



# Rural Maryland Council

## 2022 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.*

Due to the federal stimulus funding, Maryland's fiscal situation is healthy. On September 29, 2021, the Maryland Comptroller, Peter Franchot, announced that the State of Maryland ended Fiscal Year 2021 with a \$2.5 billion surplus of the State's General Fund. The massive fund balance is driven by much larger-than-expected revenue growth that is a direct reflection of federal stimulus funding, which significantly increased personal and business income and expanded consumer spending. The Maryland Board of Revenue Estimates also recently voted to dramatically increase the revenue projections for Fiscal Year 2022 by 5%, up to \$21.1 billion, a \$995 million increase from the March estimates.

**Rural Maryland Prosperity Investment Fund (RMPIF):** As Maryland recovers from the COVID-19 pandemic, the rural areas of the state continue to struggle to recover economically as reflected in unemployment and poverty rates. **To address these disparities, funding of the Rural Maryland Prosperity Investment Fund (RMPIF) remains a top priority.** Rural areas always see a delay in the impact and recovery of economic impacts and events. Our rural areas have not fully recovered from the last economic recession when the recent pandemic hit. It is important that rural areas receive the investments they need to recover at the same rate as the rest of Maryland. On average, in Fiscal Years 2019, 2020, and 2021, our grant programs have had 169 applicants requesting \$10,459,768.30. With our past funding, the RMC has funded on average 73 applicants at \$6,173,836.67 per year. **While we are strongly committed to the current \$6 million in funding, we respectfully ask for \$9 million in the Fiscal Year 2023 operating budget if budgetary funds allow.**

For the Maryland General Assembly's 2022 Legislative Session, the Rural Maryland Council supports the following legislative priorities:

### **Broadband and Infrastructure:**

Infrastructure improvements remain a key piece of place making strategies in creating and retaining vibrancy in our rural communities including rural broadband expansion. Building off of last year's successes, the Council looks to ease access to rights-of-way along public roadways. Rural Maryland remains slightly older in population and efforts and outreach should be made to address broadband affordability and adoptability to ensure digital inclusion of all Maryland residents.

The Council supports energy policies that promote long-term, locally generated, renewable energy. Funding in the amount of \$1,000,000 for the Wood Products Industry Equity Investment Fund (WPIEI) should be considered.

### Fiscal Year 2023 Budget Priorities



The rural areas of the state continue to struggle to recover economically as reflected in unemployment and poverty rates.



#### Rural Maryland Prosperity Investment Fund

- \$9,000,000
- Supports entrepreneurship, infrastructure and health care



#### Maryland Agricultural Education and Rural Development Assistance Fund

- \$150,000
- Builds capacity of rural-serving nonprofits



#### Rural Maryland Council

- \$500,000
- Supports the Council's staff, grant administration and event planning expenses



#### Regional Councils

- \$200,000 each for maintaining the current funding of the State's five regional councils at the historical levels
- Support the Small, Women and Minority-Owned Business Account fund



#### MARBIDCO

- \$2,735,000 for core programs including \$435,000 for local farm enterprise food aggregation projects
- \$2,500,000 for the Next Generation Farmland Acquisition Program

**Transportation:** RMC also supports the distribution of transportation funding for Local Governments and expansion of heavy rail for commerce, transit, and tourism-related purposes. Non-emergency health care transportation is a concern as well as the repair and reconstruction of bridges across the state.

**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. This includes tax credits for broadband expansion, services and a sales tax exemption of broadband equipment, and income tax credit for angel investments. These initiatives will attract and expand industry sectors other than cyber and biotechnology to all jurisdictions across the state, in part encouraging needed investment in the rural counties of Maryland.

**Rural Workforce Development:** The Council supports efforts to improve career and technology education including specifically agriculture education.

**Viable Agriculture, Aquaculture, Forestry & Rural Communities:** Agriculture remains Maryland's largest commercial economic sector and is incredibly important to our rural areas. Agriculture contributes approximately \$3.3 billion to the state economy supported 23,878 jobs and added nearly \$110 million in combined state and local tax revenue. The total economic impact of resource based industries in 2015 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 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 Rural Legacy 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; and
- 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.

RMC is also interested in nutrient management regulations and land use decisions that may adversely impact agriculture production, particularly in regard 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 primary care, 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, socio-behavioral and critical care services in rural areas.

*For more information, visit the RMC's website at: [rural.maryland.gov](http://rural.maryland.gov)*

*50 Harry S. Truman Parkway  
Annapolis, Maryland 21401*

*(410) 841-5772*

*rmc.mda@maryland.gov*