

Email: rmc.mda@maryland.gov Website: rural.maryland.gov

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of

House Bill 63 – Certified Local Farm and Chesapeake Invasive Species Provider Program – Establishment

Health and Government Operations Committee

February 15, 2023

The Rural Maryland Council **supports** House Bill 63 – Certified Local Farm and Chesapeake Invasive Species Provider Program – Establishment. The purpose of this bill is to expand the Certified Local Farm Enterprise program to include the Chesapeake Invasive Species Provider Program. The bill defines a certified Chesapeake invasive species as a finfish species that is 1) ranked as high priority in the Maryland Aquatic Nuisance Species Management Plan; and 2) harvested from the Chesapeake Bay or its tributaries.

According to www.fisheries.noaa.gov, the Chesapeake Bay is the nation's largest estuary at 64,000 square miles and produces approximately 500 million pounds of seafood each year, supporting jobs in both commercial and recreational fishing and bolstering the regional economy. This estuary is under threat due to an invasive fish species known as the blue catfish (Ictalurus furcatus). According to www.chesapeakebay.net this species has the potential to cause substantial harm to the Chesapeake Bay food web as it has a long lifespan and an expansive diet, which can include many native species that call the Bay their home such as menhaden and blue crabs. In August 2020, the Chesapeake Bay Program developed the Invasive Catfish Management Strategy that included a commercial fishery and marketing strategy to increase consumer awareness and market demand of wild-caught blue catfish from the Bay.

This bill will bolster this strategy as the Certified Local Farm Enterprise and Chesapeake Invasive Species Provider Program encourages state agencies, including public four-year universities, to achieve an overall goal of purchasing 20% of their food from this Program. Additionally, it will allow this entity to access the Certified Local Farm Enterprise Food Aggregation Grant Fund within the Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO). This program focuses on food aggregation, storage, processing, and distribution sites across the State through grants and near-equity investments. This bill will advance efforts to target, remove, process, and market blue catfish from the Chesapeake Bay.

The Rural Maryland Council supports and encourages steps taken to promote a healthier and bountiful Chesapeake Bay. The Rural Maryland Council respectfully requests your favorable support of House Bill 63.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

March 28, 2023

The Honorable Brian J. Feldman Chairman, Education, Energy, and the Environment Committee 2 West Senate Office Building 11 Bladen Street Annapolis, MD 21401

RE: LETTER OF SUPPORT

House Bill 152 - Department of Agriculture - Urban Agriculture Grant Programs - Alterations

Dear Chairman Feldman:

The Rural Maryland Council supports as amended House Bill 152 – Department of Agriculture – Urban Agriculture Grant Programs - Alterations. The purpose of this program is to increase the viability of urban farming and improve access to urban grown foods. The bill modifies the *Urban Agriculture Grant Program* by mandating \$100,000 annually for the program from FY2025 through FY2029. Additionally, it expands the eligibility for grants under the program and modifies provisions relating to the grant process and the use of grants.

Access and availability to food impacts the health, culture, and a person's quality of life and resources. In the United States, healthy food is difficult to access for nearly 24 million people who live in areas without a grocery store. Recent reports from the *Preventative Medicine and Education for Health* show that low-income neighborhoods have 25% fewer grocery stores than middle and high-income neighborhoods. This disparity contributes to higher rates of diabetes, high blood pressure, and heart disease. House Bill 152 is an investment in urban agriculture, an investment in our urban communities, and investment in a healthier Maryland. This Program and Fund enable resources to reach meaningful initiatives with the potential to grow healthier communities, food diversity, accessible markets, job opportunity, and build a sense of ownership and well-being through agricultural related activity in urban areas.

Rural Maryland Council looks for strategic partnerships to bridge rural and urban communities. The agriculture sector can help bridge the gap between these two communities. The Council respectfully requests your favorable support of House Bill 152 as amended.

Sincerely,

Charlotte Davis
Executive Director

Cc. Delegates Wells, Addison, Allen, Baker, Barve, Boyce, Ciliberti, Foley, Guyton, Healey, Holmes, Jacobs, Lehman, Love, T. Morgan, Nawrocki, Otto, Ruth, Stewart, Terrasa, and Zeigler



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
House Bill 178 – State Designations – State Spirit – Maryland Rye
Health and Government Operations Committee
March 15, 2023

The Rural Maryland Council supports House Bill 178 – State Designations – State Spirit – Maryland Rye. This bill will designate Maryland Rye or Maryland Rye Whiskey as the State spirit.

Maryland was once renowned for its rye whiskey production surpassing all states except Kentucky and Pennsylvania. In 1911, Maryland produced 5.6 million gallons of distilled spirits – most of it rye. Unfortunately, those distilleries disappeared after World War II when American whiskey production consolidated in Kentucky. By establishing a State Spirit, like the establishment of Smith Island Cake as the State Dessert, the State could incentivize rye production, resulting in more value-added agriculture production and an increase of customers to Maryland's distilleries.

Maryland has a growing craft beverage market that contributes greatly to the State economy. According Grow & Fortify's *Value Added Agriculture in Maryland* report, Maryland's craft distilleries had a value-added impact of over \$179 million, supported almost 1,000 jobs, and added more than \$13 million in state and local tax revenues. The addition of a state rye would give an opportunity to these distilleries to produce and sell this spirit, encouraging customers from in and out of the State to try Maryland's State rye. The Maryland Rye could also encourage the purchase of more locally grown products. Maryland farmers could grow and sell the barley and corn used to produce the rye.

The Council supports and encourages value added agriculture and the benefits it brings to both farmers and the State economy. The Rural Maryland Council respectfully requests your favorable support of House Bill 178.



Email: rmc.mda@maryland.gov Website:rural.maryland.gov

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
House Bill 200/Senate Bill 181 – Budget Bill (Fiscal Year 2024)
Appropriations Committee
Transportation and the Environment Subcommittee
Monday, February 20, 2023

The Rural Maryland Council supports the Governor's Appropriation for the Rural Maryland Council and the Maryland Agricultural Education and Rural Development Assistance Fund contained in House Bill 200/SB181 – Budget Bill (Fiscal Year 2024). This funding will be highly beneficial to those who live, work, and visit the many great rural areas of our State. The funds allocated in the Fiscal Year 2024 budget will support the Rural Maryland Council's (RMC) operations and activities, RMC's two grant programs – the Rural Maryland Prosperity Investment Fund (RMPIF) and the Maryland Agricultural Education and Rural Development Assistance Fund (MAERDAF), and the State's five Rural Regional Councils.

The RMPIF and MAERDAF grant programs have provided substantial amounts of needed opportunities and resources to our rural communities. The RMPIF grant program is designed to facilitate significant targeted investments in important economic and community development programs and promote regional and intergovernmental cooperation. The MAERDAF grant program provides capacity building grants to rural serving nonprofit organizations and community colleges that promote statewide and regional planning, economic and community development, youth engagement & leadership development, energy, rural broadband, and agricultural and forestry education.

Demand for our programs are high. Over the past five years, in Fiscal Year 2019 through 2022, the RMC grant programs have had 155 applicants requesting \$10,819,991. With this funding, RMC has funded on average 66 applicants at \$6,080,255. In FY2023, RMC received 50% in additional funding and was able to provide more grants that are helping build stronger rural communities. In Fiscal Year 2023, RMC received 215 grant applications totaling \$19,130,407, of which 84 grants were awarded totaling \$8,369,629. These grant recipient projects have had significant outcomes such as improved education outcomes of at risk, minority children by providing educational summer enrichment programming; supporting general contractor and infrastructure costs for a new 72-unit affordable housing community; expanding broadband internet connections to new homes; and, providing medical transporation, personnel, and services to those in need.

In 2021-2022, RMC tasked the Regional Economic Studies Institute (RESI) of Towson University to estimate the economic and fiscal impact that the RMC grants have had on Maryland's Economy. **RESI's findings showed that with the State's investment, an additional \$67 million in federal, local, and private funding has been directed into our rural areas.** Furthermore, the RMPIF program between 2018 and 2021 has resulted in \$124 million in economic impact and \$40.9 million in employee compensation. The

MAERDAF program has provided \$12.1 million in additional economic impact and \$4.4 million in employee compensation.

The strength of the Council's impact is dependent on the resources provided to them through the State's operating budget. The Council members and rural non-profit community leverage these funds with local and federal funds to improve the lives of rural Marylanders. RMPIF funding allows many rural organizations to provide innovative programming that creates jobs, educational opportunities, and enhances the quality of life in our rural communities. For many nonprofit organizations and stakeholders, RMPIF provides the critical support needed to fuel healthy, resilient rural communities.

The Rural Maryland Council thanks Governor Moore for his support of the Council and respectfully requests your support of the Governor's appropriation for included in House Bill 200.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
House Bill 289 - Maryland Forest Education Fund - Establishment
Environment and Transporation Committee
March 1, 2023

The Rural Maryland Council supports House Bill 289 - Maryland Forest Education Fund - Establishment. This bill establishes the Maryland Forestry Education Fund, a special fund administered by the Maryland Forestry Foundation. In general, the purpose of the fund is to provide small grants and specified training, education, and outreach opportunities for forest landowners, district forestry boards, local governments, and businesses. Beginning in fiscal 2025, the Governor must include in the annual budget bill an appropriation of \$250,000 to the fund. The bill takes effect July 1, 2023.

The Forest Industry grows food, creates hundreds of products, and helps the environment. Nearly 40% of Maryland is forested – the single largest land use in the state that offers tremendous environmental and economic benefits. According to Grow and Fortify's *Value-Added Agriculture in Maryland - An Economic Analysis*, the large scale forestry and wood derivatives contributes nearly \$3.5 billion to the state economy, supporting over 15,000 jobs. Ecologically forests can absorb carbon as they grow and mature, which helps offset fossil fuel emissions. Additionally, they act as natural filters and are seen as excellent water quality buffers, which protect waterways from polluted runoff.

The Rural Maryland Council (RMC) supports the forest industry in Maryland by administering the Maryland Agricultural Education and Rural Development Assistance Fund (MAERDAF). This fund provides grants to rural-serving nonprofit organizations that promote statewide and regional planning, economic and community development, and agricultural and forestry education. In FY2023, RMC awarded \$233,000 in grant funds to 8 organizations whose projects focused on the forest industry. These projects ranged from supporting the purchase of a cable skidder to enhance applied learning to forestry students at Allegany College of Maryland to supporting the Maryland Forestry Foundation and their work with compensating forest landowners for the ecological benefits of practicing sound forest stewardship.

The Council has worked with the Maryland Forestry Foundation over the years and feels that they will be excellent stewards for the Maryland Forestry Education Fund and the provisions laid out HB289. The Rural Maryland Council respectfully requests your favorable support of House Bill 289.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of

House Bill 389 – Department of Agriculture – State Ombudsman for Value-Added Agriculture

Environment and Transportation Committee

February 15, 2023

The Rural Maryland Council **supports** House Bill 389 – Department of Agriculture – State Ombudsman for Value – Added Agriculture. This bill will establish the State Ombudsman for Value-Added Agriculture as a position in the Department of Agriculture.

The Rural Maryland Council has long supported agriculture and value-added agriculture because it offers diverse enterprises and additional revenue streams, plus increased profit for farmers and rural Maryland. Value added agriculture is important because it's a way to take a raw agriculture product and alter it in a way to increase it's worth to the consumer - think tomatoes to salsa, hemp to CBD oil, wood to furniture.

Value added agriculture provides increased opportunity for Rural Maryland as well as agriculture opportunities in rural and urban environments. Grow and Fortify's Economic Analysis, Value-Added Agriculture in Maryland, reports that value added agriculture provides nearly 74,000 jobs, has an economic impact of over \$20.6 billion annually, and adds nearly \$875 million to the State's fiscal resources.

As envisioned under this bill, the State's Ombudsman for Value-Added Agriculture will work with value-added producers to help navigate the regulatory processes and overall support this growing industry.

The Council supports and encourages value-added agriculture and the benefits it brings to both farmers and the State's economy. We understand this bill in the Senate (SB34) has been amended to change the position title from Ombudsman to Specialist. The Rural Maryland Council respectfully requests your favorable support with amendment of House Bill 389.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
House Bill 442 – Income Tax - Subtraction Modification - Qualified Broadband Grants
Ways and Means Committee
February 16, 2023

The Rural Maryland Council **supports** House Bill 442 – Income Tax - Subtraction Modification - Qualified Broadband Grants. This bill will allow a subtraction modification under the Maryland income tax for certain qualified broadband grants awarded during the taxable year for broadband deployment; and generally relating to tax incentives for broadband deployment.

Passage of this bill will help expand access to broadband throughout the State. Incentives in tax policy will help to lower the overall cost of infrastructure expansion. Many telecom companies borrow to invest in new markets or expand within existing ones. The subtraction modification will incentivize companies to take on debt capital, especially in markets and investments where there is no immediate return. Debt for financing new facilities, operational expenses (e.g., pole attachments, digging), equipment, and working capital can support more rapid deployment of rural broadband. (https://www.brookings.edu/blog/techtank/2017/11/06/tax-reform-can-support-rural-broadband/)

The lack of broadband access is one of the greatest concerns in rural Maryland. Having access to fast and reliable internet has become increasingly essential over the past several years and even more so during the recent pandemic. Many children must now rely on the internet to attend class and complete schoolwork, and more adults are now working from home. Other services such as telehealth visits have also become more popular, allowing patients to have medical examinations administered from the safety of their homes when transportation options are limited. In a time of growing dependency on technology, these trends are certain to continue.

The Federal government has already allocated more than \$72 billion for broadband development and infrastructure. At the end of 2021, President Joe Biden signed into law the Infrastructure Investment and Jobs Act ("IIJA"), a major infrastructure investment that included \$65 billion allocated for broadband development, particularly in rural and underserved communities. According to the Maryland Office of Statewide Broadband, as of December 15, 2022, the office has distributed \$23,200,000 in broadband expansion grants, \$130,100,000 in infrastructure grants and \$29,100,000 in additional broadband grants.

Providers report that existing tax obligations make many rural and underserved areas with fewer financial resources ineligible "due to their inability to meet the financial sustainability requirement" and pay taxes on the grant. (https://www.jdsupra.com/legalnews/tax-exemption-for-federal-broadband-2322681/) Location or income should not determine whether an individual or business has access to an important resource such as highspeed internet. We ask for your favorable support of House Bill 442.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

March 16, 2023

The Honorable Joseline A. Pena-Melnyk Chairman, Health and Government Operations Committee 241 Taylor House Office Building 6 Bladen Street Annapolis, MD 21401

RE: LETTER OF SUPPORT

House Bill 475: Advanced Practice Registered Nurse Compact

Dear Chairman Pena-Melnyk:

The Rural Maryland Council supports House Bill 475 – Advance Practice Registered Nurse Compact. This bill enters Maryland into the Advanced Practice Registered Nurse Compact. The bill establishes 1) specified procedures and requirements for an advanced practice registered nurse (APRN) to practice under a "multistate license" in a "party state" or "remote state"; 2) the composition, powers, and responsibilities of the Interstate Commission of APRN Compact Administrators; and 3) requirements related to the oversight, dispute resolution, and enforcement of the compact. The bill is contingent on similar legislation being enacted in six other states.

Rural Marylanders are often in worse health than that of their urban and suburban counterparts and lack access to the medical facilities and practitioners to improve their health. This is especially true in specialty areas such as mental health and dental care. Additionally, rural areas are made up of aging populations that require more medical attention but lack the healthcare workforce to do so. The Health Resources and Services Administration (HRSA) reports that more than 1.1 million Marylanders are in a primary care Health Professional Shortage Area (HPSA). That's over 1.1 million Marylanders that lack access to the primary health care they need. In the U.S, rural or partially rural areas make up over 68% of the designated primary care HPSAs.

