

# **SMADC Testimony HopScratch.pdf**

Uploaded by: Amy Crone

Position: FAV

Amy G. Crone  
HopScratch Farm  
3501 Cedars Stable Road  
Harwood MD 20776  
[amy@hopscratchfarm.com](mailto:amy@hopscratchfarm.com)  
443-607-2627  
February 13, 2024

**Testimony in Support of SB 0589 - Tri-County Council for Southern Maryland – Southern Maryland Agricultural Development Commission – Funding**

Dear Chair Guzzone, Vice-Chair Rosapepe, and Members of the Senate Budget and Taxation Committee,

I am writing to express my strong support for Senate Bill 0589, which aims to increase the appropriation for the Tri-County Council for Southern Maryland from the Cigarette Restitution Fund. The proposal to raise the annual appropriation from \$900,000 to \$1,000,000 is a crucial step in fostering the sustainable growth of the Southern Maryland Agricultural Development Commission.

The Tri-County Council for Southern Maryland plays a pivotal role in our community's development, and the Southern Maryland Agricultural Development Commission, under its umbrella, contributes significantly to the prosperity of our region's agricultural sector.

As a farmer in Anne Arundel County and through my service as the Chair of the Anne Arundel County Agriculture Commission and on the Maryland Agriculture Commission, I see how effective SMADC's work is and how valued their services are by farmers. This organization plays a vital role in supporting not only farmers in their 5-county jurisdiction, but also across the state through their programs such as Maryland Market Money. This funding is key to ensuring that SMADC can continue providing excellent support, services, and programs to farmers as well as low-income Marylanders who need assistance to buy food from our local farmers.

The proposed increase in funding to \$1,000,000 is essential for the following reasons:

**Supporting Agricultural Innovation:** The additional funds will enable the Southern Maryland Agricultural Development Commission to invest in innovative initiatives that benefit local farmers, promote sustainable practices, and enhance overall agricultural productivity.

**Economic Impact:** Agriculture is a cornerstone of our local economy, and increased funding will positively impact the financial well-being of our farmers, contributing to the economic vitality of Southern Maryland.

**Educational Programs:** The Commission plays a vital role in educating our community about the importance of agriculture. The increased funding will allow for expanded educational programs, ensuring that residents are informed about the value of sustainable farming practices.

I also commend the initiative to repeal the termination of certain provisions of law, ensuring consistent and uninterrupted support for the Southern Maryland Agricultural Development Commission. This stability is crucial for planning and executing long-term projects that benefit our community.

In conclusion, I urge you to support SB 0589 and contribute to the continued growth and success of Southern Maryland's agricultural sector. This investment is not just in the Commission but in the well-being of our community as a whole.

Thank you for your time and consideration. I appreciate your dedication to the betterment of our community.

Sincerely,

Amy G. Crone

# **MFA SB589 Support.pdf**

Uploaded by: Beth Hill

Position: FAV



# Maryland Forests Association, Inc.

P.O. Box 332

Linkwood, MD 21835

410-463-1755

*Maryland's voice for forest, wildlife, and natural resource management*

February 12, 2024

The Honorable Guy Guzzone, Chair  
The Honorable Jim Rosapepe, Vice-Chair  
Maryland Budget & Taxation Committee  
Miller Senate Office Building  
Annapolis, Maryland 21401

Re: SB589- Tri-County Council for Southern Maryland- Southern Maryland Agricultural Development Commission- Funding

Dear Chairman Guzzone, Vice-Chair Rosapepe, and Members of the Committee,

The Maryland Forests Association (MFA) supports the passage of SB589

Maryland Forests Association, Inc. (MFA) is a non-profit 501 c(3) membership-driven organization established in 1976. We represent the entire forest community statewide. Our membership encompasses people that live, work, and play in the forest. MFA envisions a future in which vibrant forests are maintained throughout the State, providing diverse economic and environmental benefits to all. The Southern Maryland Agricultural Development Commission is vital to supporting local tree farmers, promoting forestry education, and promoting sustainable practices.

It is important to note that this is not new funding they are seeking. Current existing funding comes into the State every year from the Cigarette Restitution Fund (CRF), of which 5% was promised to SMADC twenty years ago upon their creation during the Tobacco Buyout. Despite what was written then, SMADC has consistently gotten less than that and has been existing off only \$900,000 yearly from that fund.

This bill asks that SMADC receive at least \$1 million annually or up to the original 5% of the CRF as promised, in perpetuity.

The CRF fund is continual and non-lapsing, and the only place that money can go is to the Maryland Department of Health or to SMADC. The Health Department gets over \$30 million annually from this fund alone, plus their additional funding. SMADC requests their fair share of the CRF so they can continue supporting the farmers in their region and across the State who are growing healthy food, sustainable fiber, and a healthy community.

The proposed increase in funding to at least \$1,000,000 is essential for the following reasons:

**Supporting Agricultural Innovation:** The additional funds will enable the Southern Maryland Agricultural Development Commission to invest in innovative initiatives that benefit local farmers, promote sustainable practices, and enhance agricultural productivity.

**Economic Impact:** Agriculture and Forestry are cornerstones of the local economy, and increased funding will positively impact the financial well-being of our farmers, contributing to the economic vitality of Southern Maryland.

