



Rural Maryland Council 2023 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 General Assembly Spending Affordability Committees December 2022 Interim Report states that the State's revenues continue to benefit from pandemic-related federal aid and stronger than anticipated economic performance in recent years, placing the State in a strong fiscal position throughout the forecast period. Further the Committees interim report projects a \$1.4 billion structural surplus for fiscal year 2024. However, the current forecast reflects a diminishing structural balance over the five-year period as ongoing spending outpaces ongoing revenues and does not account for weakening economic conditions that could lead to a recession.

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, 2021, and 2022 our grant programs have had 192 applicants requesting \$14,795,088. With our past funding, the RMC has funded on average 79 applicants at \$7,271,734 per year. **We respectfully ask for level funding of \$9 million in the Fiscal Year 2024 operating budget.**

For the Maryland General Assembly's 2023 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.

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. Requesting \$100 million in local government infrastructure funds.

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.



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. The Council hosted three roundtables over the fall and participant consensus supported re-establishing and codifying the State's Coordinating Committee for Human Services Transportation. We believe a new model of rural transit systems should be developed including utilizing smaller vehicles, relying on less fixed route coordination, more on demand services, and access to additional resources.

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 apprenticeships and community colleges so young adults can stay in their rural areas and become part of the rural workforce. Efforts to improve career and technology education through implementation of the Blueprint for Maryland's Future, 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 \$16.5 billion to the state economy supported 73,009 jobs and added nearly \$610 million in combined state and local tax revenue. The total economic impact of resource-based industries in 2022 equaled \$20.1 billion, supported over 88,610 jobs, and generated over \$755 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

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