House Bill 475 will allow more high-level healthcare workers to practice in Maryland where there are shortages or nurses are needed. While certain areas of the State have been facing a shortage in healthcare workers, it was worsened by the pandemic. As a result of the pandemic, members of the healthcare workforce are leaving at higher rates, mostly from the increased workload and amount of stress that they have been facing. As some healthcare workers quit, it creates more of a workload and stress for the remaining members, resulting in a cycle of burnout. Allowing APRNs from other states to practice in Maryland could reduce this burden and help prevent similar situations in the future. This will allow for workers to adequately perform their jobs and assure that patients are getting the treatment that they need.

The Rural Maryland Council respectfully requests your favorable support of House Bill 475. Providers report that existing tax obligations make many rural and underserved areas with fewer financial resources ineligible "due to their inability to meet the financial sustainability

requirement" and pay taxes on the grant. (https://www.jdsupra.com/legalnews/tax-exemption-for-federal-broadband-2322681/) Location or income should not determine whether an individual or business has access to an important resource such as highspeed internet. We ask for your favorable support of House Bill 475.

Thank you for the opportunity to comment on House Bill 475.

Sincerely,

Charlotte Davis
Executive Director

Cc. Delegate Rosenberg



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony if Support of
House Bill 547 – Family Prosperity Act of 2023
Ways and Means Committee
February 16, 2023

The Rural Maryland Council supports House Bill 547 – Family Prosperity Act of 2023. This bill supports self-sufficiency in working families by making positive revisions to the requirements for the federal and local Earned Income Tax Credit (EITC).

The Earned Income Tax Credit (EITC) is a highly beneficial program for working people with low to moderate incomes as it reduces the amount of income tax owed and refunding taxes paid through employment. Those who qualify for the federal EITC claim it on their personal income tax return and Maryland offers an additional State EITC equal to 50% of the federal tax credit.

Expansion of the Earned Income Tax Credit will help low-income earners throughout Maryland achieve greater financial self-sufficiency by putting more money directly back into the pockets of eligible workers. The Earned Income Tax Credit requires little cost to administer and has shown to reduce the number of households who receive cash welfare assistance by incentivizing employment. According to the U.S. Department of Health and Human Services, households that claim the credit, particularly single and female heads of households, have seen their wages grow though subsequent years than similar households that did not claim the credit.

Maryland's rural areas often report higher rates of poverty compared to their urban and suburban counterparts. The poverty rate in Somerset County is currently reported at 23.6% by the US Census Bureau. (U.S. Census Bureau QuickFacts: Somerset County, Maryland). Allegany County's poverty rate is 16.4%. (U.S. Census Bureau QuickFacts: Cumberland city, Maryland; Somerset County, Maryland). This program will encourage the utilization of the EITC and provide financial benefits to low-income families.

The Rural Maryland Council historically supports the EITC and respectfully requests your favorable support of House Bill 547.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
House Bill 551 – Broadband Expansion Incentive Act of 2023
Ways and Means Committee
February 16, 2023

The Rural Maryland Council **supports** House Bill 551 – Broadband Expansion Incentive Act of 2023. This bill will allow a subtraction modification under the Maryland income tax for certain qualified broadband grants awarded during the taxable year for broadband deployment; provides an exemption from the sales and use tax for the sale of certain equipment related to providing internet service and deploying broadband; and generally relating to tax incentives for broadband deployment.

Passage of this bill will help expand access to broadband throughout the State. Incentives in tax policy will help to lower the overall cost of infrastructure expansion. Many telecom companies borrow to invest in new markets or expand within existing ones. The subtraction modification and the sales tax exemption will incentivize companies to take on debt capital, especially in markets and investments where there is no immediate return. Debt for financing new facilities, operational expenses (e.g., pole attachments, digging), equipment, and working capital can support more rapid deployment of rural broadband. (https://www.brookings.edu/blog/techtank/2017/11/06/tax-reform-can-support-rural-broadband/)

The lack of broadband access is one of the greatest concerns in rural Maryland. Having access to fast and reliable internet has become increasingly essential over the past several years and even more so during the recent pandemic. Many children must now rely on the internet to attend class and complete schoolwork, and more adults are now working from home. Other services such as telehealth visits have also become more popular, allowing patients to have medical examinations administered from the safety of their homes when transportation options are limited. In a time of growing dependency on technology, these trends are certain to continue.

In 2017, the Maryland General Assembly created the Task Force on Rural Internet, Broadband, Wireless and Cellular Service. The Task Force considered several legislative options focused on tax and regulatory policy as suggested by task force members. The Task Force discussed a potential sales tax exemption for broadband equipment. The State could eliminate the sales tax requirement on broadband equipment. One industry-funded economic analysis shows that eliminating the sales and use tax on communications infrastructure would over three years: generate over \$689 million in new economic activity in Maryland; create 2,800 new private sector jobs paying \$138,000,000 annually in wages; and generate \$9 million in new state and local taxes. In 2018, the Task Force issued a report that included this legislative proposal. (https://rural.maryland.gov/wp-content/uploads/sites/4/2019/01/2018_MSAR11544_Task-Force-for-Rural-Internet-Broadband-Wireless-and-Cellular-Service-Report-1.pdf)

The Federal government has already allocated more than \$72 billion for broadband development and infrastructure. At the end of 2021, President Joe Biden signed into law the Infrastructure Investment and Jobs Act ("IIJA"), a major infrastructure investment that included \$65 billion allocated for broadband development, particularly in rural and underserved communities.

Maryland Households with No					
Internet Access					
County	Percentage with no internet access				
Howard	3.9				
Montgomery	4.8				
Anne Arundel	5.6				
Harford	7.6				
Prince George's	7.8				
Calvert	7.9				
Queen Anne's	8.0				
Frederick	8.2				
Baltimore County	8.8				
Charles	9.1				
Carroll	9.5				
Cecil	9.5				
St. Mary's	10.10				
Talbot	11.4				
Worchester	12.4				
Wicomico	13.2				
Caroline	13.9				
Washington	14.9				
Somerset	17.1				
Allegany	17.2				
Garrett	17.3				
Dorchester	17.4				
Baltimore City	17.6				
Kent	21.3				
https://broadbandusa.maps.arcgis.com/apps/webappviewer/index.html?id=50c64e2c028d46a582 47125e4bcdcdc8					

According to the Maryland Office of Statewide Broadband, as of December 15, 2022, the office has distributed \$23,200,000 in broadband expansion grants, \$130,100,000 in infrastructure grants and \$29,100,000 in additional broadband grants.

Providers report that existing tax obligations make many rural and underserved areas with fewer financial resources ineligible "due to their inability to meet the financial sustainability requirement" and pay taxes on the grant. (https://www.jdsupra.com/legalnews/tax-exemption-for-federal-broadband-2322681/)

Other States have adopted these incentives. In 2022, Virginia's Governor signed H.B. 1155, which expands the sales tax exemption for amplification, transmission and distribution equipment to now include "network equipment" that is used to provide Internet service. In 2019, the State of Wyoming released an economic study of the potential removal of its sales and use tax exemption of equipment by a telecommunications service provider, video programming service provider, or provider of internet access used to provide broadband internet service. The study found removal of the sales tax exemption for purchases would increase the production costs for the telecommunications industry of \$1.0 million per and would result in an average annual loss of 4 jobs and a decrease in GDP of \$0.5 million per year over the period of 2022 to 2030. (https://wyoleg.gov/InterimCommittee/2022/03-2022112104-

022022BroadbandInternetProvidersReport.pdf)

While rural Marylanders lack access to highspeed internet, they are among those who can benefit the most from it. A 2019 study by the U.S Department of Commerce reported that rural businesses could add more than \$140 billion to the U.S economy and add an

additional 360,000 full time jobs to rural communities over a three-year period by adopting more digital tools in rural areas. For this to be accomplished, rural areas must have adequate access to high-speed internet. Location or income should not determine whether an individual or business has access to an important resource such as highspeed internet. A child should not fall behind in school because of their family's economic situation.

We ask for your favorable support of House Bill 551. Thank you.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony if Support of
House Bill 592 – Property Tax – Agricultural Land and Improvements - Assessment
Ways and Means Committee
Tuesday, February 21, 2023

The Rural Maryland Council supports House Bill 592 – Agricultural Land and Improvements – Assessment. The bill will help agricultural landowners as it contains provisions that support value-added agricultural activities as a farm or agricultural use of land for tax assessment purposes. These improvements include the manufacturing, packaging, storage, promotion, or sale of value-added agricultural products derived from ingredients produced on the land; agricultural alcohol production; and agritourism. Allowing these parts of the land to be assessed as agricultural land will support viable and profitable farms, promote the growth of value-added agriculture activities in Maryland, and connect more people to the State's working landscapes.

Agritourism and value-added production provide revenue streams essential to the stability of Maryland Farmers. Many farmers are using their land for agritourism and other forms of value-added agriculture to make up for the lack of income they are receiving from less profitable conventional agricultural sales. Farmer investments in agritourism and on-farm value-added production bring additional tourism and revenue benefits to the State's economy. Grow and Fortfy's *Value-Added Agriculture in Maryland - An Economic Analysis*, reports that value added agriculture provides nearly 74,000 jobs, has an economic impact of over \$20.6 billion annually, and adds nearly \$875 million to the State's fiscal resources. These farms are operating tasting rooms, retail markets, and other forms of value-added agriculture. Because these operations are being held on agriculture land and require farmers' time and resources derived from the land, these parts of the land should be properly assessed and taxed as agricultural land.

The Council supports and encourages value-added agriculture and the benefits it brings to both farmers and the State's economy. The Rural Maryland Council respectfully requests your favorable support with amendment of House Bill 592.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
House Bill 596 – Health and Human Services Transporation Improvement Act of 2023
Health and Government Operations Committee
Tuesday, February 28, 2023

The Rural Maryland Council supports House Bill 596 – Health and Human Services Transportation Improvement Act of 2023. This bill will establish a Rural Nonemergency Medical Transportation Pilot Program for hospitals to coordinate transportation provided by a nonprofit organization to or from medical services for eligible individuals; repeal a certain cap on the amount of grants that may be awarded by the Maryland Transit Administration under the Maryland Senior Rides Program; require the Governor to provide at least \$1,000,000 annually to support the Rural Nonemergency Medical Transporation Program in the State's budget beginning in 2025; and other items generally relating to transporation for health and human services.

Routinely the Rural Maryland Council (RMC) receives requests to fund health-related transporation projects through the Rural Maryland Prosperity Investment Fund grant program. Examples of these request include the purchase of vehicles to take patients to dialysis; support the development of computer dispatch software to aid in non-emergency medical transportation; and support salaries and wages of staff that intake and coordinate health transportation needs. The rise in demand for these requests led RMC to partner with the Tri-County Council for Southern Maryland this past fall to lead three Transportation Health Care Roundtable meetings between healthcare and transporation providers to determine how non-emergency health transporation can be improved in the State.

The research and findings generated from these roundtables showed that there is a lack of coordination between the transportation and healthcare sectors, a lack of knowledge where to go for transportation services, and a lack of resources. Additional findings from the roundtables show that there is a need to develop a rural transit model that provides on demand services (versus fixed route), smaller vehicles, and take a more regional approach to support the program. Cross-jurisdictional travel for health care services is often a requirement in rural areas.

The Council strongly believes that the provisions included in House Bill 596 will help alleviate the challenges found in the non-emergency Health and Human Services Transporation sector. The Rural Maryland Council respectfully requests your favorable support of House Bill 596.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

March 16, 2023

The Honorable Vanessa E. Atterbeary Chairman, Ways and Means Committee Room 131, Taylor House Office Building 6 Bladen Street Annapolis, MD 21401

RE: LETTER OF SUPPORT

House Bill 678 – Sales and Use Tax – Electricity of Agriculture Purposes

Dear Chairman Atterbeary:

The Rural Maryland Council submits this letter of support for House Bill 678 – Sales and Use Tax – Electricity for Agriculture Purposes – Exemption, which was heard in the Senate Budget and Taxation Committee March 9, 2023.

House Bill 678 financially helps farmers by exempting sales and use tax for electricity used for agricultural purposes such as raising livestock or poultry, preparing, irrigating, or tending the soil, or planting, maintaining, or transporting seeds or crops.

Aside from the cost of farm equipment, the cost of labor and power account for the highest costs to farmers. By exempting electricity used for agricultural purposes, it will allow farms to be more financially viable. Certain agricultural purchases, such as equipment for raising livestock, soil irrigation, and plant service and harvest, are already exempt from sales and use taxes. It is important that farmers are financially viable for them to remain in the industry and to promote farming for future generations. The tax exemption will put more money back into the pockets of farmers instead of the cost of electricity to operate their farm.

University of Maryland Extension's publication *Understanding Farm Energy*, states that energy used to perform routine crop and livestock operations can cost a farmer several hundred or thousands of dollars each month, and that fuel and electricity used for operating equipment accounts for 15% of U.S. agricultural production costs. The publication also states rural transportation costs more because of the distance they must travel to the markets, meaning rural farmers are already paying additional costs to be able to sell the products they produce.

The Rural Maryland Council respectfully requests your favorable support of House Bill 678.

Sincerely,

Charlotte Davis
Executive Director

Cc. Delegates Sample-Hughes, Adams, Arentz, Fair, Ghrist, Jacobs, and Otto



Email: rmc.mda@maryland.gov Website:rural.maryland.gov

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support with Amendments of

House Bill 695 – Rural Maryland Prosperity Investment Fund – Allocation of Grants
(Rural Communities Improvement Act of 2023)

Finance Committee

March 29, 2023

The Rural Maryland Council supports House Bill 695– Rural Maryland Prosperity Investment Fund – Allocation of Grants (Rural Communities Improvement Act of 2023) as amended. This amended bill contains one technical update to the Rural Maryland Prosperity Investment Fund that will promote and expand workforce and cooperative development projects and programs in rural Maryland through a formula-driven grant program administered by the Rural Maryland Council.

The Rural Maryland Council (RMC) is an independent State Agency housed in the Department of Agriculture. RMC is known as the collective voice for Rural Maryland and its mission is to convene stakeholders to collectively address the needs of rural Maryland communities. The Council administers two grant programs – the Rural Maryland Prosperity Investment Fund (RMPIF) and the Maryland Agricultural and Rural Development Assistance Fund (MAERDAF). This legislation focuses on the RMPIF program. The RMPIF funds are distributed through a highly competitive grant program to the State's five Rural Regional Councils and programs and projects eligible under entrepreneurship, infrastructure, and health care. A portion of funds are retained by the Rural Maryland Council for operational expenses consisting primarily of staff salaries.

The original RMPIF distribution formula was adopted in 2006, although it was not until Fiscal Year 2017 that the Council received initial funding for this program. In 2014, the Maryland General Assembly and the Governor signed Senate Bill 137/House Bill 1024-Rural Maryland Prosperity Investment Fund—Revisions and Extension of Termination Date (Chapter 469 of 2014) which updated the formula to include health care and a hold harmless clause to ensure funding for RMC operations. The Rural Maryland Council received \$9,001,144 in Fiscal Year 2023 and is budgeted to receive \$9,046,194 in Fiscal Year 2024.

Demand for RMC programs is high. Over the past five years, in Fiscal Year 2019 through 2022, the RMC grant programs have had an average of 155 applicants requesting \$10,819,991. With this funding, RMC has funded on average 66 applicants at \$6,080,255. In FY2023, RMC received 50% in additional funding and was able to provide more grants that are helping build stronger rural communities. In Fiscal Year 2023, RMC received 215 grant applications totaling \$19,130,407, of which 84 grants were awarded totaling \$8,369,629. These grant recipient projects have had significant outcomes such as improved education outcomes of at risk, minority children by providing educational summer enrichment programming; supporting general contractor and infrastructure costs for a new 72-unit affordable housing community; expanding broadband internet connections to new homes; and, providing medical transporation, personnel, and services to those in need.