**Educational Programs:** The Commission plays a vital role in educating the community about the importance of agriculture. The increased funding will allow for expanded educational programs, ensuring residents are informed about the value of sustainable practices.

It is worth noting that last fiscal year, with just their \$900,000 in base funding, SMADC was able to leverage that to bring in over \$3 million additional dollars in grants.

SMADC and the farmers they serve are a proven worthwhile return on investment. Over the past several years, they have assisted our organization with educational projects, tours, and literature that have all led to a better understanding of the forestry sector.

I am in favor of the proposed increase in appropriation from \$900,000 to \$1,000,000, as it will provide the necessary resources for the Commission to expand its initiatives and contribute to the economic vitality of our region. Additionally, the repeal of the termination of certain MFA Support provisions of law related to the annual budget bill appropriation is a positive step toward ensuring consistent and reliable funding for the Commission's ongoing activities.

I urge you to support SB589 to contribute to the sustained growth and prosperity in forestry in Southern Maryland and statewide.

In closing, our organization relies heavily on regional partners as part of our education and outreach projects that keep our forests healthy and productive. For these reasons, we ask for a favorable report on SB589. Thank you, and please feel free to contact me, Beth Hill, at 410-463-1755 or via email at [beth@mdforests.org](mailto:beth@mdforests.org) if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "E. Hill".

Elizabeth D. Hill  
Executive Director  
Maryland Forests Association

**SB589\_RMC\_Support.pdf**

Uploaded by: Charlotte Davis

Position: FAV



50 Harry S. Truman Parkway • Annapolis, MD 21401  
Office: 410-841-5772 • Fax: 410-841-5987 • TTY: 800-735-2258  
Email: [rmc.mda@maryland.gov](mailto:rmc.mda@maryland.gov)  
Website: [www.rural.maryland.gov](http://www.rural.maryland.gov)  
Charlotte Davis, Executive Director

Susan O'Neill, Chair

Testimony in Support of  
Senate Bill 589 - Tri-County Council for Southern Maryland - Southern Maryland Agricultural  
Development Commission - Funding  
Senate Budget and Taxation Committee  
February 14, 2024

The Rural Maryland Council supports Senate Bill 589 - Tri-County Council for Southern Maryland - Southern Maryland Agricultural Development Commission - Funding. This bill requires an annual appropriation of \$1,000,000 for the Tri-County Council for Southern Maryland. This funding is directed to the Southern Maryland Agricultural Development Commission (SMADC). SMADC's purpose is to support farms and the future of agriculture in Southern Maryland. They are committed to expanding and promoting a viable and profitable agricultural farming community in Southern Maryland and the five southern Maryland counties of Anne Arundel, Calvert, Charles, Prince George's and St. Mary's.

Agriculture plays a crucial role in the livelihoods of rural communities by providing employment opportunities, sustaining the local economy and ensuring food security. The demand for locally-produced food—or food produced in the same region in which it is consumed—has been on the rise. In 2020, farmers produced and sold \$9 billion of local food directly to consumers, retailers, institutions, and intermediaries; an increase of 3% of direct farm sales of food in 2015. Local and regional food systems are one of the U.S. Department of Agriculture's four pillars of agriculture and rural economic development. Promoting local and regional food systems is also identified as one of the Rural Development Agency's seven strategies for economic development.

The Federal Reserve Bank of St. Louis in its publication *Harvesting Opportunity: The Power of Regional Food System Investments to Transform Communities (2017)*, reported that existing studies provide evidence of positive regional economic impacts resulting from local food system initiatives. Through strengthening local inter-industry linkages, local food systems generate additional regional economic activity and retain wealth. The new markets resulting from growing consumer interest in local and regional foods support improved profitability outcomes for some small- and midscale producers.

SMADC supports approximately 2,000 farms and almost 200,000 acres in agricultural production. They provide vision, support, grants, marketing and promotion to area farmers and help to streamline regulations and reduce obstacles. This state investment will promote the development of a diverse local food system in Southern Maryland, positively impact its economy and support Southern Maryland farmers.

The Rural Maryland Council respectfully requests your favorable support of Senate Bill 589.

*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.*

"A Collective Voice for Rural Maryland"



**ScanSMADC SB0589v2.pdf**

Uploaded by: Daniel Donohue

Position: FAV

Daniel A. Donohue  
16401 Old Marshall Hall Road  
Accokeek, Maryland 20607  
Email: dadonohue@hotmail.com  
Phone# 301.641.8770

February 9, 2024

**Testimony in Support of SB 0589 - Tri-County Council for Southern Maryland – Southern Maryland Agricultural Development Commission – Funding**

Dear Chair Guzzone and Members of the Budget and Taxation Committee,

My name is Daniel A. Donohue and I am a farmer. I am writing to express my strong support for Senate Bill 0589, which aims to increase the appropriation for the Southern Maryland Agricultural Development Commission (SMADC), which is a division of the Tri-County Council for Southern Maryland, from the Cigarette Restitution Fund.

The Southern Maryland Agricultural Development Commission plays a pivotal role in supporting local farmers, promoting agricultural education, and fostering sustainable practices.

