



RMC
Rural Maryland Council

Rural Maryland Council 2020 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.

According to the Maryland Department of Legislative Services, **the short-term general fund outlook has improved since the 2019 legislative session, but the long-term structural deficit remains.** The improved outlook reflects better than expected revenue attainment, upward revisions to the revenue estimates for fiscal 2020 and 2021, and the Administration's decision not to release general fund spending reserved for legislative priorities. However, ongoing spending exceeds ongoing revenues in Fiscal Year 2021. This structural deficit is expected to increase to \$1.2 billion by 2025.

To address regional disparities, funding of the Rural Maryland Prosperity Investment Fund (RMPIF) remains an RMC top priority. Funding supports investments in developing entrepreneurship and small business growth, infrastructure improvements and health care services. Obtaining this critical support in the amount of \$6 million in funding for RMPIF would encourage necessary economic development and support necessary services. We continue to advocate for this important funding and support the proposed budget level of \$6 million in Fiscal Year 2021.

Fiscal Year 2021 Budget Priorities

The Governor's FY2021 Operating Budget contains the following appropriations:



Rural Maryland Prosperity Investment Fund

\$6,160,757



Maryland Agricultural Education and Rural Development Assistance Fund

\$167,000



MARBIDCO

\$5,375,000



Rural Maryland Council

\$507,668



Regional Councils

\$200,000 each



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For the Maryland General Assembly's 2020 Legislative Session, the Rural Maryland Council supports the following legislative priorities:

Rural Economic Development: The Council supports efforts to encourage rural economic development in the form of tax credits to new or expanding businesses in rural Maryland. Incentives to encourage local private investments such as tax credits for angel investments for startup businesses would help encourage small business development. Tax incentives to encourage the development of data centers would capitalize on the growing knowledge economy. A proposed sales tax exemption for the purchase of aircraft parts would support the regional airport industry and workforce development.

Infrastructure: Infrastructure improvements remain a key piece of place-making strategies in creating and retaining vibrancy in our rural communities including rural broadband expansion. The Council supports the Governor's FY 2021 Capital Budget Appropriation of \$9.18 million for the Local Government Infrastructure Fund in the Maryland Department of Housing and Community Development. Other regulatory efforts such as the expanding the authority to provide broadband by the rural electric cooperatives are of interest.

RMC also supports the distribution of transportation funding for Local Governments and expansion of heavy rail for commerce, transit and tourism-related purposes. Many rural jurisdictions are in need of increased access to water and waste water resources through the Bay Restoration Fund.

Viable Agriculture, Aquaculture, Forestry & Rural Communities: Agriculture remains Maryland's largest commercial economic sector and is incredibly important to our rural areas. Agriculture and forestry total economic impact equaled \$23.3 billion, supported over 94,500 jobs, and generated nearly \$902 million in state and local tax revenue. RMC supports programs and policies that will sustain and enhance agricultural production including value-added agriculture and agritourism. RMC also supports policies that build strong rural communities:

- Adequate funding to ensure the retention and placement of University of Maryland Extension (College Park and Princess Anne) agricultural agents in each county and provide for appropriate agricultural research;
- Adequate funding for the Chesapeake Bay Trust Fund;
- Land preservation programs such as Program Open Space which funds the Rural Legacy Program and the Maryland Agriculture Land Preservation Foundation;
- Expanding the Earned Income Tax Credit to ensure low-income workers and families access to basic necessities and providing an economic boost to neighborhood businesses;
- Core Smart Growth programs such as the Maryland Heritage Structure Rehabilitation Tax Credit, Maryland Heritage Area Grants and the Community Investment Tax Credit;
- Expanded funding for the Department of Housing and Community Development's Community Legacy, Strategic Demolition and Smart Growth Impact Fund; Neighborhood Business Works and Rental Housing Works programs; and,
- Energy policies that promote long-term, locally generated, renewable energy.

RMC is also interested in nutrient management regulations and land use decisions that may adversely impact agriculture production, particularly in regards to the expansion of utility-scale solar arrays without local input. The Council opposes any tax or fee imposed on agricultural products such as poultry.

Public Safety: Small rural volunteer fire and emergency agencies find it difficult to recruit and retain qualified trainees and employees. Efforts should be considered that allows rural emergency services access to workforce development tools.

Rural Health: Rural Maryland currently experiences a shortage of health care providers particularly in specialty areas, mental health and dental care. Moreover, rural populations are also overall older and in worst health than their suburban counterparts. RMC supports efforts to enable and expand telehealth to provide access to preventative and critical care services in rural areas. Tax credits for preceptors should also be expanded to include physicians' assistants.