The Council seeks to add Cooperative Development and Workforce Development as focus areas under Rural Entrepreneurship and Agricultural Development as a technical update to the RMPIF statute. Through Rural Workforce Development, the Council will support apprenticeships and community colleges so young adults can stay in rural areas and become part of the rural workforce. Efforts to improve career and technology education through the implementation of the Blueprint for Maryland's Future will be a main component of this program. Through Cooperative Development, the Council will support programs that improve the economic conditions of rural areas by helping individuals and businesses start, expand, or improve rural cooperatives and other mutually owned businesses.

The strength of the Council's impact is dependent on the resources provided to them through the State's operating budget. The Council members and rural non-profit community leverage these funds with local and federal funds to improve the lives of rural Marylanders. RMPIF funding allows many rural organizations to provide innovative programming that creates jobs, educational opportunities, and enhances the quality of life in our rural communities. For many nonprofit organizations and stakeholders, RMPIF provides the critical support needed to fuel healthy, resilient rural communities.

The Rural Maryland Council respectfully requests your favorable support of House Bill 695 as amended.



Email: rmc.mda@maryland.gov Website:rural.maryland.gov

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of

House Bill 695 – Rural Maryland Prosperity Investment Fund – Revisions and Sunset Repeal
(Rural Communities Improvement Act of 2023)
Environment and Transporation Committee
Friday, February 24, 2023

The Rural Maryland Council supports House Bill 695 – Rural Maryland Prosperity Investment Fund – Revisions and Sunset Repeal. This bill contains six technical updates to the Rural Maryland Prosperity Investment Fund that will promote and expand a formula-driven grant program administered by the Rural Maryland Council.

The Rural Maryland Council (RMC) is an independent State Agency housed in the Department of Agriculture. RMC is known as the collective voice for Rural Maryland and its mission is to convene stakeholders to collectively address the needs of rural Maryland communities. The Councils administers two grant programs – the Rural Maryland Prosperity Investment Fund (RMPIF) and the Maryland Agricultural and Rural Development Assistance Fund (MAERDAF). This legislation focuses on the RMPIF program. The RMPIF funds are distributed through a highly competitive grant program to the State's five rural regional councils; programs and projects eligible under entrepreneurship, infrastructure, and health care. A portion of funds are retained by the Rural Maryland Council for operational expenses consisting primarily of staff salaries.

The original RMPIF distribution formula was adopted in 2006, although it was not until Fiscal Year 2017 that the Council received initial funding for this program. In 2014, the Maryland General Assembly and the Governor signed Senate Bill 137/House Bill 1024-Rural Maryland Prosperity Investment Fund—Revisions and Extension of Termination Date (Chapter 469 of 2014) which updated the formula to include health care and a hold harmless clause to ensure funding for RMC operations.

The Rural Maryland Council received \$9,001,144 in Fiscal Year 2023 and is budgeted to receive \$9,046,194 in Fiscal Year 2024. While the bill contains a mandatory funding requirement of \$750,000 for the Rural Maryland Council operational expenses and \$250,000 for the Maryland Agricultural Education and Rural Development Assistance Fund, assuming the FY24 budget is adopted without changes to the Rural Maryland Council, it will have no impact on revenues for the agency. The agency, under the Rural Maryland Prosperity Investment Fund statute, received \$750,000 for operational expenses in Fiscal Year 2023. The Maryland Agricultural Education and Rural Development Assistance Fund received \$1,153,203.

Demand for RMC programs is high. Over the past five years, in Fiscal Year 2019 through 2022, the RMC grant programs have had an average of 155 applicants requesting \$10,819,991. With this funding, RMC has funded on average 66 applicants at \$6,080,255. In FY2023, RMC received 50% in additional funding and was able to provide more grants that are helping build stronger rural communities. In Fiscal Year 2023, RMC received 215 grant applications totaling \$19,130,407, of which 84 grants were awarded totaling \$8,369,629. These grant

recipient projects have had significant outcomes such as improved education outcomes of at risk, minority children by providing educational summer enrichment programming; supporting general contractor and infrastructure costs for a new 72-unit affordable housing community; expanding broadband internet connections to new homes; and, providing medical transporation, personnel, and services to those in need.

The Council seeks the following technical updates to further enhance their work and build stronger rural communities:

- 1. Remove the 2030 sunset for the Rural Maryland Prosperity Investment Fund
- 2. Replace 'may' with 'shall' for the Governor to include an appropriation of at least \$1,000,000 to the Rural Maryland Prosperity Fund
- 3. Clarify that only State recognized rural regional councils are eligible for RMPIF
- 4. Add Cooperative Development and Workforce Development as focus areas under Rural Entrepreneurship and Agricultural Development
- 5. Update the hold harmless clause to match what the Council currently receives.
- 6. Includes text that the Executive Committee must concur with any reallocations of grant funds from one fund to the other.

The strength of the Council's impact is dependent on the resources provided to them through the State's operating budget. The Council members and rural non-profit community leverage these funds with local and federal funds to improve the lives of rural Marylanders. RMPIF funding allows many rural organizations to provide innovative programming that creates jobs, educational opportunities, and enhances the quality of life in our rural communities. For many nonprofit organizations and stakeholders, RMPIF provides the critical support needed to fuel healthy, resilient rural communities.

The Rural Maryland Council respectfully requests your favorable support of House Bill 695.

FY2023 Funding Distribution (based on FY23 Operating Budget Appropriation-SB290)						
, <u> </u>		123 Operatir	ig Buaget A	Appropriation-582	<u>90)</u>	
Starting grant amount:	9,001,144					
1/3 to Regional Councils	3,000,000					
each Regional Council		600,000				
RMPIF remaining balance	6,001,144					
divide evenly to categories:			_			
Infrastructure		1,500,000				
Entrepreneurship		1,500,000				
Health		1,500,000				
RMC and MAERDAF		1,501,144				
			750,000	RMC		
			751,144	MAERDAF	751,144	
				-	118,485	
				MAERDAF		
RMC total:	750,000			total:	869,629	



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Opposition of
House Bill 718 – Renewable Energy Portfolio Standard – Eligible Sources – Alterations
(Reclaim Renewable Energy Act of 2023)
Economic Matters Committee
March 9, 2023

The Rural Maryland Council opposes House Bill 718 – Renewable Energy Portfolio Standard – Eligible Sources – Alterations (Reclaim Renewable Energy Act of 2023). This bill removes several energy sources from eligibility for inclusion in the State Renewable Energy Portfolio (RPS), more specifically: (1) certain forest-related and gas sources of qualifying biomass; (2) thermal biomass systems that use primarily animal manure; (3) poultry litter-to-energy; (4) waste-to-energy; and (5) refuse-derived fuel. The bill also makes several conforming changes. The bill, which applies to all RPS compliance years starting on or after January 1, 2023, may not be construed to impair an existing obligation or contract right.

The passage of this bill will impact rural and agricultural parts of the State by excluding energy derived from several of the current sources that are considered Tier 1 renewable resources in the State Renewable Energy Portfolio, which are food waste, poultry litter and wood biomass. The exclusion of these materials will result in more waste materials that could be used for clean renewable energy. Additionally, it negatively impacts the individuals, businesses, and farmers that take advantage of the materials that are currently listed as Tier 1 renewable resource.

The removal of food waste will result in more wasted food going to landfills. In 2015, the US Environmental Protection Agency and the US Department of Agriculture announced a national goal to reduce food waste by 50% by 2030. According to the Maryland Department of the Environment, over nine hundred thousand tons of food waste is generated annually and only a small portion is recycled while a majority is disposed of in landfills or incinerated. Food waste as a renewable fuel source can provide significant contributions towards on-farm energy use, revenue generation, and climate change mitigation. An example of this is a partnership between West Nottingham Academy and Kilby Farm Creamery located in Cecil County, Maryland. In partnership, the school diverts nearly 7 tons of food waste annually from their dining hall to the farm digester where it becomes compost and energy to run the farm.

The Maryland Department of Agriculture currently works to fund the construction of anaerobic digesters in Maryland. The construction of the Bioenergy Devco facility at the Maryland Food Center Authority was completed in 2021. According to Bioenergy Devco's website, the facility is capable of recycling 115,000 tons of organics annually to produce approximately 265,000 MMBtu of renewable natural gas and 20,000 tons of soil amendment for agricultural and other land use. The resulting greenhouse gases prevented from being released into the atmosphere have the equivalent environmental impact of a 47,000-acre forest, or 56 times the size of Central Park.

The bill's removal of poultry liter could also significantly impact Maryland's poultry farmers. Construction is underway for CleanBay Renewables Westover bio-refinery which, using anaerobic digestion, will recycle more than 150,000 tons of chicken litter annually and convert it into renewable natural gas and a nutrient-rich fertilizer product. By repurposing a potential source of excess nutrients, CleanBay can generate 765,000 MMBTUs of sustainable renewable natural gas, which it will sell to Chesapeake Utilities.

The State of Maryland also recently invested in an anaerobic digester as part of the natural gas pipeline to the University of Maryland Eastern Shore and the Eastern Correctional Institute. This digester and pipeline will provide a cleaner and cheaper energy resource to a minority and low-income area. The current Tier 1 renewable resources provide positive economic and environmental impacts to Maryland. The Rural Maryland Council respectfully requests your opposition of House Bill 718. The Rural Maryland Council (RMC) is an independent state agency governed by a nonpartisan, 40-member board that consists of inclusive representation from the federal, state, regional, county and municipal governments, as well as the for-profit and nonprofit sectors. We 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.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

March 16, 2023

The Honorable Kumar P. Barve Chairman, Environment and Transporation Committee 251 Taylor House Office Building 6 Bladen Street Annapolis, MD 21401

RE: LETTER OF SUPPORT
House Bill 723 – Natural Resources – Forest Preservation and Retention

Dear Chairman Barve:

The Rural Maryland Council <u>supports with amendment</u> House Bill 723 – Natural Resources – Forest Preservation and Retention. This bill will strengthen protection for forests, decreasing forest fragmentation while maintaining and increasing the total acreage of forest state wide by, altering the definition of "qualified conservation" for purposes of provisions of law related to forest mitigation banks; establishing and authorizing certain alternative methods of calculating forest afforestation, reforestation, and preservation requirements; adding certain tree plantings and practices as methods that certain municipal corporations may use to meet afforestation or reforestation requirements; and generally relating to forest preservation and retention.

A recent study published by the Harry R. Hughes Center for Agro-Ecology of the University of Maryland found that Maryland experienced a net statewide forest loss of more than 19,000 acres from 2013 through 2018. Losses to development and forest fragmentation - particularly in Montgomery, Prince George's, Anne Arundel, Charles, Calvert and Baltimore County - remain significant.

Senate Bill 526 will strengthen current law to address this forest loss and fragmentation by:

- Updating forest goals and definitions to provide clarity and reflect new data.
- Change state policy regarding the "retention and sustainable management of forest lands" from encouraging achieving no-net-forest-loss, to increasing forest land acreage and tree canopy across MD.
- Provide afforestation* requirements for developed areas, while establishing priority afforestation and reforestation areas. *Afforestation the act of establishing a forest, especially on land not previously forested.
- Establish forest conservation thresholds for agricultural and resource areas, medium, highdensity, mixed-use and planned unit development areas, commercial and industrial use areas, and institutional development areas. The forest conservation threshold means the percentage of the net tract area at which the <u>reforestation requirement changes from a ratio of 1/4 acre planted for every 1 acre removed, to a ratio of 2 acres planted for every 1 acre removed</u>. Likewise, it establishes a formula for payment into the Forest Conservation Fund.
- Establishes parameters for afforestation and reforestation efforts, both on-site and offsite. Likewise, standards for meeting afforestation and reforestation requirements are established to guide State and local programs.

The Council works closely with the Maryland Forest Association (MFA) – an association that represents forest landowners and forest product companies. MFA staff have informed the Council that some counties "A Collective Voice for Rural Maryland"

occasionally confuse commercial logging where the land is not to be converted to a non-forest use with forest land clearing where the intent is to convert the use, usually to development. To avoid this confusion, MFA suggests a simple amendment noting that the provisions of the act do not apply to commercial logging or forest management activities (amendment text attached).

The Rural Maryland Council supports forest preservation and retention and respectfully requests your favorable support of House Bill 723.

The Rural Maryland Council respectfully requests your favorable support of House Bill 723.

Sincerely,

Charlotte Davis
Executive Director

Cc. Delegates Love, Bridges, and Stein

House Bill 723

Amendment

1. Page 4, line 2, (ii) add after current text; and commercial logging and forest management activities where there is no intent to convert the land to non-forest use.

To read in full (ii) The cutting or clearing of the forest is conducted so as to minimize the loss of forest; and commercial logging and forest management activities where there is no intent to convert the land to a non-forest use.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
House Bill 838 – Housing – Community Development Program Act – Funding
Appropriations Committee
March 14, 2023

The Rural Maryland Council supports House Bill 838 – Housing – Community Development Program Act – Funding. This bill requires the Comptroller to distribute \$5.0 million annually from the State's unclaimed property fund to the Community Development Program Fund (CDPF) within the Department of Housing and Community Development (DHCD). The bill also repeals uncodified language from prior chapter law specifying that DHCD is not required to incur costs for the Community Development Program (CDP) until money is appropriated in the State budget. The bill takes effect June 1, 2023.

House Bill 838 creates a permanent funding source for the Community Development Fund which was created in 2018. The funding is critical operating dollars for community-based organizations to use for affordable housing, neighborhood and commercial revitalization, housing and financial counseling, small business development, community services, and more.

Rural communities face unique challenges when dealing with the affordable housing crisis. Because development does not generally occur at a large scale in rural areas, construction costs are often higher in rural communities compared to urban areas, which reduces the incentives for private investment. Additionally, a lack of access to credit in many rural areas limits funding for maintenance of existing units. House Bill 838 will provide the financial support needed to help resolve these housing challenges.

The Rural Maryland Council respectfully requests your favorable support with amendments of House Bill 838.



Email: rmc.mda@maryland.gov Website: www.rural.maryland.go

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
House Bill 847 – Anaerobic Digestion Workgroup
Environment and Transporation Committee
Economic Matters Committee
March 1, 2023

The Rural Maryland Council supports House Bill 847 – Anaerobic Digestion Workgroup. This bill will establish an Anaerobic Digestion Workgroup to study, identify, examine, and make recommendations on certain aspects of anaerobic digestion.

Anaerobic digestion is a biological method to create renewable energy, in the form of methane (CH4)—enriched biogas, from organic rich substrates, such as manure, food waste, and wastewater sludge. The Rural Maryland Council has been working to develop more relationships with farmers and institutional systems in support of the use of anaerobic digestion. There are currently a handful of active anaerobic digester systems in Maryland and the findings from this Workgroup may lead to greater support and buildout of these beneficial systems.

In 2013, ECOCORP, Inc. completed the construction of an anaerobic digester facility at the Eastern Correction Institution in Somerset County. The anaerobic digester supplies a portion of the power needed at the prison. The digester uses heat to deodorize and sterilize manure, while using the methane gas it produces to generate electricity.

In 2018, the Department of Agriculture awarded a \$1.85 million grant to Kilby Farm, LLC in Cecil County to install an anaerobic digester at its 400-dairy operation. The project represents a retrofit to an existing, but non-operational, digestion system that created a reliable power supply for the farm throughout the year. A digestor can benefit farmers as it can provide a new source of income for them - biomethane, electricity, heat, and biofuel can be sent to the department of energy to be sold to other farms. Additionally, the use of cow manure in the methane digestor reduces the greenhouse gas emissions that would otherwise be produced in livestock operations.

In 2021, Bioenergy Development Company completed the construction of an anaerobic digestion facility on the Maryland Food Center campus in Jessup. This is largest anaerobic digester in the state and has the potential to divert approximately 125,000 tons of food wastes generated per year from landfill disposal and produce enough energy to power 4,800 homes. In addition to reducing greenhouse gas emissions and creating renewable energy, it will also improve Maryland's recycling processes and create up to 50 new jobs.