It is important to note that this is not new funding they are seeking, it's current existing funding that comes into the state every year from the Cigarette Restitution Fund (CRF), of which 5% was promised to SMADC twenty years ago upon their creation during the Tobacco Buyout. Despite what was written at that time, SMADC has consistently gotten less than that, and has been operating on only \$900,000 a year from that fund.

This bill asks that SMADC receive at least \$1 million annually or up to the original 5% of the CRF as promised, in perpetuity.

The CRF fund is continual and non-lapsing and the only place that money can go is to the Maryland Department of Health or to SMADC. The Health Department gets over \$30 million a year from this fund alone, plus their additional funding. SMADC just requests their fair share of the CRF so they can continue to support the farmers in their region and across the state who are growing healthy food and a healthy community.

The proposed increase in funding to at least \$1,000,000 is essential for the following reasons:

**Supporting Agricultural Innovation:** The additional funds will enable the Southern Maryland Agricultural Development Commission to invest in innovative initiatives that benefit local farmers, promote sustainable practices, and enhance overall agricultural productivity.

**Economic Impact:** Agriculture is a cornerstone of our local economy, and increased funding will positively impact the financial well-being of our farmers, contributing to the economic vitality of Southern Maryland.

**Educational Programs:** The Commission plays a vital role in educating our community about the importance of agriculture. The increased funding will allow for expanded educational programs, ensuring that residents are informed about the value of sustainable farming practices.

It is worth noting that last fiscal year, with just their \$900,000 in base funding, SMADC was able to leverage that to bring in over \$3 million additional dollars in grants. SMADC and the farmers they serve are a proven worthwhile return on investment.

I was asked to join the SMADC Board as a Prince George's County representative in 2019 and continue to serve. I reside on the farm I grew up on and raise beef cattle and hay, it is a Certified Tree Farm and in 2012 I placed the property in the Maryland Agricultural Land Preservation Foundation program. I have served on the Prince George's Agricultural Resources Advisory Committee since 2018 and am the Vice President of the Prince George's County Farm Bureau. I was asked by the Maryland Forest Service to serve on the Maryland Tree Farm Committee as the Southern Region Representative this year. I may add that I was a 2023 Leopold Conservation Finalist for the state of Maryland, and I am a retired U.S. Marine.

I became active with SMADC's mission by attending meetings they sponsored regards beef processing and sales. I have taken advantage of one of the programs they initiated, the "Freezer Trailer" program, which allows farmers to rent a freezer trailer to transport processed livestock to their farm or a retail establishment. Considering the distance a producer in Southern Maryland has to travel in transporting stock for processing and then back, these trailers fill a need. There are three trailers in Southern Maryland, and they are located in Calvert, Prince George's and St. Mary's counties. I rent a trailer two or three times a year and they are critical to my operation. I may add that a member of the SMADC Staff connected me with a retailer in Anne Arundel County that was looking for locally raised beef and he has purchased ten to twelve processed beeves from me every year since 2020. I look forward to the completion of the Regional Agricultural Center that will be located in Charlotte Hall and its support to the agricultural economy of Southern Maryland. Bottom line, SMADC plays a positive role in supporting agriculture and in protecting the soil and water in Southern Maryland.

I am in favor of the proposed increase in appropriation from \$900,000 to \$1,000,000, as it will provide the necessary resources for the Commission to expand its initiatives and contribute to the economic vitality of our region. Additionally, the repeal of the termination of certain provisions of law related to the annual budget bill appropriation is a positive step toward ensuring consistent and reliable funding for the Commission's ongoing activities.

I urge you to support SB 0589 to contribute to the sustained growth and prosperity of agriculture in Southern Maryland and statewide.

Thank you for your time and consideration.

Sincerely,



Daniel A. Donohue

**SenatorBailey\_FAV\_SB589.pdf**

Uploaded by: Jack Bailey

Position: FAV

JACK BAILEY  
Legislative District 29  
Calvert and St. Mary's Counties

Budget & Taxation Committee



THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

Annapolis Office  
James Senate Office Building  
11 Bladen Street, Room 401  
Annapolis, Maryland 21401  
410-841-3673 • 301-858-3673  
800-492-7122 Ext. 3673  
Jack.Bailey@senate.state.md.us

District Office  
Dorsey Professional Park  
23680 Three Notch Road, Unit 101  
Hollywood, Maryland 20636  
240-309-4238

February 14, 2024

**Senate Bill 589 – Tri-County Council for Southern Maryland - Southern Maryland Agricultural Development Commission - Funding**

Dear Chairman Guzzone and Members of the Committee:

I am writing to introduce Senate Bill 589. This legislation would ensure permanent funding for the Southern Maryland Agricultural Development Commission in the State's budget.

In 2022, the General Assembly passed Senate Bill 378 requiring \$900,000 from the Cigarette Restitution Fund to be appropriated to SMADC annually. However, this legislation will expire on June 30, 2025. SMADC is an important resource to farmers in Anne Arundel, Calvert, Charles, Prince George's, and St. Mary's Counties, and I do not believe they should have to face uncertainty about the availability of the funding that their operations depend on every year. This legislation will repeal this sunset and ensure that these funding provisions remain in State law permanently.

