other items.



Members of the RMC testify during the 2019 Legislative Session

SB507/HB886 - Angel Investor Tax Credit

Sponsors: Senator Eckardt, Delegate Palakovich Carr

This legislation would create tax credits for more investment in entrepreneurial enterprises. **This legislation did not advance this year.**

SB178/HB570 - Outpatient Mental Health Centers – Medical Directors – Telehealth

Sponsors: Senator Eckardt, Delegate Sample-Hughes

This bill, **passed into law**, permits the use of telehealth by behavioral health clinics to satisfy regulations governing medical directors of outpatient mental health centers, which experience workforce retention issues in rural areas.

SB944/HB1122 - Behavioral Health Programs – Outpatient Mental Health Centers – Medical Directors

Sponsors: Senator Eckardt, Delegates Hornberger; Buckel; Kipke et al.

This bill, **passed into law**, permits psychiatric nurse practitioners to serve as medical directors of outpatient health centers.

Highway User Revenue Adjustments: A long-standing issue for rural localities, the legislature sustained its historic decision in 2019 to change the distribution of revenues from gasoline and motor vehicle revenues from a formulaic methodology to fixed percentages of the revenues in the Transportation Trust Fund. 13.5% of highway user revenues will go to Maryland local governments from FY20-FY24, an increase compared to the current levels.

Blueprint for Maryland’s Future/Kirwan Commission: While the Commission still remains active, the Legislature funded the Commission’s recommendations for local school systems in six areas: Concentration of Poverty, Mental Health Coordinators, Prekindergarten, Special Education, Teacher Salary Incentives, & Transitional Supplemental Instruction. The total dedicated was \$251.6 million for FY 2020 and \$345.5 million in FY 2021, with language included to support agricultural education for students. The RMC will continue to monitor the progress of the Commission as it works to develop a 21st-century school system for Maryland’s communities.

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

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