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Letter of Information
House Bill 1539 – Grant Applications and Reporting – Uniform Forms and Requirements
Health and Government Operations
March 10, 2020

The Rural Maryland Council submits the following letter of information for House Bill 1539 – Grant Applications and Reporting – Establishment.

The Rural Maryland Council (RMC) is an independent state agency with experience in grant management. In FY2020, RMC received 177 grant requests and awarded 83 grants for total amount \$6,291,030.01 to rural nonprofits, community colleges, local governments, institutes of higher education and the regional councils throughout the state. The Council offers two grant programs-Rural Maryland Prosperity Investment Fund (RIMPF) and the Maryland Agricultural Education and Rural Development Assistance Fund (MAERDAF).

RMC agrees with the establishment of the Maryland Efficient Grant Application Council and ultimately the adoption of a uniform grant platform for state agencies. First, this type of platform would save RMC money-currently \$7,500 is spent annually to pay for a grant management software. Secondly, such a platform could create a one-stop-shop for grantees to visit, learn, and apply for the grants that best fit their needs. In return, grantors could learn from these grantees and one-and-other and ultimately have greater impact in the communities served.

While RMC supports such a platform, the Council has a concern with following the federal uniform guidance. Instituting a federal grants process could negatively impact our state's small, underserved, minority, rural and volunteer-run nonprofits.

The uniform guidance requires a grantee to have at least 3 years of experience prior to applying. Unfortunately, this would leave behind the startups and early innovators. One of the main goals for our MAERDAF grant program is to build capacity for rural serving non-profits, like F³ Tech. RMC provided the seed money to grow this program administered by the Eastern Shore Entrepreneur Center over the last three years and were recently awarded a grant for \$500,000 from the US Department of Commerce Economic Development Administration. Secondly, small grantees would be required to have federal audits done every year at significant cost, usually around \$30,000. Our MAERDAF program awards are capped at \$40,000. A federal audit will greatly reduce the impact of our funding. Third, the federal grant process is not an easy one to navigate and would most likely discourage small volunteer run nonprofits from applying; for example, Mace's Lane Community Center -a historic segregated high school in Dorchester County that is being converted into a heritage museum by a small dedicated volunteer-run, minority nonprofit. RMC awarded the group \$20,000 last year to pay for education displays for the museum.

RMC suggests an amendment to the current bill on page 5 insert on line 19, **(III) THE COUNCIL SHALL CONSIDER FLEXIBILITY IN FOLLOWING CERTAIN ASPECTS OF THE UNIFORM GUIDANCE FOR STATE GRANT PROGRAMS THAT ADMINISTER GRANTS TARGETED TO SMALL, RURAL, MINORITY, UNDERSERVED, OR VOLUNTEER-RUN NONPROFITS ORGANIZATIONS.**

The Rural Maryland Council (RMC) brings together citizens, community-based organizations, federal, state, county and municipal government officials as well as representatives of the for-profit and nonprofit sectors to collectively address the needs of Rural Maryland communities. We provide a venue for members of agriculture and natural resource-based industries, health care facilities, educational institutions, economic and community development organizations, for-profit and nonprofit corporations, and government agencies to cross traditional boundaries, share information, and address in a more holistic way the special needs and opportunities in Rural Maryland.