In reviewing the scope of the support that SMADC has been offering the Southern Maryland agricultural community with the funding that they have received to date, I believe it is appropriate to increase the minimum support that the State gives SMADC to \$1 million annually. While I understand and respect the difficult fiscal situation that the State faces, we should maintain our commitment to assisting our farmers given the important role that agriculture plays in our economy, not only in Southern Maryland, but in the State as a whole.

Current law and this bill require this appropriation of funds to be from the State's Cigarette Restitution Fund. In 1999, State legislative leaders and the Southern Maryland Delegation agreed that a minimum of 5 percent of funds from the tobacco settlement should be allocated to assist Southern Maryland farmers, who had been dependent up to that point on growing tobacco, to transition to other agricultural pursuits. This commitment, however, has not been upheld by the State. This bill includes provisions drafted at the Commission's request to be consistent with this agreement, in order to recognize the original commitment that was made to our Southern Maryland farmers, even as the bill only requires the substantially smaller amount of \$1 million be appropriated to SMADC annually.

I respectfully request a favorable report on Senate Bill 589. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Bailey'.

Senator Jack Bailey

**CalvertCounty\_FAV\_SB589.pdf**

Uploaded by: John Norris

Position: FAV



**CALVERT COUNTY  
BOARD OF COUNTY COMMISSIONERS**

175 Main Street  
Prince Frederick, Maryland 20678  
410-535-1600 • 301-855-1243  
www.calvertcountymd.gov

*Board of Commissioners*  
Mark C. Cox Sr.  
Catherine M. Grasso  
Earl F. Hance  
Mike Hart  
Todd Ireland

February 13, 2024

The Honorable Senator Guy Guzzone, Chair  
Budget and Taxation Committee  
3 West, Miller Senate Office Building  
Annapolis, Maryland 21401

Re: SB589 – Tri-County Council for Southern Maryland - Southern Maryland Agricultural Development Commission - Funding

Chair Guzzone, Vice Chair Rosapepe, and Committee Members:

The Board of County Commissioners for Calvert County writes in **SUPPORT** of **SB589** and requests a **FAVORABLE** Committee report. This Bill supports the transition from tobacco farming with a modest increase in appropriation for the Tri-County Council for Southern Maryland (Council) from the Cigarette Restitution Fund. By existing law, the Council must use funds appropriated from the Cigarette Restitution Fund for the purpose of funding the activities of the Southern Maryland Agricultural Development Commission (SMADC).

As you are aware, the Council is an integral part of our community, and SMADC, under its purview, plays a pivotal role in supporting local farmers, promoting agricultural education, and fostering sustainable practices. SMADC provides valuable services to Calvert County farmers and citizens including mini-grants, workshops, Maryland Market Money – a funding match up to \$30 per day for citizens purchasing food at farmers markets and farm stands with nutrition assistance benefits programs, along with consumer guides for customers to learn more about local food options.

Your thoughtful consideration of this request is sincerely appreciated. Should you have any questions or require further information, please do not hesitate to contact County Administrator Julian M. Willis at 410-535-1600 extension 2202 or Economic Development Director Julie Oberg at 410-535-1600 extension 2485.

Sincerely,

BOARD OF COUNTY COMMISSIONERS  
CALVERT COUNTY, MARYLAND

\_\_\_\_\_  
Earl F. Hance, President

*Catherine M. Grasso*  
\_\_\_\_\_  
Catherine M. Grasso, Vice President

*Mark C. Cox Sr.*  
\_\_\_\_\_  
Mark C. Cox Sr.

*Mike Hart*  
\_\_\_\_\_  
Mike Hart

*Todd Ireland*  
\_\_\_\_\_  
Todd Ireland

cc: Calvert County Delegation

**SB0589.pdf**

Uploaded by: John O'Connor

Position: FAV



John O'Connor  
Mechanicsville, MD 20659

RE: Senate Bill 0589

Senator Bailey,

I support SB0589. As a St Mary's County resident, I hope this bill gets passed as it will provide great resources to the area. Thank you and your colleague's support and your service to St Mary's County.

John O'Connor

# **Testimony and Support Letters SB0589 2024.pdf**

Uploaded by: Shelby Watson-Hampton

Position: FAV



## POSITION STATEMENT

### Support of SB 0589 - Tri-County Council for Southern Maryland – Southern Maryland Agricultural Development Commission – Funding

Budget and Taxation Committee

February 13<sup>th</sup>, 2024

**Shelby Watson-Hampton, Director, Southern Maryland Agricultural Development Commission (SMADC)**

Dear Chair Guzzone and Members of the Budget and Taxation Committee,

As Director of the Southern Maryland Agricultural Development Commission (SMADC), a division of the Tri-County Council for Southern Maryland, I am urging members of the committee to support SB0589 and the ask for permanent (and slightly increased) funding for the commission; as SMADC plays a pivotal role in supporting local farmers, promoting agricultural education, and fostering sustainable practices.

**It is important to note that this is not new funding SMADC is seeking, it's current existing funding that comes into the state every year from the Cigarette Restitution Fund (CRF), of which 5% was promised to SMADC twenty years ago upon their creation during the Tobacco Buyout.** Despite what was written at that time, SMADC has consistently gotten less than that, and has been existing off only \$900,000 a year from that fund.