The Council supports and encourages anaerobic digestion technology to benefit farmers, institutional systems, and the environment. The Rural Maryland Council respectfully requests your favorable support of House Bill 847.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in <u>Support with Amendment</u> of
House Bill 983 – Hunting, Wildlife Conservation, and Outdoor Recreation – Funding,
Promotion, Management, Licenses, Permits, and Stamps
Environment and Transportation Committee

March 3, 2023

The Rural Maryland Council <u>supports with amendment</u> House Bill 983 – Hunting, Wildlife Conservation, and Outdoor Recreation – Funding, Promotion, Management, Licenses, Permits, and Stamps. This comprehensive bill allows the Heritage Conservation Fund to acquire land that can be used by the general public for hunting, authorizes a sika deer hunting stamp, authorizes a nonresident attending a college or university in the state to purchase a resident hunting license and repeals the prohibition of migratory game birds on Sunday as well as other provisions related to Hunting, Wildlife Conservation, and Outdoor Recreation – Funding, Promotion, Management, Licenses, Permits, and Stamps. The bill takes effect July 1, 2023.

The Rural Maryland Council (RMC) supports new economic opportunities related to outdoor recreation in the State. Outdoor recreation-including hunting-is a major economic force in rural Maryland. According to *Hunting Works for Maryland*, in 2018, hunting generated \$401 million in economic activity with the majority spent at locally owned businesses across the State. The According the U.S. Bureau of Economic Analysis, the new U.S. data shows that the outdoor recreation economy accounts for 1.9 percent (\$454.0 billion) of the current-dollar gross domestic product for the nation in 2021. HB983 will increase State hunting revenues by providing access to more land and requiring stamps for additional animals, such as the sika deer (pronounced SEE-kuh).

The Council is generally in favor of the HB983 with one exception – the provision that permits migratory bird hunting on Sunday and ask that it be amended to remove this provision.

The Rural Maryland Council respectfully requests your <u>favorable support with amendment</u> of House Bill 983.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support with Amendment of
House Bill 1038 – Transporation – Highways – Tourist Areas and Corridor Signage Program
Environment and Transportation Committee
March 2, 2023

The Rural Maryland Council <u>supports with amendments</u> House Bill 1038 - Transporation - Highways - Tourist Areas and Corridor Signage Program. This bill establishes the Tourist Area and Corridor Signage Program to create a system of supplemental guide signs to direct motorist to eligible individual attractions by directing the motorists first to groups of attractions; requires the Administration to conduct a certain investigation on signing feasibility and prepare a signing plan if the Eligibility Committee approves an attraction's application; requires the Governor to include in the annual budget bill an appropriation of \$350,000 to the Program for fiscal year and generally relating to the Tourist Area and Corridor Signage Program.

The Rural Maryland Council (RMC) welcomes the opportunity to highlight tourist areas and corridors throughout the State. Agritourism is one of the fastest growing segments of agricultural direct marketing taking place in rural areas across the State. Agritourism allows farmers to diversify their core operations and keep farmland in production while preserving scenic vistas and maintaining farming traditions. Agritourism helps educate the public about the importance of agriculture to a community's economic base, quality of life, history, and culture.

RMC would like this bill amended to include agritourism on the list found on page 4, Section (F)(2), lines 17 through 24 that includes the categories for attraction that are eligible for signing with generic symbols approved for use. Additionally, the Council would like the amendment to remove the timing restrictions as listed on page 3, Section (V), lines 12 through 17. The timing requirements could greatly limit the number of rural sites that would be eligible to participate in this program.

The Rural Maryland Council respectfully requests your favorable support of House Bill 1038 with amendments.

House Bill 1038 Amendments

- On Page 3, Line 16, Strike "AND".
 On Page 3, Line 17 after "YEAR", add "AND" and on line 18 add "5. Except for certain Seasonal Agritourism attractions."

 3. On Page 4, Line 23, add "AND" and on Line 24 add "Agritourism Attractions".



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Charlotte Davis, Executive Director

Susan O'Neill, Chair

March 3, 2023

The Honorable Kumar P. Barve Chairman, House Environment and Transportation Committee Taylor House Office Bldg., Room 251 6 Bladen Street Annapolis, MD 21401

RE: LETTER OF INFORMATION

House Bill 1083 – Food System Resiliency Council – Invasive Species Coalition - Establishment

Dear Chairman Barve:

The Rural Maryland Council submits this letter of information for House Bill 1083 – Food System Resiliency Council – Invasive Species Coalition – Establishment which was heard in the House Environment and Transportation Committee on March 3, 2023.

The Rural Maryland Council supports the work of the Maryland Food System Resiliency Council which was created in 2021 (HB831/SB723 of 2021) and the Office of Resilience created in 2022 (HB706/SB630 of 2022). These entities work to alleviate food insecurity in the State to make sure everyone in our State has access to healthy produce and protein. Due to the importance of the Food System Resiliency Council, the Council's work should be made a permanent body within the Maryland Department of Emergency Management and not just extended five years as designated under HB1083. The Council previously supported earlier this Session House Bill 32 – Maryland Food System Resiliency Council which was heard before the Committee on February 1, 2023.

However, we support creation of the Invasive Species Coalition contained in HB1083. As you know, the Chesapeake Bay is under threat due to an invasive fish species known as the blue catfish (Ictalurus furcatus). According to www.chesapeakebay.net this species has the potential to cause substantial harm to the Chesapeake Bay food web as it has a long lifespan and an expansive diet, which can include many native species that call the Bay their home such as menhaden and blue crabs. In August 2020, the Chesapeake Bay Program developed the Invasive Catfish Management Strategy that included a commercial fishery and marketing strategy to increase consumer awareness and market demand of wild-caught blue catfish from the Bay. A coalition as laid out in HB1083 will help support the efforts to include this invasive species in our food supply while also monitoring and eradicating it from the Bay.

Thank you for the opportunity to comment on HB 1083.

Sincerely,

Charlotte Davis
Executive Director

Cc. Delegates Jacobs, Adams, and Arentz



Email: rmc.mda@maryland.gov Website:rural.maryland.gov

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of

House Bill 1100 – Battery Storage and Solar Arrays Safety Training Grant Program and Fund

Environment and Transporation Committee

Economic Matters Committee

March 8, 2023

The Rural Maryland Council supports House Bill 1100 - Battery Storage and Solar Arrays Safety Training Grant Program and Fund. This bill establishes the Battery Storage and Solar Arrays Safety Training Grant Program in the Maryland Energy Administration, funded through a special, nonlapsing fund known as the Battery Storage and Solar Arrays Safety Training Grant Fund (the "Fund"). This program will provide grants to local governments to train local fire departments on certain safety aspects associated with lithium-ion battery storage systems installed with solar arrays; and other provisions generally relating to lithium-ion battery storage and solar arrays.

A solar battery is an energy storage solution that is used to collect and store power generated from alternative energy sources such as wind and solar generation facilities. These types of systems are put in place to maximize the use of alternative energy, increase energy independence, and reduce the carbon footprint. There are risks involved using these types of systems, one of which is thermal runaway. According to UL Research Institutes, <u>UL Research Institutes</u>, Thermal runaway is one of the primary risks related to lithium-ion batteries and occurs when a lithium-ion cell generates heat at a rate several times higher than the rate at which heat dissipates from the cell. When these batteries fail or overheat, they release flammable, toxic gases that can spark a fast-spreading fire that is extremely difficult to extinguish, leading to tremendous damage to the battery and surrounding area.

Simply Google 'firefighter training for lithium batteries' and you will find story after story of devastation caused by lithium-ion battery fires and the lack of training of firefighters to address them. According to the U.S. Fire Administration, fires involving lithium-ion batteries are increasing rapidly, as they are in a growing number of applications including consumer products, transporation products, and power generations within the nation's electric power grid. These fires are difficult to control because the source of gases that are creating the flames is confined within a cell battery that will not allow water in. Training is essential to help firefighters better understand the physical phenomena that determine how hazards develop during the lithium-ion incidents and how to best deal with them.

As Maryland moves towards a renewable energy portfolio, measures must be taken to do it safely. It is imperative that Maryland fire departments are sufficiently trained to handle incidences caused by lithium-ion battery malfunctions. House Bill 1100 will provide the training and funds to make this happen and the Rural Maryland Council requests your favorable support of HB1100.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
House Bill 1133 – Agriculture – Veterinary Practitioners – Student Loan Forgiveness Program
Appropriations Committee
March 7, 2023

The Rural Maryland Council supports House Bill 1133 – Agriculture – Veterinary Practitioners – Student Loan Forgiveness Program. This bill establishes the Veterinary Practitioner Student Loan Forgiveness Program to be administered by the Secretary of Agriculture. This bill will require Program participants to sign a contract to complete a service obligation to practice in the State for at least 2 years and in return the participant will receive an annual disbursement in the amount of \$20,000 or the amount of their educational loans, whichever is less. The Program participants will be selected based on experience, training, and availability to practice in certain high-need areas. High-need areas include rural areas; low-income areas; emergency practices; nonprofit shelters; municipal shelters; and other underserved areas as determined by the Secretary.

The Rural Maryland Council (RMC) supports House Bill 1133 due to the lack of veterinarians, especially for large animals, in Maryland's rural areas. This shortage is due to a combination of low wages, long hours, and fewer new graduates wanting to live outside a major city. In 2017, the U.S Department of Agriculture identified 187 mostly rural areas that lack sufficient access to a veterinarian. According to the Bureau of Labor Statistics, veterinarians earn between \$61,470 and \$73,540 a year in rural areas, which is roughly half of what they can make in a city. Additionally, according to the American Association of Veterinary Medicine, the average vet school debt is \$188,853.

Loan forgiveness programs can successfully recruit and retain high-quality professionals into fields and communities where they are most needed. The Veterinary Practitioner Student Loan Forgiveness Program will benefit rural Maryland and the Council respectfully requests your favorable support of House Bill 1133.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 34 – Department of Agriculture – State Ombudsman for Value – Added Agriculture
Senate Education, Energy, and the Environment
January 25, 2023

The Rural Maryland Council **supports** Senate Bill 34 – Department of Agriculture – State Ombudsman for Value-Added Agriculture. This bill will establish the State Ombudsman for Value-Added Agriculture as a position within the Department of Agriculture.

The Rural Maryland Council has long supported increased opportunities for agriculture and the forest products industry enterprises. Value-added production enables farmers to incorporate additional revenue streams into existing operations. Value added agriculture enables primary producers to access secondary markets by transforming raw agricultural products and altering it in a way to increase it's worth to the consumer and producer- think milk to cheese, tomatoes to salsa, wood to furniture. Grow and Fortify's Economic Analysis Value-Added Agriculture in Maryland published in February 2020 reports that value added agriculture provides nearly 74,000 jobs, has an economic impact of over \$20.6 billion annually, and adds nearly \$875 million to the State's fiscal resources.

Due to the complex and cross sector impact related to zoning, permitting and inspections, some farmers have difficulty navigating government and regulatory structure. We believe that a State Ombudsman for Value-Added Agriculture would work to improve farm viability by working with the farmers to navigate the complex regulatory structure.

As envisioned under this bill, the State's Ombudsman for Value-Added Agriculture will work alongside other appointed positions to support producers to enable stronger farms across Maryland through increased profit margins for farmers and rural Maryland.

The Council supports and encourages Value-Added agriculture and the benefits it brings to both farmers and the State's economy. The Rural Maryland Council respectfully requests your favorable support of Senate Bill 34.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 94 – Income Tax -Subtraction Modification – Public Safety Volunteers
Ways and Means Committee
March 23, 2023

The Rural Maryland Council supports Senate Bill 94 as amended by the Budget and Taxation Committee – Income Tax – Subtraction Modification – Public Safety Volunteers. This bill increases the amount of subtraction modification under the Maryland income tax from \$7,000 to \$10,000 for an individual who is a qualifying public safety volunteer beginning in a certain taxable year; and generally relating to a subtraction modification under the Maryland income tax for qualifying public safety volunteers.

The modification to subtract \$10,000 from a Public Safety Volunteer's federal adjusted gross income to determine their Maryland adjusted gross income would be financially beneficial to those who voluntarily serve Maryland, while encouraging more individuals to serve in a public safety organization. According to the National Fire Protection Association's U.S Fire Department Profile 2020, there were an estimated 1,041,200 career and volunteer firefighters in the United States in 2020. There were 364,300 career firefighters in 2020, representing an increase of 2 percent from the previous year. In addition, there were 676,900 volunteer firefighters, representing a 6 percent decrease from the previous year, and the lowest number of volunteer firefighters reported over the years. The Report also states that most volunteer firefighters (95%) serve in departments that protect fewer than 25,000 people. Approximately half (48%) of the volunteer firefighters are with small, rural departments that protect fewer than 2,500 people. Maryland's rural areas rely heavily on volunteer firefighters and a decrease in volunteers puts rural communities at a higher risk during emergencies. In addition, the Council recommends looking at disparities of salaries between paid firefighters of urban areas and volunteer benefits in rural areas.

The Rural Maryland Council respectfully requests your favorable support of Senate Bill 94 - Income Tax - Subtraction Modification – Public Safety Volunteers.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 121 – More Opportunities for Career-Focused Students Act of 2023
Ways and Means Committee
Economic Matters Committee
March 22, 2023

The Rural Maryland Council <u>supports</u> Senate Bill 121 – More Opportunities for Career-Focused Students Act of 2023. This bill generally requires local school systems to assist high school students in preparing for admission to registered apprenticeship programs in a manner similar to how they assist students in preparing for admission to postsecondary institutions. The bill takes effect July 1, 2023.

Senate Bill 121 obligates county boards of education to classify qualifying certifications or apprenticeships as the equivalent of pursuing post-secondary education, which elevates alternative career paths for which there is acute demand in the current labor market. The bill would require schools to pay the exam fees for trade skills and apprenticeship certifications, provided they already do so for college preparatory courses, and would require them to help connect students with vocational apprenticeship and career opportunities, like they do for colleges and universities.

The Rural Maryland Council (RMC) recognizes the value of apprenticeships and the potential impact they have on growing Maryland's economy. Apprenticeships develop important pipelines that help retain youth within communities, while enabling them to acquire important skills that can be utilized in the workforce. The Council has long supported apprenticeship programs, such as the Campaign for Historic Trades in 2019. This program was launched by Preservation Maryland and the National Park Services and teaches students the skills to restore and maintain the historic buildings found in National Parks. Approximately 30 apprentices completed this program and 24 landed permanent jobs within the National Park Service. More recently, in 2022 the RMC supported the Shipwright Apprentice Program at the Chesapeake Bay Maritime Museum (CBMM) in St. Michaels, Maryland. CBMM's four-year Shipwright Apprentice Program covers 8,000 hours of real work experiences, including instruction and training on joinery techniques, ship layout, ship repair, and construction, as well as leadership and management skill development.

The Rural Maryland Council respectfully requests your favorable support of Senate Bill 121.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 124 – Maryland Food System Resiliency Council
Senate Education, Energy, and the Environment
January 25, 2023

The Rural Maryland Council **supports** Senate Bill 124 – Maryland Food System Resiliency Council. This bill clarifies that the Maryland Food System Resiliency Council is housed within the Office of Resilience in the Maryland Department of Emergency Management.

The Rural Maryland Council supported the establishment of the Maryland Food System Resiliency Council in 2021 (HB831/SB723 of 2021) and the establishment of the Office of Resilience in 2022 (HB706/SB630 of 2022) and continues to support this imperative work that alleviates food insecurity in the State in times of crisis. Food insecurity has been a problem across the nation, including the state of Maryland. Before the pandemic, the Maryland Food Bank claimed that one in every three Marylanders may be food insecure, meaning they do not know where their next meal is coming from. The economic effects of the pandemic have only increased the number of families currently struggling to find their next meal. During the pandemic, we saw that there was a 38% increase in new participants who received charitable food support according to Feeding America Network.

