



RMC
Rural Maryland Council

Rural Maryland Council 2024 Legislative Priorities

The Rural Maryland Council (RMC), an independent state agency, brings together rural leaders, government officials at all levels, and the representatives of the non-profit and for-profit sectors to develop public policy solutions to the challenges unique to rural Maryland. Ultimately, our mission is to improve the quality of life while preserving the cultural heritage of Maryland's rural communities.

In December 2023, the Bureau of Revenue Estimates reported revenues slightly below expectations and made minor adjustments to Fiscal Year 2024 revenues. The economic forecast is largely unchanged, reflects low growth rates but does not include a recession. Elevated risks to the revenue forecast remain including the ongoing impacts of COVID-19 as well as a potential federal government shutdown. The current forecast reflects a structural imbalance over the five-year period as ongoing spending outpaces ongoing revenues and does not account for weakening economic conditions that could lead to a recession.

Rural Maryland Prosperity Investment Fund (RMPIF): As Maryland recovers from the COVID-19 pandemic, the rural areas of the state continue to struggle to recover economically as reflected in unemployment and poverty rates. **To address these disparities, funding of the Rural Maryland Prosperity Investment Fund (RMPIF) remains a top priority.** Rural areas always see a delay in the impact and recovery of economic impacts and events. Our rural areas have not fully recovered from the last economic recession when the recent pandemic hit. It is important that rural areas receive the investments they need to recover at the same rate as the rest of Maryland. In Fiscal Year 2024, our grant program had 192 applicants requesting \$20,763,664, out of which 98 grants, totaling \$8,714,679 were awarded. **We respectfully ask for level funding of \$9 million in the Fiscal Year 2025 operating budget.**

For the Maryland General Assembly's 2024 Legislative Session, the Rural Maryland Council supports the following legislative priorities:

Housing: Rural communities face unique challenges when dealing with the affordable, obtainable, and workforce housing crisis because development does not generally occur at a large scale in rural areas, and 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. RMC supports efforts to repair and weatherize homes to keep seniors aging in their homes as well as the production of additional workforce housing units to serve public service and moderate-income workers.

Rural Health: Rural Maryland currently experiences a shortage of health care providers particularly in primary care, specialty areas, mental health, and dental care. Moreover, rural populations are also overall older and in worst health than their suburban counterparts. RMC supports efforts to enable and expand telehealth to provide access to preventative, socio-behavioral and critical care services in rural areas. The Council also supports strategies to address health work force shortages such as shortening the length of training or offering test out options for workers licensed in other states. Of particular concern is the nation-wide closure of pharmacies which could create additional "pharmacy deserts" in rural communities.

Fiscal Year 2025 Budget Priorities

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



Rural Maryland Prosperity Investment Fund

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



Maryland Agricultural Education and Rural Development Assistance Fund

- \$167,000
- Builds capacity of rural-serving nonprofits



Rural Maryland Council

- \$750,000
- Supports the Council's staff, grant administration and event planning expenses



Regional Councils

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



MARBIDCO

- \$4,235,000 for Core loan and small grant programs, watermen's microloans, local farm food enterprise and WPIEI grants, and livestock/blue catfish processing equipment grants

Viability Agriculture, Aquaculture, Forestry & Rural Communities: Agriculture remains Maryland's largest commercial economic sector and is incredibly important to our rural areas. RMC supports programs and policies that will sustain and enhance agricultural production and agritourism. RMC also supports efforts to address food security and other policies that build strong rural communities:

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

RMC is also interested in land use decisions that may adversely impact agriculture production, particularly in regard to solar arrays without local input. The Council opposes any tax or fee imposed on agricultural products such as poultry.

Broadband and Infrastructure: Infrastructure improvements remain a key piece of place making strategies in creating and retaining vibrancy in our rural communities including rural broadband expansion. Rural Maryland remains slightly older in population and efforts and outreach should be made to address broadband affordability and adoptability to ensure digital inclusion of all Maryland residents.

Transportation: RMC supports the distribution of transportation funding for Local Governments and expansion of heavy rail for commerce, transit, and tourism-related purposes. Non-emergency health care transportation is a concern as well as the repair and reconstruction of bridges across the state. We believe a new model of rural transit systems should be developed including utilizing smaller vehicles, relying on less fixed route coordination, more on demand services, and access to additional resources. We are requesting \$300,000 for a rural health and human services transportation pilot program.

Rural Economic Development: The Council supports efforts to encourage rural economic development in the form of tax credits to new or expanding businesses in rural Maryland. This includes tax credits for broadband expansion, services and a sales tax exemption of broadband equipment, and income tax credit for angel investments. These initiatives will attract and expand industry sectors other than cyber and biotechnology to all jurisdictions across the state, in part encouraging needed investment in the rural counties of Maryland.

Energy: The Council supports energy policies that promote long-term, locally generated, renewable energy. Funding in the amount of \$1,000,000 for the Wood Products Industry Equity Investment Fund (WPIEI) should be considered. To reach renewable energy goals, upgrades in electric infrastructure will need to be made.

Rural Workforce Development: The Council supports apprenticeships and community colleges so young adults can stay in their rural areas and become part of the rural workforce. Efforts to improve career and technology education through implementation of the Blueprint for Maryland's Future, including specifically agriculture education.

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