This bill asks that SMADC receive at least \$1 million annually or up to the original 5% of the CRF as promised, in perpetuity.

The CRF fund itself is continual and non-lapsing and the only place that money can go is to the Maryland Department of Health or to SMADC. The Health Department gets over \$30 million a year from this fund alone, plus their additional funding. SMADC just requests their fair share of the CRF so they can continue to support the farmers in their region and across the state who are growing healthy food and a healthy community.

The proposed increase in funding to at least \$1,000,000 is essential for supporting the agricultural economy, small business innovation, and food and farming education. It is worth noting that last fiscal year, with just our \$900,000 in base funding, SMADC was able to leverage that to bring in over \$3 million additional dollars in grants to the region.

**SMADC's success is proven. In FY23 alone we awarded 22 farm mini grants totaling \$37,950, awarded scholarships and sponsorships totaling \$15,052, awarded \$14,500 to youth farmers in the SOMD Meats Program, awarded \$93,238 in equipment grants, grew the Maryland Market Money matching program for low-income families at the farmers market to 60+ locations and over 720**

The Southern Maryland Agricultural Development Commission  
is a division of the Tri-County Council for Southern Maryland  
P.O. Box 745 Hughesville, MD 20637  
Phone - 240-528-8850 ~ Email – info@smadc.com





**farmers/producers, directly served 454 farms through grants, marketing, resources, and events, and much more through all of our active programming.**

The proposed increase in appropriation from \$900,000 to \$1,000,000 will provide the necessary resources for the Commission to expand its initiatives and contribute to the economic vitality of our region. Additionally, the repeal of the termination of certain provisions of law related to the annual budget bill appropriation is a positive step toward ensuring consistent and reliable funding for the Commission's ongoing activities. SMADC and the farmers they serve are a proven worthwhile return on investment.

I urge you to support SB 0589 to contribute to the sustained growth and prosperity agriculture in Southern Maryland and statewide.

**Please also see the numerous letters of support from farmers and agricultural community members attached below.**

Thank you for your time and consideration.

*Shelby Watson Hampton*

**Shelby Watson-Hampton**

Director, Southern Maryland Agricultural  
Development Commission (SMADC)  
[swatsonhampton@smadc.com](mailto:swatsonhampton@smadc.com)  
[www.smadc.com](http://www.smadc.com)  
(240) 304-8535

The Southern Maryland Agricultural Development Commission  
is a division of the Tri-County Council for Southern Maryland  
P.O. Box 745 Hughesville, MD 20637  
Phone - 240-528-8850 ~ Email – [info@smadc.com](mailto:info@smadc.com)



# SMADC is valuable to Maryland



SMADC serves

**2,011 FARMS &  
205,000 ACRES**

in the five-county Southern Maryland area and  
additional programming available statewide



## SMADC'S CONTRIBUTIONS IN FY'23



**454 FARMS**

directly benefited from SMADC  
marketing, resources, and events.



**22 Farms Awarded  
SMADC Mini Grants  
totaling \$37,950**



**\$15,052**

awarded through SMADC  
scholarships & sponsorships



**\$14,500**

awarded to regional youth through  
Southern Maryland Meats sponsorships



**\$93,238**

awarded through SMADC  
equipment grants



**13** SMADC workshops  
& events



**\$29,000**

awarded through SMADC/MARBIDCO  
loan funds

**+ 1,000** attended the  
Buy Local Challenge Celebration





By leveraging our annual allotment of \$900,000 in base funding, SMADC secured partnerships and projects, bringing an additional 3 million dollars (in both state and non-state grand funds) dedicated to ag. programs that enhance the region's economic viability.



Infrastructure: Regional Agriculture Center in progress - total funds secured

**\$5,700,000**

(SMADC & St. Mary's County)

**MARYLAND MARKET MONEY**



**60+ FARMERS ACCESS POINTS**

including 26 So. MD locations



**\$1,033,053**

awarded to MMM program

**\$389,219**



Federal Nutrition Benefit matching incentive funds granted to participating farmers markets, farm stands, & CSAs statewide



**720+**

raw agricultural producers (farmers, ranchers, watermen) & local food producers participated

**BOTTOM LINE - SMADC IS GOOD FOR MARYLAND STATEWIDE**

**SMADC is dedicated to...**



a division of the



- *cultivating a dynamic food system that is profitable for farmers and producers, empowering for communities, and environmentally sound.*
- *Enhancing the quality of life of all community members through market driven & sustainable farming, & environmental stewardship*
- *Developing infrastructure that supports regional food systems where all members of the community can thrive*

SMADC PROJECTS ARE **STRONG ECONOMIC MULTIPLIERS**. FIND OUT MORE ABOUT HOW SMADC IS SUPPORTING FARMS, FARMERS & AND THE FUTURE OF AGRICULTURE IN SOUTHERN MARYLAND AND BEYOND.