The Rural Maryland Council supports the good work of the Maryland Food System Resiliency Council in addressing food insecurity. Additionally, it fits well in the Office of Resilience's goal to build neighborhood resiliency. We believe that SB124 is technical in nature and the Rural Maryland Council respectfully asks for your favorable report of Senate Bill 124.



Email: rmc.mda@maryland.gov Website:rural.maryland.gov

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 181/House Bill 200 – Budget Bill (Fiscal Year 2024)
Budget and Taxation Committee
Public Safety, Transportation and Environment Subcommittee
Friday, February 17, 2023

The Rural Maryland Council supports the Governor's Appropriation for the Rural Maryland Council and the Maryland Agricultural Education and Rural Development Assistance Fund contained in Senate Bill 181/HB200 – Budget Bill (Fiscal Year 2024). This funding will be highly beneficial to those who live, work, and visit the many great rural areas of our State. The funds allocated in the Fiscal Year 2024 budget will support the Rural Maryland Council's (RMC) operations and activities, RMC's two grant programs – the Rural Maryland Prosperity Investment Fund (RMPIF) and the Maryland Agricultural Education and Rural Development Assistance Fund (MAERDAF), and the State's five Rural Regional Councils.

The RMPIF and MAERDAF grant programs have provided substantial amounts of needed opportunities and resources to our rural communities. The RMPIF grant program is designed to facilitate significant targeted investments in important economic and community development programs and promote regional and intergovernmental cooperation. The MAERDAF grant program provides capacity building grants to rural serving nonprofit organizations and community colleges that promote statewide and regional planning, economic and community development, youth engagement & leadership development, energy, rural broadband, and agricultural and forestry education.

Demand for our programs are high. Over the past five years, in Fiscal Year 2019 through 2022, the RMC grant programs have had 155 applicants requesting \$10,819,991. With this funding, RMC has funded on average 66 applicants at \$6,080,255. In FY2023, RMC received 50% in additional funding and was able to provide more grants that are helping build stronger rural communities. In Fiscal Year 2023, RMC received 215 grant applications totaling \$19,130,407, of which 84 grants were awarded totaling \$8,369,629. These grant recipient projects have had significant outcomes such as improved education outcomes of at risk, minority children by providing educational summer enrichment programming; supporting general contractor and infrastructure costs for a new 72-unit affordable housing community; expanding broadband internet connections to new homes; and, providing medical transporation, personnel, and services to those in need.

In 2021-2022, RMC tasked the Regional Economic Studies Institute (RESI) of Towson University to estimate the economic and fiscal impact that the RMC grants have had on Maryland's Economy. **RESI's findings showed that with the State's investment, an additional \$67 million in federal, local, and private funding has been directed into our rural areas.** Furthermore, the RMPIF program between 2018 and 2021 has resulted in \$124 million in economic impact and \$40.9 million in employee compensation. The

MAERDAF program has provided \$12.1 million in additional economic impact and \$4.4 million in employee compensation.

The strength of the Council's impact is dependent on the resources provided to them through the State's operating budget. The Council members and rural non-profit community leverage these funds with local and federal funds to improve the lives of rural Marylanders. RMPIF funding allows many rural organizations to provide innovative programming that creates jobs, educational opportunities, and enhances the quality of life in our rural communities. For many nonprofit organizations and stakeholders, RMPIF provides the critical support needed to fuel healthy, resilient rural communities.

The Rural Maryland Council thanks Governor Moore for his support of the Council and respectfully requests your support of the Governor's appropriation for included in Senate Bill 181.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

March 16, 2023

The Honorable Brian J. Feldman Chairman, Education, Energy, and the Environment Committee 2 West Miller Senate Office Building 11 Bladen Street Annapolis, MD 21401

RE: LETTER OF SUPPORT

Senate Bill 327 – Hunting, Wildlife Conservation, and Outdoor Recreation – Funding, Promotion, Management, Licenses, Permits, and Stamps.

Dear Chairman Feldman:

The Rural Maryland Council <u>supports with amendment</u> Senate Bill 327 – Hunting, Wildlife Conservation, and Outdoor Recreation – Funding, Promotion, Management, Licenses, Permits, and Stamps. This comprehensive bill allows the Heritage Conservation Fund to acquire land that can be used by the general public for hunting, authorizes a sika deer hunting stamp, authorizes a nonresident attending a college or university in the state to purchase a resident hunting license and repeals the prohibition of migratory game birds on Sunday as well as other provisions related to Hunting, Wildlife Conservation, and Outdoor Recreation – Funding, Promotion, Management, Licenses, Permits, and Stamps. The bill takes effect July 1, 2023.

The Rural Maryland Council (RMC) supports new economic opportunities related to outdoor recreation in the State. Outdoor recreation-including hunting-is a major economic force in rural Maryland. According to Hunting Works for Maryland, in 2018, hunting generated \$401 million in economic activity with the majority spent at locally owned businesses across the State. The According the U.S. Bureau of Economic Analysis, the new U.S. data shows that the outdoor recreation economy accounts for 1.9 percent (\$454.0 billion) of the current-dollar gross domestic product for the nation in 2021. SB327 will increase State hunting revenues by providing access to more land and requiring stamps for additional animals, such as the sika deer (pronounced SEE-kuh).

The Council is generally in favor of the SB327 with one exception – the provision that permits migratory bird hunting on Sunday and ask that it be amended to remove this provision.

The Rural Maryland Council respectfully requests your <u>favorable support with amendment</u> of Senate Bill 327.

Thank you for the opportunity to comment on Senate Bill 327.

Sincerely,

Charlotte Davis
Executive Director

Cc. Senators Elfreth, Bailey, Gallion, Gile, Hester, Jackson, James, King, McKay, Rosapepe, and Salling

Senate Bill 327 Amendments

- 1. On page 1, lines 13 and 14, strike "authorizing a person to hunt migratory game birds on Sundays"
- 2. On page 11, line 25, keep the word 'not'
- 3. On page 12, line 2, strike "and hunting on State land on Sundays"



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 386 – Certified Local Farm and Chesapeake Invasive Species Provider Program – Establishment
Education, Energy, and the Environment Committee
February 15, 2023

The Rural Maryland Council **supports** Senate Bill 386 – Certified Local Farm and Chesapeake Invasive Species Provider Program – Establishment. The purpose of this bill is to expand the Certified Local Farm Enterprise program to include the Chesapeake Invasive Species Provider Program. The bill defines a certified Chesapeake invasive species as a finfish species that is 1) ranked as high priority in the Maryland Aquatic Nuisance Species Management Plan; and 2) harvested from the Chesapeake Bay or its tributaries.

According to www.fisheries.noaa.gov, the Chesapeake Bay is the nation's largest estuary at 64,000 square miles and produces approximately 500 million pounds of seafood each year, supporting jobs in both commercial and recreational fishing and bolstering the regional economy. This estuary is under threat due to an invasive fish species known as the blue catfish (Ictalurus furcatus). According to www.chesapeakebay.net this species has the potential to cause substantial harm to the Chesapeake Bay food web as it has a long lifespan and an expansive diet, which can include many native species that call the Bay their home such as menhaden and blue crabs. In August 2020, the Chesapeake Bay Program developed the Invasive Catfish Management Strategy that included a commercial fishery and marketing strategy to increase consumer awareness and market demand of wild-caught blue catfish from the Bay.

This bill will bolster this strategy as the Certified Local Farm Enterprise and Chesapeake Invasive Species Provider Program encourages state agencies, including public four-year universities, to achieve an overall goal of purchasing 20% of their food from this Program. Additionally, it will allow this entity to access the Certified Local Farm Enterprise Food Aggregation Grant Fund within the Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO). This program focuses on food aggregation, storage, processing, and distribution sites across the State through grants and near-equity investments. This bill will advance efforts to target, remove, process, and market blue catfish from the Chesapeake Bay.

The Rural Maryland Council supports and encourages steps taken to promote a healthier and bountiful Chesapeake Bay. The Rural Maryland Council respectfully requests your favorable support of Senate Bill 386.



Email: rmc.mda@maryland.gov Website: rural.maryland.gov

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 386 – Certified Local Farm and Fish Program – Establishment
Heath and Government Operations Committee
March 22, 2023

The Rural Maryland Council **supports** the amendments made to Senate Bill 386 – Certified Local Farm and Fish Program – Establishment. The purpose of this bill (1) renames the Certified Local Farm Enterprise Program to be the Certified Local Farm and Fish Program; (2) expands the program's purpose to include preferences for the purchase of food made from specified invasive species; (3) adds an annual reporting requirement; and (4) makes conforming changes. The bill takes effect July 1, 2023

According to www.fisheries.noaa.gov, the Chesapeake Bay is the nation's largest estuary at 64,000 square miles and produces approximately 500 million pounds of seafood each year, supporting jobs in both commercial and recreational fishing and bolstering the regional economy. This estuary is under threat due to an invasive fish species known as the blue catfish (Ictalurus furcatus). According to www.chesapeakebay.net this species has the potential to cause substantial harm to the Chesapeake Bay food web as it has a long lifespan and an expansive diet, which can include many native species that call the Bay their home such as menhaden and blue crabs. In August 2020, the Chesapeake Bay Program developed the Invasive Catfish Management Strategy that included a commercial fishery and marketing strategy to increase consumer awareness and market demand of wild-caught blue catfish from the Bay.

This bill will bolster this strategy as the Certified Local Farm Enterprise and Chesapeake Invasive Species Provider Program encourages state agencies, including public four-year universities, to achieve an overall goal of purchasing 20% of their food from this Program. Additionally, it will allow this entity to access the Certified Local Farm Enterprise Food Aggregation Grant Fund within the Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO). This program focuses on food aggregation, storage, processing, and distribution sites across the State through grants and near-equity investments. This bill will advance efforts to target, remove, process, and market blue catfish from the Chesapeake Bay.

The Rural Maryland Council supports and encourages steps taken to promote a healthier and bountiful Chesapeake Bay. The Rural Maryland Council respectfully requests your favorable support of the amended Senate Bill 386.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

March 16, 2023

The Honorable Guy Guzzone Chairman, Budget and Taxation Committee 3 West Miller Senate Office Building 11 Bladen Street Annapolis, MD 21401

RE: LETTER OF SUPPORT

Senate Bill 408: Income Tax – Subtraction Modification – Qualified Broadband

Grants

Dear Chairman Guzzone:

The Rural Maryland Council **supports** Senate Bill 408 – Income Tax - Subtraction Modification - Qualified Broadband Grants. This bill will allow a subtraction modification under the Maryland income tax for certain qualified broadband grants awarded during the taxable year for broadband deployment; and generally relating to tax incentives for broadband deployment.

Passage of this bill will help expand access to broadband throughout the State. Incentives in tax policy will help to lower the overall cost of infrastructure expansion. Many telecom companies borrow to invest in new markets or expand within existing ones. The subtraction modification will incentivize companies to take on debt capital, especially in markets and investments where there is no immediate return. Debt for financing new facilities, operational expenses (e.g., pole attachments, digging), equipment, and working capital can support more rapid deployment of rural broadband. (https://www.brookings.edu/blog/techtank/2017/11/06/tax-reform-can-support-rural-broadband/)

The lack of broadband access is one of the greatest concerns in rural Maryland. Having access to fast and reliable internet has become increasingly essential over the past several years and even more so during the recent pandemic. Many children must now rely on the internet to attend class and complete schoolwork, and more adults are now working from home. Other services such as telehealth visits have also become more popular, allowing patients to have medical examinations administered from the safety of their homes when transportation options are limited. In a time of growing dependency on technology, these trends are certain to continue.

The Federal government has already allocated more than \$72 billion for broadband development and infrastructure. At the end of 2021, President Joe Biden signed into law the Infrastructure Investment and Jobs Act ("IIJA"), a major infrastructure investment that included \$65 billion allocated for broadband development, particularly in rural and underserved communities. According to the Maryland Office of Statewide Broadband, as of December 15, 2022, the office has distributed \$23,200,000 in broadband expansion grants, \$130,100,000 in infrastructure grants and \$29,100,000 in additional broadband grants.

Providers report that existing tax obligations make many rural and underserved areas with fewer financial resources ineligible "due to their inability to meet the financial sustainability requirement" and pay taxes on the grant. (https://www.jdsupra.com/legalnews/tax-exemption-for-federal-broadband-2322681/) Location or income should not determine whether an individual or business has access to an important resource such as highspeed internet. We ask for your favorable support of Senate Bill 408.

Thank you for the opportunity to comment on Senate Bill 408.

Sincerely,

Charlotte Davis
Executive Director

Cc. Senators Ready, Carozza, Gallion, Salling, and West



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony if Support of
Senate Bill 418 – Property Tax – Agricultural Land and Improvements - Assessment
Budget and Taxation Committee
Wednesday, February 22, 2023

The Rural Maryland Council supports Senate Bill 418 - Property Tax - Agricultural Land and Improvements - Assessment. The bill will help agricultural landowners as it contains provisions that support value-added agricultural activities as a farm or agricultural use of land for tax assessment purposes. These improvements include the manufacturing, packaging, storage, promotion, or sale of value-added agricultural products derived from ingredients produced on the land; agricultural alcohol production; and agritourism. Allowing these parts of the land to be assessed as agricultural land will support viable and profitable farms, promote the growth of value-added agriculture activities in Maryland, and connect more people to the State's working landscapes.

Agritourism and value-added production provide revenue streams essential to the stability of Maryland Farmers. Many farmers are using their land for agritourism and other forms of value-added agriculture to make up for the lack of income they are receiving from less profitable conventional agricultural sales. Farmer investments in agritourism and on-farm value-added production bring additional tourism and revenue benefits to the State's economy. Grow and Fortify's *Value-Added Agriculture in Maryland - An Economic Analysis*, reports that value added agriculture provides nearly 74,000 jobs, has an economic impact of over \$20.6 billion annually, and adds nearly \$875 million to the State's fiscal resources. These farms are operating tasting rooms, retail markets, and other forms of value-added agriculture. Because these operations are being held on agriculture land and require farmers' time and resources derived from the land, these parts of the land should be properly assessed and taxed as agricultural land.

The Council supports and encourages value-added agriculture and the benefits it brings to both farmers and the State's economy. The Rural Maryland Council respectfully requests your favorable support with amendment of Senate Bill 418.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 439 – Advanced Practice Registered Nurse Compact
Finance Committee
February 28, 2023

The Rural Maryland Council supports Senate Bill 439 – Advance Practice Registered Nurse Compact. This bill enters Maryland into the Advanced Practice Registered Nurse Compact. The bill establishes 1) specified procedures and requirements for an advanced practice registered nurse (APRN) to practice under a "multistate license" in a "party state" or "remote state"; 2) the composition, powers, and responsibilities of the Interstate Commission of APRN Compact Administrators; and 3) requirements related to the oversight, dispute resolution, and enforcement of the compact. The bill is contingent on similar legislation being enacted in six other states.

Rural Marylanders are often in worse health than that of their urban and suburban counterparts and lack access to the medical facilities and practitioners to improve their health. This is especially true in specialty areas such as mental health and dental care. Additionally, rural areas are made up of aging populations that require more medical attention but lack the healthcare workforce to do so. The Health Resources and Services Administration (HRSA) reports that more than 1.1 million Marylanders are in a primary care Health Professional Shortage Area (HPSA). That's over 1.1 million Marylanders that lack access to the primary health care they need. In the U.S, rural or partially rural areas make up over 68% of the designated primary care HPSAs.