VISIT [SMADC.COM](http://SMADC.COM) OR CONNECT WITH US   

Prince George's County Farm Bureau, Inc.  
13501 Molly Berry Road  
Brandywine, Maryland 20613  
Email: PGCFB@yahoo.com  
Phone# 301.579.6552

February 10, 2024

**Testimony in Support of SB 0589 - Tri-County Council for Southern Maryland – Southern Maryland Agricultural Development Commission – Funding**

Dear Chair Guzzone and Members of the Budget and Taxation Committee,

My name is Daniel A. Donohue; I am the Vice President of the Prince George's County Farm Bureau, Inc. (PGCFB) and am representing PGCFB regarding this proposed legislation. PGCFB strongly supports Senate Bill 0589, which aims to increase the appropriation for the Southern Maryland Agricultural Development Commission (SMADC), which is a division of the Tri-County Council for Southern Maryland, from the Cigarette Restitution Fund.

The Southern Maryland Agricultural Development Commission plays a pivotal role in supporting local farmers, promoting agricultural education, and fostering sustainable practices.

It is important to note that this is not new funding they are seeking, it's current existing funding that comes into the state every year from the Cigarette Restitution Fund (CRF), of which 5% was promised to SMADC twenty years ago upon their creation during the Tobacco Buyout. Despite what was written at that time, SMADC has consistently gotten less than that, and has been operating on only \$900,000 a year from that fund.

This bill asks that SMADC receive at least \$1 million annually or up to the original 5% of the CRF as promised, in perpetuity.

The CRF fund is continual and non-lapsing and the only place that money can go is to the Maryland Department of Health or to SMADC. The Health Department gets over \$30 million a year from this fund alone, plus their additional funding. SMADC just requests their fair share of the CRF so they can continue to support the farmers in their region and across the state who are growing healthy food and a healthy community.

The proposed increase in funding to at least \$1,000,000 is essential for the following reasons:

**Supporting Agricultural Innovation:** The additional funds will enable the Southern Maryland Agricultural Development Commission to invest in innovative initiatives that benefit local farmers, promote sustainable practices, and enhance overall agricultural productivity.

**Economic Impact:** Agriculture is a cornerstone of our local economy, and increased funding will positively impact the financial well-being of our farmers, contributing to the economic vitality of Southern Maryland.

**Educational Programs:** The Commission plays a vital role in educating our community about the importance of agriculture. The increased funding will allow for expanded educational programs, ensuring that residents are informed about the value of sustainable farming practices.

It is worth noting that last fiscal year, with just their \$900,000 in base funding, SMADC was able to leverage that to bring in over \$3 million additional dollars in grants. SMADC and the farmers they serve are a proven worthwhile return on investment.

PGCFB supports the many initiatives that SMADC has offered to producers in Prince George's County and the entire Southern Maryland region. SMADC's working with the Anne Arundel County government this past year enabled the Lothian Grain Elevator to continue operations to support grain farmers in Southern Maryland; this was a big win for the farmers and the local economy. The loan program that SMADC offers has helped many producers purchase equipment to enhance their operations and increase profitability.

PGCFB enthusiastically supports the proposed increase in appropriation from \$900,000 to \$1,000,000, as it will provide the necessary resources for the Commission to expand its initiatives and contribute to the economic vitality of our region. Additionally, the repeal of the termination of certain provisions of law related to the annual budget bill appropriation is a very positive step toward ensuring consistent and reliable funding for the Commission's ongoing activities.

PGCFB asks you to please support SB 0589 to contribute to the sustained growth and prosperity of agriculture in Southern Maryland and statewide.

Thank you for your consideration.

Sincerely, .



Daniel A. Donohue  
Vice President, Prince George's County Farm Bureau, Inc.





**CALVERT COUNTY  
BOARD OF COUNTY COMMISSIONERS**

175 Main Street  
Prince Frederick, Maryland 20678  
410-535-1600 • 301-855-1243  
www.calvertcountymd.gov

*Board of Commissioners*  
Mark C. Cox Sr.  
Catherine M. Grasso  
Earl F. Hance  
Mike Hart  
Todd Ireland

February 13, 2024

The Honorable Delegate Marc Korman, Chair  
Environment and Transportation Committee  
Room 241, House Office Building  
Annapolis, Maryland 21401

Re: HB812 – Tri-County Council for Southern Maryland - Southern Maryland Agricultural Development Commission - Funding

Chair Korman, Vice Chair Boyce, and Committee Members:

The Board of County Commissioners for Calvert County writes in **SUPPORT** of **HB812** and requests a **FAVORABLE** Committee report. This Bill supports the transition from tobacco farming with a modest increase in appropriation for the Tri-County Council for Southern Maryland (Council) from the Cigarette Restitution Fund. By existing law, the Council must use funds appropriated from the Cigarette Restitution Fund for the purpose of funding the activities of the Southern Maryland Agricultural Development Commission (SMADC).

As you are aware, the Council is an integral part of our community, and SMADC, under its purview, plays a pivotal role in supporting local farmers, promoting agricultural education, and fostering sustainable practices. SMADC provides valuable services to Calvert County farmers and citizens including mini-grants, workshops, Maryland Market Money – a funding match up to \$30 per day for citizens purchasing food at farmers markets and farm stands with nutrition assistance benefits programs, along with consumer guides for customers to learn more about local food options.

Your thoughtful consideration of this request is sincerely appreciated. Should you have any questions or require further information, please do not hesitate to contact County Administrator Julian M. Willis at 410-535-1600 extension 2202 or Economic Development Director Julie Oberg at 410-535-1600 extension 2485.

Sincerely,

BOARD OF COUNTY COMMISSIONERS  
CALVERT COUNTY, MARYLAND

\_\_\_\_\_  
Earl F. Hance, President

*Catherine M. Grasso*  
\_\_\_\_\_  
Catherine M. Grasso, Vice President

*Mark C. Cox Sr.*  
\_\_\_\_\_  
Mark C. Cox Sr.

*Mike Hart*  
\_\_\_\_\_  
Mike Hart

*Todd Ireland*  
\_\_\_\_\_  
Todd Ireland

cc: Calvert County Delegation



**CALVERT COUNTY  
BOARD OF COUNTY COMMISSIONERS**

175 Main Street  
Prince Frederick, Maryland 20678  
410-535-1600 • 301-855-1243  
www.calvertcountymd.gov

*Board of Commissioners*  
Mark C. Cox Sr.  
Catherine M. Grasso  
Earl F. Hance  
Mike Hart  
Todd Ireland

February 13, 2024

The Honorable Senator Guy Guzzone, Chair  
Budget and Taxation Committee  
3 West, Miller Senate Office Building  
Annapolis, Maryland 21401

Re: SB589 – Tri-County Council for Southern Maryland - Southern Maryland Agricultural Development Commission - Funding

Chair Guzzone, Vice Chair Rosapepe, and Committee Members:

The Board of County Commissioners for Calvert County writes in **SUPPORT** of **SB589** and requests a **FAVORABLE** Committee report. This Bill supports the transition from tobacco farming with a modest increase in appropriation for the Tri-County Council for Southern Maryland (Council) from the Cigarette Restitution Fund. By existing law, the Council must use funds appropriated from the Cigarette Restitution Fund for the purpose of funding the activities of the Southern Maryland Agricultural Development Commission (SMADC).

As you are aware, the Council is an integral part of our community, and SMADC, under its purview, plays a pivotal role in supporting local farmers, promoting agricultural education, and fostering sustainable practices. SMADC provides valuable services to Calvert County farmers and citizens including mini-grants, workshops, Maryland Market Money – a funding match up to \$30 per day for citizens purchasing food at farmers markets and farm stands with nutrition assistance benefits programs, along with consumer guides for customers to learn more about local food options.

Your thoughtful consideration of this request is sincerely appreciated. Should you have any questions or require further information, please do not hesitate to contact County Administrator Julian M. Willis at 410-535-1600 extension 2202 or Economic Development Director Julie Oberg at 410-535-1600 extension 2485.

Sincerely,

BOARD OF COUNTY COMMISSIONERS  
CALVERT COUNTY, MARYLAND

\_\_\_\_\_  
Earl F. Hance, President

*Catherine M. Grasso*  
\_\_\_\_\_  
Catherine M. Grasso, Vice President

*Mark C. Cox Sr.*  
\_\_\_\_\_  
Mark C. Cox Sr.

*Mike Hart*  
\_\_\_\_\_  
Mike Hart

*Todd Ireland*  
\_\_\_\_\_  
Todd Ireland

cc: Calvert County Delegation



# CHARLES SOIL CONSERVATION DISTRICT

Organized 1941

4200 Gardiner Road  
Waldorf, MD 20601  
(301) 638-3028

February 9, 2024

Senate Budget and Taxation Committee  
c/o Senator Guy Guzzone, Chairman  
3 West  
Miller Senate Office Building  
Annapolis, Maryland 21401

Subject: Testimony in Support of SB 0589 - Tri-County Council for Southern Maryland – Southern Maryland Agricultural Development Commission – Funding

Dear Chair Guzzone, Vice-Chair Rosapepe, and Members of the Senate Budget and Taxation Committee,

The Charles Soil Conservation District strongly supports Senate Bill 0589, which aims to increase the appropriation for the Tri-County Council for Southern Maryland from the Cigarette Restitution Fund. This amendment is crucial for the continued success and growth of the Southern Maryland Agricultural Development Commission.

The Tri-County Council for Southern Maryland is an integral part of our community. The Southern Maryland Agricultural Development Commission (SMADC), under its purview, plays a pivotal role in supporting local farmers, promoting agricultural education, and fostering sustainable practices.

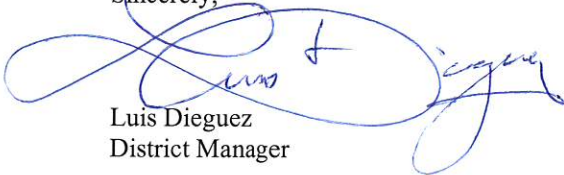
Through the support of SMADC, the Charles Soil Conservation District has been able to make agricultural equipment easily available for rent to the southern Maryland agricultural community. This has enabled farmers to carry out soil conservation related work for the betterment of our farmland and overall environment. SMADC has been an active partner in promoting agricultural education in our region.