Senate Bill 439 will allow more high-level healthcare workers to practice in Maryland where there are shortages or nurses are needed. While certain areas of the State have been facing a shortage in healthcare workers, it was worsened by the pandemic. As a result of the pandemic, members of the healthcare workforce are leaving at higher rates, mostly from the increased workload and amount of stress that they have been facing. As some healthcare workers quit, it creates more of a workload and stress for the remaining members, resulting in a cycle of burnout. Allowing APRNs from other states to practice in Maryland could reduce this burden and help prevent similar situations in the future. This will allow for workers to adequately perform their jobs and assure that patients are getting the treatment that they need.

The Rural Maryland Council respectfully requests your favorable support of Senate Bill 439.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 447 – Anaerobic Digestion Workgroup
Education, Energy, and the Environment Committee
February 15, 2023

The Rural Maryland Council **supports** Senate Bill 447 – Anaerobic Digestion Workgroup. This bill will establish an Anaerobic Digestion Workgroup to study, identify, examine, and make recommendations on certain aspects of anaerobic digestion.

Anaerobic digestion is a biological method to create renewable energy, in the form of methane (CH4)—enriched biogas, from organic rich substrates, such as manure, food waste, and wastewater sludge. The Rural Maryland Council has been working to develop more relationships with farmers and institutional systems in support of the use of anaerobic digestion. There are currently a handful of active anaerobic digester systems in Maryland and the findings from this Workgroup may lead to greater support and buildout of these beneficial systems.

In 2013, ECOCORP, Inc. completed the construction of an anaerobic digester facility at the Eastern Correction Institution in Somerset County. The anaerobic digester supplies a portion of the power needed at the prison. The digester uses heat to deodorize and sterilize manure, while using the methane gas it produces to generate electricity.

In 2018, the Department of Agriculture awarded a \$1.85 million grant to Kilby Farm, LLC in Cecil County to install an anaerobic digester at its 400-dairy operation. The project represents a retrofit to an existing, but non-operational, digestion system that created a reliable power supply for the farm throughout the year. A digestor can benefit farmers as it can provide a new source of income for them - biomethane, electricity, heat, and biofuel can be sent to the department of energy to be sold to other farms. Additionally, the use of cow manure in the methane digestor reduces the greenhouse gas emissions that would otherwise be produced in livestock operations.

In 2021, Bioenergy Development Company completed the construction of an anaerobic digestion facility on the Maryland Food Center campus in Jessup. This is largest anaerobic digester in the state and has the potential to divert approximately 125,000 tons of food wastes generated per year from landfill disposal and produce enough energy to power 4,800 homes. In addition to reducing greenhouse gas emissions and creating renewable energy, it will also improve Maryland's recycling processes and create up to 50 new jobs.

The Council supports and encourages anaerobic digestion technology to benefit farmers, institutional systems, and the environment. The Rural Maryland Council respectfully requests your favorable support of Senate Bill 447.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 448 – Alcoholic Beverages – Manufacturer's Licenses and Off-Site Permits
Finance Committee
Friday, February 24, 2023

The Rural Maryland Council supports Senate Bill 448 – Alcoholic Beverages – Manufacturer's Licenses and Off-Site Permits. This bill will extend provisions of the Executive Order privileges put in place during the pandemic for the State's wineries, breweries, and distillers to distribute their product. This bill will allow the holder of a manufacturer's license to deliver their product to an individual located in the State and directly ship their product to a consumer upon request. This bill extends the termination dates for provisions of Chapters 359 and 360 of 2021 and Chapters 477 and 478 of 2022 related to the sale and delivery of alcoholic beverages by certain alcoholic beverages manufacturers from June 30, 2023, to June 30, 2025. The bill also delays the date, from July 1, 2023, to July 1, 2025, that specified license holders are authorized to sell up to 288 ounces of beer to a person at an off-site permitted event. The bill takes effect July 1, 2023.

Maryland's distilleries, wineries, and breweries promote economic development, value-added agriculture, and manufacturing as they not only produce beverages but create destinations that attract tourists. According to data from the Value-Added Agriculture in Maryland by Grow & Fortify and the Business Economic and Community Outreach Network (BEACON) at Salisbury University, the combined value-added impact of these three industries was over \$1 billion in 2018, supporting more than 9,500 jobs, and adding an estimated \$52 million to state and local tax revenue. The pandemic greatly impacted this industry with close to 500 layoffs. The authorization for direct-to-consumer delivery and shipment services has created a new lifeline for sales and kept many doors open during these unprecedented times.

The Rural Maryland Council supports the value-added agriculture industry as it enables farms to transition into diversified production. SB448 further enhances this type of agriculture by providing delivery and shipping options for the State's value-added craft beverages. The Council requests your favorable support of Senate Bill 448 - Alcoholic Beverages - Manufacturer's Licenses and Off-Site Permits.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 492 – Oysters – Rotational Harvest – Pilot Program
Education, Energy, and Environment Committee
March 2, 2023

The Rural Maryland Council supports Senate Bill 492 – Oysters – Rotational Harvest – Pilot Program. This bill establishes the rotational harvest pilot program for oysters to be implemented by the Department of Natural Resources; requiring the Department to open two designated areas of the Chesapeake Bay, to be known as the 1) The Little Choptank Rotational Harvest Area, and 2) The Lower Main Stem Chesapeake Bay Rotational Harvest Area. A rotational harvest of oysters in certain manners will be permitted in these areas; requiring the Department, before opening an area to oyster harvesting under the pilot program, to survey and investigate the area to collect certain baseline data and, after closing the area, to continue to monitor the area to collect certain additional data; and generally relating to a rotational harvest pilot program for oysters.

The Rural Maryland Council (RMC) understands and appreciates the cultural and historic relationship between watermen and their livelihood that is dependent on a healthy Chesapeake Bay. In 2021, RMC supported the Upper Shore Oyster Harvest Rotational Pilot program that was launched by the Upper Shore Regional Council, in partnership with Kent County and Queen Anne's County Oyster committees and the Maryland Department of Natural Resources. This initiative involved the planting of approximately 14 million oyster spat (oyster larvae) in a 4.5 acre designated section of water with the goal to start harvesting these oysters by 2025. The goal of this pilot program is to create a self-sustaining oyster program to benefit commercial watermen and the aquatic ecosystem.

The Rural Maryland Council supports SB492 and recognizes the historic and cultural importance of the watermen's traditional way of life. The Council believes initiatives including rotational harvest can be a part of the ecologic and economic plan for a healthy and sustainable Chesapeake Bay, which benefits all Marylanders.

The Council requests your favorable support of Senate Bill 492.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 497 – State Designations – State Spirit – Maryland Rye
Education, Energy, and the Environment Committee
Friday, March 3, 2023

The Rural Maryland Council supports Senate Bill 497 – State Designations – State Spirit – Maryland Rye. This bill will designate Maryland Rye or Maryland Rye Whiskey as the State spirit.

Maryland was once renowned for its rye whiskey production surpassing all states except Kentucky and Pennsylvania. In 1911, Maryland produced 5.6 million gallons of distilled spirits – most of it rye. Unfortunately, those distilleries disappeared after World War II when American whiskey production consolidated in Kentucky. By establishing a State Spirit, like the establishment of Smith Island Cake as the State Dessert, the State could incentivize rye production, resulting in more value-added agriculture production and an increase of customers to Maryland's distilleries.

Maryland has a growing craft beverage market that contributes greatly to the State economy. According Grow & Fortify's *Value Added Agriculture in Maryland* report, Maryland's craft distilleries had a value-added impact of over \$179 million, supported almost 1,000 jobs, and added more than \$13 million in state and local tax revenues. The addition of a state rye would give an opportunity to these distilleries to produce and sell this spirit, encouraging customers from in and out of the State to try Maryland's State rye. The Maryland Rye could also encourage the purchase of more locally grown products. Maryland farmers could grow and sell the barley and corn used to produce the rye.

The Council supports and encourages value added agriculture and the benefits it brings to both farmers and the State economy. The Rural Maryland Council respectfully requests your favorable support of Senate Bill 497.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 511 – Health and Human Services Transporation Improvement Act of 2023
House Health and Government Operations Committee
Tuesday, March 28, 2023

The Rural Maryland Council supports Senate Bill 511 – Health and Human Services Transportation Improvement Act of 2023 as amended. This bill will repeal funding caps on the amount of grants that may be awarded by the Maryland Transit Administration under the Maryland Senior Rides Program and the Job Access and Reverse Commute Program and establishes the State Coordinating Committee for Health and Human Services Transportation to examine the transportation needs of residents of the State who are elderly, have a disability, or require transportation to access jobs, medical and other health-related appointments.

Routinely the Rural Maryland Council (RMC) has received requests to fund health related transporation projects through their grant programs. Examples of these include the purchase of vehicles to take patients to dialysis; support the development of computer dispatch software to aid in non-emergency medical transportation; and support salaries and wages of staff that intake and coordinate health transporation needs. The rise in demand for these requests led RMC to partner with the Tri-County Council for Southern Maryland this past fall to lead three Transportation Health Care Roundtable meetings between healthcare and transporation providers to determine how non-emergency health transporation can be improved in the State.

The research and findings generated from these roundtables showed that there is a lack of coordination between the transporation and healthcare sectors. Based on National Statistics, there are at least 76,000 to 82,000 Marylanders who will miss at least one (most likely more) medical appointment a year. 1 out of 5 of these missed medical appointments are due to transporation problems. Additional findings from the roundtables show that there is a need to develop a flexible route system (versus fixed route), support on demand services, and take a more regional approach to support the program.

Earlier this Session, the Committee passed the companion bill, HB596, in the same posture. The Council strongly believes that the provisions included in Senate Bill 511 will help in alleviate the challenges found in the non-emergency Health and Human Services Transporation sector. The Rural Maryland Council respectfully requests your favorable support of Senate Bill 511.



Email: rmc.mda@maryland.gov Website:rural.maryland.gov

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support with Amendment of
Senate Bill 526 – Natural Resources – Forest Preservation and Retention
Education, Energy, and Environment Committee
March 2, 2023

The Rural Maryland Council <u>supports with amendment</u> Senate Bill 526 – Natural Resources – Forest Preservation and Retention. This bill will strengthen protection for forests, decreasing forest fragmentation while maintaining and increasing the total acreage of forest state wide by, altering the definition of "qualified conservation" for purposes of provisions of law related to forest mitigation banks; establishing and authorizing certain alternative methods of calculating forest afforestation, reforestation, and preservation requirements; adding certain tree plantings and practices as methods that certain municipal corporations may use to meet afforestation or reforestation requirements; and generally relating to forest preservation and retention.

A recent study published by the Harry R. Hughes Center for Agro-Ecology of the University of Maryland found that Maryland experienced a net statewide forest loss of more than 19,000 acres from 2013 through 2018. Losses to development and forest fragmentation - particularly in Montgomery, Prince George's, Anne Arundel, Charles, Calvert and Baltimore County - remain significant.

Senate Bill 526 will strengthen current law to address this forest loss and fragmentation by:

- Updating forest goals and definitions to provide clarity and reflect new data.
- Change state policy regarding the "retention and sustainable management of forest lands" from encouraging achieving no-net-forest-loss, to increasing forest land acreage and tree canopy across MD.
- Provide afforestation* requirements for developed areas, while establishing priority afforestation and reforestation areas. *Afforestation the act of establishing a forest, especially on land not previously forested.
- Establish forest conservation thresholds for agricultural and resource areas, medium, high-density, mixed-use and planned unit development areas, commercial and industrial use areas, and institutional development areas. The forest conservation threshold means the percentage of the net tract area at which the <u>reforestation requirement changes from a ratio of 1/4 acre planted for every 1 acre removed</u>, to a ratio of 2 acres planted for every 1 acre removed. Likewise, it establishes a formula for payment into the Forest Conservation Fund.
- Establishes parameters for afforestation and reforestation efforts, both on-site and offsite. Likewise, standards for meeting afforestation and reforestation requirements are established to guide State and local programs.

The Council works closely with the Maryland Forest Association (MFA) – an association that represents forest landowners and forest product companies. MFA staff have informed the

Council that some counties occasionally confuse commercial logging where the land is not to be converted to a non-forest use with forest land clearing where the intent is to convert the use, usually to development. To avoid this confusion, MFA suggests a simple amendment noting that the provisions of the act do not apply to commercial logging or forest management activities (amendment text attached).

The Rural Maryland Council supports forest preservation and retention and respectfully requests your favorable support of House Bill 289.

Senate Bill 526 Amendment

1. Page 4, line 2, (ii) add after current text; and commercial logging and forest management activities where there is no intent to convert the land to non-forest use.

To read in full (ii) The cutting or clearing of the forest is conducted so as to minimize the loss of forest; and commercial logging and forest management activities where there is no intent to convert the land to a non-forest use.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

March 20, 2023

The Honorable Joseline A. Pena-Melnyk 241 Taylor House Office Building 6 Bladen Street Annapolis, MD 21401

Re: Letter of Support Senate Bill 534 – Preserve Telehealth Access Act of 2023

Dear Chairwoman Pena-Melnyk:

The Rural Maryland Council submits this letter of support for **Senate Bill 534 – Preserve Telehealth Access Act of 2023** which will be heard in the Health and Government Operations Committee on Tuesday, March 21, 2023 at 1:00pm.

Senate Bill 534 extends critical telehealth provisions that were urgently put in place when the state of emergency and catastrophic COVID-19 health emergency was proclaimed and began to spread throughout Maryland in 2019. This bill extends, through June 30, 2025, provisions of law that specify that (1) "telehealth" includes specified audio-only telephone conversations between a health care provider and a patient and (2) reimbursement for a telehealth service must be made on the same basis and at the same rate as if the service were delivered in person. These provisions apply to both Medicaid and commercial health insurance. The Maryland Health Care Commission (MHCC) must study and make recommendations regarding the delivery of health care services through telehealth, as specified, and report to the General Assembly by December 1, 2024.

Senate Bill 534 continues to allow for safer means of healthcare and provides easier access to healthcare for rural Marylanders. While telehealth is a more accessible option to many, those in certain parts of the state do not either own the proper materials for a telehealth visit or live in areas that lack proper broadband access to participate in a telehealth visit. By continuing to include audio-only and remote patient monitoring services to the services covered under telehealth, it reaches those who would have been cut off from these services because of a lack of digital literacy or technology. Also, allowing Distant Site providers to provide services to a program recipient from any location increases the number of possible providers for each individual, allowing for more coverage and better health. The Rural Maryland council respectfully asks for your favorable support on SB534 Preserve Telehealth Access Act of 2023.

Thank you for the opportunity to support Senate Bill 534.

Sincerely,

Charlotte Davis
Executive Director

Cc. Senators Gile, Beidle, Ellis, Griffith, Hershey, Klausmeier, and Mautz



Email: rmc.mda@maryland.gov Website: www.rural.maryland.gov

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 547 – Broadband Expansion Incentive Act of 2023
Senate Budget and Taxation Committee
March 1, 2023

The Rural Maryland Council **supports** Senate Bill 547 – Broadband Expansion Incentive Act of 2023. This bill will allow a subtraction modification under the Maryland income tax for certain qualified broadband grants awarded during the taxable year for broadband deployment; provides an exemption from the sales and use tax for the sale of certain equipment related to providing internet service and deploying broadband; and generally relating to tax incentives for broadband deployment.

Passage of this bill will help expand access to broadband throughout the State. Incentives in tax policy will help to lower the overall cost of infrastructure expansion. Many telecom companies borrow to invest in new markets or expand within existing ones. The subtraction modification and the sales tax exemption will incentivize companies to take on debt capital, especially in markets and investments where there is no immediate return. Debt for financing new facilities, operational expenses (e.g., pole attachments, digging), equipment, and working capital can support more rapid deployment of rural broadband.

(https://www.brookings.edu/blog/techtank/2017/11/06/tax-reform-can-support-rural-broadband/)

The lack of broadband access is one of the greatest concerns in rural Maryland. Having access to fast and reliable internet has become increasingly essential over the past several years and even more so during the recent pandemic. Many children must now rely on the internet to attend class and complete schoolwork, and more adults are now working from home. Other services such as telehealth visits have also become more popular, allowing patients to have medical examinations administered from the safety of their homes when transportation options are limited. In a time of growing dependency on technology, these trends are certain to continue.

In 2017, the Maryland General Assembly created the Task Force on Rural Internet, Broadband, Wireless and Cellular Service. The Task Force considered several legislative options focused on tax and regulatory policy as suggested by task force members. The Task Force discussed a potential sales tax exemption for broadband equipment. The State could eliminate the sales tax requirement on broadband equipment. One industry-funded economic analysis shows that eliminating the sales and use tax on communications infrastructure would over three years: generate over \$689 million in new economic activity in Maryland; create 2,800 new private sector jobs paying \$138,000,000 annually in wages; and generate \$9 million in new state and local taxes. In 2018, the Task Force issued a report that included this legislative proposal. (https://rural.maryland.gov/wp-content/uploads/sites/4/2019/01/2018 MSAR11544 Task-Force-for-Rural-Internet-Broadband-Wireless-and-Cellular-Service-Report-1.pdf)

The Federal government has already allocated more than \$72 billion for broadband development and infrastructure. At the end of 2021, President Joe Biden signed into law the Infrastructure Investment and Jobs Act ("IIJA"), a major infrastructure investment that included \$65 billion allocated for broadband development, particularly in rural and underserved communities.

Maryland Households with No	
Internet Access	
County	Percentage
	with no
	internet access
Howard	3.9
Montgomery	4.8
Anne Arundel	5.6
Harford	7.6
Prince George's	7.8
Calvert	7.9
Queen Anne's	8.0
Frederick	8.2
Baltimore County	8.8
Charles	9.1
Carroll	9.5
Cecil	9.5
St. Mary's	10.10
Talbot	11.4
Worchester	12.4
Wicomico	13.2
Caroline	13.9
Washington	14.9
Somerset	17.1
Allegany	17.2
Garrett	17.3
Dorchester	17.4
Baltimore City	17.6
Kent	21.3

According to the Maryland Office of Statewide Broadband, as of December 15, 2022, the office has distributed \$23,200,000 in broadband expansion grants, \$130,100,000 in infrastructure grants and \$29,100,000 in additional broadband grants.

Providers report that existing tax obligations make many rural and underserved areas with fewer financial resources ineligible "due to their inability to meet the financial sustainability requirement" and pay taxes on the grant. (https://www.jdsupra.com/legalnews/tax-exemption-for-federal-broadband-2322681/)

Other States have adopted these incentives. In 2022, Virginia's Governor signed H.B. 1155, which expands the sales tax exemption for amplification, transmission and distribution equipment to now include "network equipment" that is used to provide Internet service. In 2019, the State of Wyoming released an economic study of the potential removal of its sales and use tax exemption of equipment by a telecommunications service provider, video programming service provider, or provider of internet access used to provide broadband internet service. The study found removal of the sales tax exemption for purchases would increase the production costs for the telecommunications industry of \$1.0 million per and would result in an average annual loss of 4 jobs and a decrease in GDP of \$0.5 million per year over the period of 2022 to 2030. (https://wyoleg.gov/InterimCommittee/2022/03-2022112104-

022022BroadbandInternetProvidersReport.pdf)

While rural Marylanders lack access to highspeed internet, they are among those who can benefit the most from it. A 2019 study by the U.S Department of Commerce reported that rural businesses could add

more than \$140 billion to the U.S economy and add an additional 360,000 full time jobs to rural communities over a three-year period by adopting more digital tools in rural areas. For this to be accomplished, rural areas must have adequate access to high-speed internet. Location or income should not determine whether an individual or business has access to an important resource such as highspeed internet. A child should not fall behind in school because of their family's economic situation.

We ask for your favorable support of Senate Bill 547. Thank you.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support with Amendments of
Senate Bill 549 – Economic Development – Build Our Future Grant Pilot Program and Fund
(Innovations Economy Infrastructure Act of 2023)
Ways and Means Committee
March 30, 2023

The Rural Maryland Council supports Senate Bill 549 - Economic Development – Build Our Future Grant Pilot Program and Fund (Innovations Economy Infrastructure Act of 2023) as amended. This bill establishes the Build Our Future Grant (BOFG) Pilot Program and Fund (BOFGF) in the Department of Commerce to provide grant funding for infrastructure projects intended to support innovation in eligible technology sectors. Under the program, grants of up to \$2.0 million may be awarded to private companies, nonprofits, local governments, or colleges and universities in the State and may be used to defray specified costs associated with an eligible innovation infrastructure project. A grant recipient must provide matching funds of either 200% or 400%, depending on the size of the grant. Additional requirements are placed on grants to and used by colleges and universities. A single entity is limited to \$2.0 million in grants in a fiscal year. Commerce administers BOFGF, which may be used to provide grants and for administrative costs (up to 10%).

The Rural Maryland Council (RMC) is in support of the BOFG Pilot Program and Fund as it has the potential to have meaningful economic impact across the State. The State has made strides in supporting the diversification of agriculture and rural economies. The proposed state program could support programs such as F3 Tech, which focuses on providing entrepreneurial support to those businesses looking to operate in the agriculture technology field. The F3 Tech Accelerator Program provides funding and support for early-stage companies to prepare them for potential investment from the F3 Tech Seed Fund, industry partners, and investors. Their industry-specific advisors assist with expediting commercialization, accelerating manufacturing, customer acquisition and revenue development, attracting top innovators that match industry partner commercial needs, investing in innovations with grants, private funding and executive support and evaluating technologies for diversification in other sectors.

Examples of potential areas of rural interest include data analysis, data centers and biotechnology. In the years ahead, data will supplement what farmers know intuitively—and in some cases challenge those assumptions. New products rely on aerial satellite imagery, greenness sensors, soil maps and millions of weather data points. As internet commerce evolves, the needs of Big Data will too. Biotechnology is well established in our state. From fertilizer to pesticides and potential new markets, farmers are mindful of inputs and outputs and look to maximize each. From previous pitch competitions held at the RMC Rural Summit, entrepreneurs are looking for support to provide technological solutions to our agricultural and environmental challenges.

The Council believes the BOFG Pilot Program and Fund could impact businesses across the State. Rural Maryland Council respectfully requests your favorable support of Senate Bill 549 as amended.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 549 – Economic Development – Build Our Future Grant Pilot Program and Fund
(Innovations Economy Infrastructure Act of 2023)
Budget and Taxation Committee
March 1, 2023

The Rural Maryland Council supports Senate Bill 549 - Economic Development – Build Our Future Grant Pilot Program and Fund (Innovations Economy Infrastructure Act of 2023). This bill establishes the Build Our Future Grant (BOFG) Pilot Program and Fund (BOFGF) in the Department of Commerce to provide grant funding for infrastructure projects intended to support innovation in eligible technology sectors. Under the program, grants of up to \$2.0 million may be awarded to private companies, nonprofits, local governments, or colleges and universities in the State and may be used to defray specified costs associated with an eligible innovation infrastructure project. A grant recipient must provide matching funds of either 200% or 400%, depending on the size of the grant. Additional requirements are placed on grants to and used by colleges and universities. A single entity is limited to \$2.0 million in grants in a fiscal year. Commerce administers BOFGF, which may be used to provide grants and for administrative costs (up to 10%).

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The Council believes the BOFG Pilot Program and Fund could impact businesses across the State. Rural Maryland Council respectfully requests your favorable support of Senate Bill 549.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony if Support of
Senate Bill 552 – Family Prosperity Act of 2023
Budget and Taxation Committee
March 1, 2023

The Rural Maryland Council supports Senate Bill 552 – Family Prosperity Act of 2023. This bill supports self-sufficiency in working families by making positive revisions to the requirements for the federal and local Earned Income Tax Credit.

The Earned Income Tax Credit (EITC) is a highly beneficial program for working people with low to moderate incomes as it reduces the amount of income tax owed and refunding taxes paid through employment. Those who qualify for the federal EITC claim it on their personal income tax return and Maryland offers an additional State EITC equal to 50% of the federal tax credit.

Expansion of the Earned Income Tax Credit will help low-income earners throughout Maryland achieve greater financial self-sufficiency by putting more money directly back into the pockets of eligible workers. The Earned Income Tax Credit requires little cost to administer and has shown to reduce the number of households who receive cash welfare assistance by incentivizing employment. According to the U.S. Department of Health and Human Services, households that claim the credit, particularly single and female heads of households, have seen their wages grow though subsequent years than similar households that did not claim the credit.

Maryland's rural areas often report higher rates of poverty compared to their urban and suburban counterparts. The poverty rate in Somerset County is currently reported at 23.6% by the US Census Bureau. (U.S. Census Bureau QuickFacts: Somerset County, Maryland). Allegany County's poverty rate is 16.4%. (U.S. Census Bureau QuickFacts: Cumberland city, Maryland; Somerset County, Maryland). This program will encourage the utilization of the EITC and provide financial benefits to low-income families.

The Rural Maryland Council historically supports the EITC and respectfully requests your favorable support of Senate Bill 552.



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Charlotte Davis, Executive Director

Susan O'Neill. Chair

Testimony in Support as Amended of Senate Bill 552 – Family Prosperity Act of 2023 Ways and Means Committee March 30, 2023

The Rural Maryland Council supports Senate Bill 552 – Family Prosperity Act of 2023 as amended. This bill supports self-sufficiency in working families by making positive revisions to the requirements for the federal and local Earned Income Tax Credit.

The Earned Income Tax Credit (EITC) is a highly beneficial program for working people with low to moderate incomes as it reduces the amount of income tax owed and refunding taxes paid through employment. Those who qualify for the federal EITC claim it on their personal income tax return and Maryland offers an additional State EITC equal to 50% of the federal tax credit.

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The Rural Maryland Council historically supports the EITC and respectfully requests your favorable support of Senate Bill 552 as amended.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Opposition of
Senate Bill 590 – Renewable Energy Portfolio Standard – Eligible Sources – Alterations (Reclaim
Renewable Energy Act of 2023)
Education, Energy, and the Environment Committee
February 28, 2023

The Rural Maryland Council opposes Senate Bill 590 – Renewable Energy Portfolio Standard – Eligible Sources – Alterations (Reclaim Renewable Energy Act of 2023). The passage of this bill will impact rural and agricultural parts of the State by excluding energy derived from several of the current sources that are considered Tier 1 renewable resources in the State Renewable Energy Portfolio. The exclusion of these materials will result in more waste materials that could be used for clean renewable energy and also negatively impact the individuals, businesses, and farmers that take advantage of the materials that are currently listed as Tier 1 renewable resource.

The removal of food waste would result in more wasted food going to landfills. In 2015, the US Environmental Protection Agency and the US Department of Agriculture announced a national goal to reduce food waste by 50% by 2030. According to the Maryland Department of the Environment, over nine hundred thousand tons of food waste is generated annually and only a small portion is recycled while a majority is disposed of in landfills or incinerated. Food waste as a renewable fuel source can provide significant contributions towards on-farm energy use, revenue generation, and climate change mitigation. An example of this is a partnership between West Nottingham Academy and Kilby Farm Creamery located in Cecil County, Maryland. In partnership, the school diverts nearly 7 tons of food waste annually from their dining hall to the farm digester where it becomes compost and energy to run the farm.

The Maryland Department of Agriculture currently works to fund the construction of anaerobic digesters in Maryland. The construction of the Bioenergy Devco facility at the Maryland Food Center Authority was completed in 2021. According to Bioenergy Devco's website, the facility is capable of recycling 115,000 tons of organics annually to produce approximately 265,000 MMBtu of renewable natural gas and 20,000 tons of soil amendment for agricultural and other land use. The resulting greenhouse gases prevented from being released into the atmosphere have the equivalent environmental impact of a 47,000-acre forest, or 56 times the size of Central Park.

The bill's removal of poultry liter could also significantly impact Maryland's poultry farmers. Construction is underway for CleanBay Renewables Westover bio-refinery which, using anaerobic digestion, will recycle more than 150,000 tons of chicken litter annually and convert it into renewable natural gas and a nutrient-rich fertilizer product. By repurposing a potential source of excess nutrients, CleanBay can generate 765,000 MMBTUs of sustainable renewable natural gas, which it will sell to Chesapeake Utilities.

The State of Maryland also recently invested in an anaerobic digester as part of the natural gas pipeline to the University of Maryland Eastern Shore and the Eastern Correctional Institute. This digester and pipeline will provide a cleaner and cheaper energy resource to a minority and low-income area. The current Tier 1 renewable resources provide positive economic and environmental impacts to Maryland.

The Rural Maryland Council respectfully requests your opposition of Senate Bill 590.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 636 – Public Safety – Solar Battery Energy Storage Systems
Education, Energy, and the Environment
March 7, 2023

The Rural Maryland Council supports Senate Bill 636 – Public Safety – Solar Battery Energy Storage Systems. This bill requires each building where a "solar battery energy storage system" is installed to be equipped with the following safety features in accordance with acceptable industry standards: (1) a self-contained fire suppression system; (2) an explosion prevention system; and (3) an air quality monitoring system. The State Fire Marshal must administer and enforce the bill and may adopt implementing regulations. The bill applies only to a solar battery energy storage system that (1) has an aggregate energy capacity greater than 600 kilowatt-hours (kWh) or (2) comprises more than one storage battery technology installed in a single room or an enclosed. Area.

A solar battery is an energy storage solution that is used to collect and store power generated from alternative energy sources such as wind and solar generation facilities. These types of systems are put in place to maximize the use of alternative energy, increase energy independence, and reduce the carbon footprint. There are risks involved using these types of systems, one of which is thermal runaway. According to UL Research Institutes, <u>UL Research Institutes</u>, Thermal runaway is one of the primary risks related to lithium-ion batteries and occurs when a lithium-ion cell generates heat at a rate several times higher than the rate at which heat dissipates from the cell. When these batteries fail or overheat, they release flammable, toxic gases that can spark a fast-spreading fire that is extremely difficult to extinguish, leading to tremendous damage to the battery and surrounding area.

As Maryland moves towards a renewable energy portfolio, measures must be taken in order to do it safely. Senate Bill 636 is a proactive bill that will prevent and/or minimize risks associated with solar battery energy storage systems by requiring that responsible safety measures be put in place in the buildings that store these systems.

The Rural Maryland Council respectfully requests your favorable support of Senate Bill 636.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

March 16, 2023

The Honorable Guy Guzzone Chairman, Budget and Taxation Committee 3 West Miller Senate Office Building 11 Bladen Street Annapolis, MD 21401

RE: LETTER OF SUPPORT

Senate Bill 640 – Sales and Use Tax – Electricity of Agriculture Purposes – Exemption

Dear Chairman Guzzone:

The Rural Maryland Council submits this letter of support for Senate Bill 640 – Sales and Use Tax – Electricity for Agriculture Purposes – Exemption, which was heard in the Senate Budget and Taxation Committee March 9, 2023.

Senate Bill 640 financially helps farmers by exempting sales and use tax for electricity used for agricultural purposes such as raising livestock or poultry, preparing, irrigating, or tending the soil, or planting, maintaining, or transporting seeds or crops.

Aside from the cost of farm equipment, the cost of labor and power account for the highest costs to farmers. By exempting electricity used for agricultural purposes, it will allow farms to be more financially viable. Certain agricultural purchases, such as equipment for raising livestock, soil irrigation, and plant service and harvest, are already exempt from sales and use taxes. It is important that farmers are financially viable for them to remain in the industry and to promote farming for future generations. The tax exemption will put more money back into the pockets of farmers instead of the cost of electricity to operate their farm.

University of Maryland Extension's publication *Understanding Farm Energy*, states that energy used to perform routine crop and livestock operations can cost a farmer several hundred or thousands of dollars each month, and that fuel and electricity used for operating equipment accounts for 15% of U.S. agricultural production costs. The publication also states rural transportation costs more because of the distance they must travel to the markets, meaning rural farmers are already paying additional costs to be able to sell the products they produce.

The Rural Maryland Council respectfully requests your favorable support of Senate Bill 640.

Sincerely,

Charlotte Davis
Executive Director

Cc. Senator Jackson



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support with Amendments of
Senate Bill 640 – Sales and Use Tax – Electricity for Agriculture Purposes - Exemption
Ways and Means Committee
March 30, 2023

The Rural Maryland Council supports Senate Bill 640 – Sales and Use Tax – Electricity for Agriculture Purposes – Exemption as amended. This bill financially helps farmers by exempting sales and use tax for electricity used for agricultural purposes such as raising livestock or poultry, preparing, irrigating, or tending the soil, or planting, maintaining, or transporting seeds or crops.

Aside from the cost of farm equipment, the cost of labor and power account for the highest costs to farmers. By exempting electricity used for agricultural purposes, it will allow farms to be more financially viable. Certain agricultural purchases, such as equipment for raising livestock, soil irrigation, and plant service and harvest, are already exempt from sales and use taxes. It is important that farmers are financially viable for them to remain in the industry and to promote farming for future generations. The tax exemption will put more money back into the pockets of farmers instead of the cost of electricity to operate their farm.

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The Rural Maryland Council respectfully requests your favorable support of Senate Bill 640 as amended.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 643 – Housing – Community Development Program Act – Funding
Budget and Taxation Committee
March 8, 2023

The Rural Maryland Council supports Senate Bill 643 – Housing – Community Development Program Act – Funding. This bill requires the Comptroller to distribute \$5.0 million annually from the State's unclaimed property fund to the Community Development Program Fund (CDPF) within the Department of Housing and Community Development (DHCD). The bill also repeals uncodified language from prior chapter law specifying that DHCD is not required to incur costs for the Community Development Program (CDP) until money is appropriated in the State budget. The bill takes effect June 1, 2023.

Senate Bill 643 creates a permanent funding source for the Community Development Fund which was created in 2018. The funding is critical operating dollars for community-based organizations to use for affordable housing, neighborhood and commercial revitalization, housing and financial counseling, small business development, community services, and more.

Rural communities face unique challenges when dealing with the affordable housing crisis. Because development does not generally occur at a large scale in rural areas, construction costs are often higher in rural communities compared to urban areas, which reduces the incentives for private investment. Additionally, a lack of access to credit in many rural areas limits funding for maintenance of existing units. Senate Bill 643 will provide the financial support needed to help resolve these housing challenges.

The Rural Maryland Council respectfully requests your favorable support with amendments of Senate Bill 643.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Opposition of
Senate Bill 690 – Agriculture – Confinement of Egg-Laying Hens in Commercial Egg
Production - Prohibitions
Education, Energy, and the Environment
March 2, 2023

The Rural Maryland Council opposes Senate Bill 690 – Agriculture – Confinement of Egg-Laying Hens in Commercial Egg Production - Prohibitions. This bill prohibits a certain farm owner or operator from knowingly confining egg-laying hens in an enclosure in a certain manner, subject to certain exceptions, on and after January 1, 2025; prohibiting a business owner or operator or a farm owner or operator from selling shell eggs or egg products under certain circumstances on and after January 1, 2025; and specifying that a certain certification be obtained in a certain manner to sell shell eggs and egg products.

The Council opposes SB690 because it will create economic hardship to egg-laying farmers by banning their traditional practices and forcing them to make costly changes to their existing barns in order to sell their product – the result would be a 41% increase in cost production to retrofit existing barns and an 119% increase in labor.

For the health of the birds, cages are used as a form of protection and are an approved animal agriculture practice. By moving to a cage-free operation, the hen mortality rate increases significantly due to more bacterial habitat being introduced in the barn. Lastly, these farms are contracted with out-of-state companies that will just drop their contracts with the farms and then these farms will have to create a new demand for their eggs in a market where there is already an oversupply of cage-free eggs. This bill would put the Maryland egg-laying farms, that farm this way, out of business. Currently, the industry is about 5% of all poultry (approximately \$50 to \$60 million in sales), which means a lot of growers would be negatively affected.

The Rural Maryland Council supports the State's poultry industry – the largest agricultural sector in Maryland and requests that you oppose Senate Bill 690.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 715 – State Board of Foresters – Sunset Extension
Education, Energy, and the Environment
March 3, 2023

The Rural Maryland Council supports Senate Bill 715 – State Board of Foresters – Sunset Extension. This bill extends the termination date for the State Board of Foresters within the Maryland Department of Labor by 10 years to July 1, 2035.

The Rural Maryland Council (RMC) supports the robust forest industry in Maryland which would not be where it is today without the State Board of Foresters in place. The State Board of Foresters' mission is to ensure that Maryland's forest resources are protected and managed in a professional and competent manner. The Board fulfills this mission by establishing standards for forestry education, experience, and continuing education for foresters. This results in a high level of competence in planting, conservation, protection, and management of trees and related resources for their continuing benefit to Maryland citizens.

The RMC administers the Maryland Agricultural Education and Rural Development Assistance Fund (MAERDAF). This fund provides grants to rural-serving nonprofit organizations that promote statewide and regional planning, economic and community development, and agricultural and forestry education. In FY2023, RMC awarded \$233,000 in grant funds to 8 organizations whose projects focused on the forest industry. These projects ranged from supporting the purchase of a cable skidder to enhance applied learning to forestry students at Allegany College of Maryland to supporting the Maryland Forestry Foundation and their work with compensating forest landowners for the ecological benefits of practicing sound forest stewardship. This work is made possible by the guidance and the leadership provided by the State Board of Foresters.

The Rural Maryland Council respectfully requests your favorable support of Senate Bill 715.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 720 – Maryland Horse Racing Act – Sunset Extension
Budget and Taxation Committee
March 8, 2023

The Rural Maryland Council supports House Bill – Maryland Horse Racing Act – Sunset Extension. This bill extends the sunset date for the Maryland Horse Racing Act from July 1, 2024 to July 1, 2034. The bill will take effect on October 1, 2023.

The Maryland Racing Commission was formed in 1920 and oversees and regulates both the harness and thoroughbred horse racing industry in Maryland. This includes Maryland's seven off-track betting sites. Maryland is also the proud host of the Preakness, the second jewel of thoroughbred racing's Triple Crown. All the participants, from the track itself to the jockeys to the concessionaires who provide the food and drink at the racetrack, are licensed by the Maryland Racing Commission. The Commission ensures proper distribution of wagering dollars and regularly reviews the financial statements of the racing associations. The Maryland Racing Commission also maintains its own lab to test for drugs in horses to maintain the integrity of the sport. All of these measures protect and perpetuate first class horse racing in Maryland.

The Maryland Horse Industry is integral to the State's economy with a \$2.1 billion economic impact, of which \$572 million is generated through the racing sector that supports 5,214 jobs and adds \$365 million in value in the state economy. The Maryland Horse Racing Act and associated Commission are integral in keeping this industry vibrant in the State.

The Rural Maryland Council supports the cultural heritage of the Thoroughbred horse racing industry and respectfully requests your favorable support of Senate Bill 720.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support with Amendment of
Senate Bill 734 – Transporation – Highways – Tourist Areas and Corridor Signage Program
Finance Committee
March 8, 2023

The Rural Maryland Council <u>supports with amendments</u> Senate Bill 734 - Transporation - Highways - Tourist Areas and Corridor Signage Program. This bill establishes the Tourist Area and Corridor Signage Program to create a system of supplemental guide signs to direct motorist to eligible individual attractions by directing the motorists first to groups of attractions; requiring the Administration to conduct a certain investigation on signing feasibility and prepare a signing plan if the Eligibility Committee approves an attraction's application; requiring the Governor to include in the annual budget bill an appropriation of \$350,000 to the Program for fiscal year and generally relating to the Tourist Area and Corridor Signage Program.

The Rural Maryland Council (RMC) welcomes the opportunity to highlight tourist areas and corridors throughout the State. Agritourism is one of the fastest growing segments of agricultural direct marketing taking place in rural areas across the State. Agritourism allows farmers to diversify their core operations and keep farmland in production while preserving scenic vistas and maintaining farming traditions. Agritourism helps educate the public about the importance of agriculture to a community's economic base, quality of life, history, and culture.

The Council would like the SB734 amended to include agritourism as a 'category of attractions' and would like the timing restrictions to include those that might be seasonal. The strict timing requirements could greatly limit the number of rural sites that would be eligible to participate in this program, especially those that are seasonal attractions (e.g., a pumpkin patch). Amendments are included on the second page of this testimony.

The Rural Maryland Council respectfully requests your favorable support with amendments of Senate Bill 734.

Senate Bill 734 Amendments

- 1. On Page 3, Line 16, Strike "AND".
- 2. On Page 3, Line 17 after "YEAR", add "AND" and on line 18 add "5. Except for certain Seasonal Agritourism attractions."
- 3. On Page 4, Line 23, add "AND" and on Line 24 add "Agritourism Attractions".



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support as Amended of
Senate Bill 866 – Special Vehicle Registration Plates – Chesapeake Bay Trust and Maryland
Agricultural Education Foundation - Appropriation
Environment and Transporation Committee
Appropriations Committee
March 30, 2023

The Rural Maryland Council supports Senate Bill 866 – Special Vehicle Registration Plates – Chesapeake Bay Trust and Maryland Agricultural Education Foundation – Appropriation as amended. This bill requires the Governor to include in the annual budget bill for certain fiscal years an appropriation for the Chesapeake Bay Trust and Maryland Agricultural Education Foundation, Inc. that is calculated based on the amount of revenue collected from certain special vehicle registration plates in certain fiscal years; and, generally relating to the funding for the Chesapeake Bay Trust (the "Trust) and the Maryland Agricultural Education Foundation (MAEF).

The Trust's mission is to engage and empower diverse groups to take actions that enrich natural resources and local communities of the Chesapeake Bay region. This is accomplished by annually awarding more than \$10 million in grant funding each year to hundreds of nonprofits and community organizations throughout the region for hands-on projects that are ensuring a cleaner, greener, healthier Chesapeake, Coastal Bays and Youghiogheny watershed for years to come. MAEF's mission is to promote the importance of agriculture in everyone's daily lives by increasing agricultural literacy and agricultural education. MAEF provides grants, scholarships, and/or science-based programming to approximately 50,000 elementary students per year; professional development for teachers; and important support for agricultural education at secondary and post-secondary levels.

For the past 23 years, both the Trust and MAEF have been supported by private revenues generated by commemorative vehicle license plates now ubiquitous and a source of pride in Maryland (the "bay plate" and the "ag tag"). With an increase in interest in additional plates being offered by other organizations, the revenue generated by the Trust and MAEF plates will decline. If revenue managed by the Trust or MAEF were to decline, grant funded projects related to their work will be directly affected. Senate Bill 866 will provide an annual appropriation for the Trust and MAEF to make these two organizations whole.

The Rural Maryland Council respectfully requests your favorable support of Senate Bill 866 as amended to ensure the revenues managed by MAEF and the Trust remain stable.



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support with Amendment of
Senate Bill 866 – Special Vehicle Registration Plates – Chesapeake Bay Trust and Maryland
Agricultural Education Foundation - Appropriation
Budget and Taxation Committee
March 7, 2023

The Rural Maryland Council supports with amendment Senate Bill 866 – Special Vehicle Registration Plates – Chesapeake Bay Trust and Maryland Agricultural Education Foundation – Appropriation. This bill requires the Governor to include in the annual budget bill for certain fiscal years an appropriation for the Chesapeake Bay Trust and Maryland Agricultural Education Foundation, Inc. that is calculated based on the amount of revenue collected from certain special vehicle registration plates in certain fiscal years; and, generally relating to the funding for the Chesapeake Bay Trust (the "Trust) and the Maryland Agricultural Education Foundation (MAEF).

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For the past 23 years, both the Trust and MAEF have been supported by private revenues generated by commemorative vehicle license plates now ubiquitous and a source of pride in Maryland (the "bay plate" and the "ag tag"). With an increase in interest in additional plates being offered by other organizations, the revenue generated by the Trust and MAEF plates will decline. If revenue managed by the Trust or MAEF were to decline, grant funded projects related to their work will be directly affected. Senate Bill 866 will provide an annual appropriation for the Trust and MAEF to make these two organizations whole.

The Rural Maryland Council respectfully requests your favorable support with amendments to ensure the revenues managed by MAEF and the Trust remain stable.

Senate Bill 866 Amendments

- 1. On page 1, in line 8, after "years" insert ", adjusted for inflation".
- 2. On page 2, in line 14, after "TO THE" insert "AVERAGE"; strike beginning with "IN" in line 15 down through "PRECEDING" in line 16 and substitute "FROM FISCAL YEAR 2017 THROUGH"; in line 16, after "YEAR" insert "2022, ADJUSTED FOR INFLATION BY THE CONSUMER PRICE INDEX CIP—U FOR ALL URBAN CONSUMERS FOR THE BALTIMORE METROPOLITAN STATISTICAL AREA,"; and in line 17, strike "SECOND".
- 3.On page 3, in line 2, after "TO THE" insert "AVERAGE"; in line 3, strike "IN THE THIRD IMMEDIATELY PRECEDING" and substitute "FROM FISCAL YEAR 2017 THROUGH"; in the same line, after "YEAR" insert "2022, ADJUSTED FOR INFLATION BY THE CONSUMER PRICE INDEX CIP—U FOR ALL URBAN CONSUMERS FOR THE BALTIMORE METROPOLITAN STATISTICAL AREA,"; and in line 5, strike "SECOND".



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

March 30, 2023

The Honorable Brian J. Feldman 2 West Miller Senate Office Building Annapolis, Maryland 21401

Re: Letter of Support

Senate Bill 873 – Child Care Provider Stabilization Program – Established

Dear Chairman Feldman:

The Rural Maryland Council submits this letter of support for **Senate Bill 873 – Child Care Provider Stabilization Program – Established** which was be heard in the Education, Energy, and the Environment Committee on Wednesday, February 22, 2023, at 1:00pm.

Senate Bill 873 establishes the Child Care Provider Stabilization Program within the Maryland State Department of Education (MSDE) to provide "stability funding" to eligible childcare providers in the State. Through the establishment of the program, MSDE would be expected to develop application procedures and an award process in order to provide the funding to childcare providers. In addition, MSDE would determine on a monthly basis the amounts being provided to the providers through the program. It is also noted that the funding must be supplant to childcare providers that enroll children who receive subsidy under the Child Care Scholarship (CCS) Program and children who receive the subsidy under the CCS Program. The mandatory appropriation would begin in Fiscal Year (FY) 2025.

Senate Bill 873 would benefit the rural communities throughout Maryland that already has a shortage of childcare providers within the region. Access to child care has proven to be a growing difficulty, especially since the COVID-19 pandemic where a wide variety of business suffered, the child care provider industry was greatly impacted. SB873 would provide an additional critical resource through funding to providers still open in order to better care for the children in their attendance.

The Rural Maryland Council respectfully asks for your favorable support on SB873 Child Care Provider Stabilization Program – Established.

Thank you for the opportunity to support Senate Bill 873.

Sincerely,

Charlotte Davis
Executive Director

Cc. Senator M. Washington



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

March 30, 2023

The Honorable Guy Guzzone 3 West Miller Senate Office Building Annapolis, Maryland 21401

Re: Letter of Support

Senate Bill 873 – Child Care Provider Stabilization Program – Established

Dear Chairman Guzzone:

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The Rural Maryland Council respectfully asks for your favorable support on SB873 Child Care Provider Stabilization Program – Established.

Thank you for the opportunity to support Senate Bill 873.

Sincerely,

Charlotte Davis
Executive Director

Cc. Senator M. Washington