The proposed increase in appropriation from \$900,000 to \$1,000,000 will provide the necessary resources for the Commission to expand its initiatives and contribute to the economic vitality of our region. Additionally, the repeal of the termination of certain provisions of law related to the annual budget bill appropriation is a positive step toward ensuring consistent and reliable funding for the Commission's ongoing activities.

We urge you to support SB 0589 to contribute to the sustained growth and prosperity of agriculture in Southern Maryland and statewide.

Thank you for your time and consideration.

Sincerely,



Luis Dieguez  
District Manager



**POSITION STATEMENT**

**Support of SB 0589 - Tri-County Council for Southern Maryland – Southern Maryland Agricultural Development Commission – Funding**

Budget and Taxation Committee  
February 12<sup>th</sup>, 2024

**Southern Maryland Invitational Livestock Expo - Jay Farrell, Chairman**

Dear Chair Guzzone and Members of the Budget and Taxation Committee,

I am writing to encourage you to support this bill for SMADC funding.

Over the past 17 years SMADC has been a major sponsor for our educational youth livestock show. In addition to the show itself, educational and youth development events are held to foster camaraderie and enhance their knowledge and love of the area's agricultural heritage, and SMADC's grant has annually provided us with funding to make our show possible. Through their support and other sponsors, our show has continued to grow and expand: at our first show in 2006, we registered 65 participants and 264 animals, whereas our show in 2023 had grown to 104 participants registered and 314 animals. Many of the exhibitors that attend this event are not able to travel to other states and areas to compete in shows. It is a local event to educate those that may not be able to afford the travel expenses or choose not to leave Southern Maryland.

We request that you continue the funding to SMADC so they may continue to provide financial support to our show, making it easily accessible to those youth that need a show of this caliber. This venue enhances their knowledge of livestock and the responsibility it takes to raise and exhibit their own livestock regardless of the species – cattle, swine, lamb, goat, and rabbits. As a result of the funding from SMADC and other sponsors we have been able to expand our show to a younger group of children to include Peewee and Novice classes; our age groups range from 4 to 21 years old. We consistently receive positive comments, and the camaraderie and lessons are things the children will remember forever.

I would like to thank SMADC for their past support and look forward to their future support. With your help in securing the funding from SMADC, this will remain possible.

Thank you,

Jay Farrell

The Southern Maryland Agricultural Development Commission  
is a division of the Tri-County Council for Southern Maryland  
P.O. Box 745 Hughesville, MD 20637  
Phone - 240-528-8850 ~ Email – info@smadc.com







# Maryland Forests Association, Inc.

P.O. Box 332

Linkwood, MD 21835

410-463-1755

*Maryland's voice for forest, wildlife, and natural resource management*

February 12, 2023

The Honorable Guy Guzzone, Chair  
The Honorable Jim Rosapepe, Vice-Chair  
Maryland Budget & Taxation Committee  
Miller Senate Office Building  
Annapolis, Maryland 21401

Re: SB589- Tri-County Council for Southern Maryland- Southern Maryland Agricultural Development Commission- Funding

Dear Chairman Guzzone, Vice-Chair Rosapepe, and Members of the Committee,

The Maryland Forests Association (MFA) supports the passage of SB8589

Maryland Forests Association, Inc. (MFA) is a non-profit 501 c(3) membership-driven organization established in 1976. We represent the entire forest community statewide. Our membership encompasses people that live, work, and play in the forest. MFA envisions a future in which vibrant forests are maintained throughout the State, providing diverse economic and environmental benefits to all. The Southern Maryland Agricultural Development Commission is vital to supporting local tree farmers, promoting forestry education, and promoting sustainable practices.

It is important to note that this is not new funding they are seeking. Current existing funding comes into the State every year from the Cigarette Restitution Fund (CRF), of which 5% was promised to SMADC twenty years ago upon their creation during the Tobacco Buyout. Despite what was written then, SMADC has consistently gotten less than that and has been existing off only \$900,000 yearly from that fund.

This bill asks that SMADC receive at least \$1 million annually or up to the original 5% of the CRF as promised, in perpetuity.

The CRF fund is continual and non-lapsing, and the only place that money can go is to the Maryland Department of Health or to SMADC. The Health Department gets over \$30 million annually from this fund alone, plus their additional funding. SMADC requests their fair share of the CRF so they can continue supporting the farmers in their region and across the State who are growing healthy food, sustainable fiber, and a healthy community.

The proposed increase in funding to at least \$1,000,000 is essential for the following reasons:

**Supporting Agricultural Innovation:** The additional funds will enable the Southern Maryland Agricultural Development Commission to invest in innovative initiatives that benefit local farmers, promote sustainable practices, and enhance agricultural productivity.

**Economic Impact:** Agriculture and Forestry are cornerstones of the local economy, and increased funding will positively impact the financial well-being of our farmers, contributing to the economic vitality of Southern Maryland.

**Educational Programs:** The Commission plays a vital role in educating the community about the importance of agriculture. The increased funding will allow for expanded educational programs, ensuring residents are informed about the value of sustainable practices.

It is worth noting that last fiscal year, with just their \$900,000 in base funding, SMADC was able to leverage that to bring in over \$3 million additional dollars in grants.

SMADC and the farmers they serve are a proven worthwhile return on investment. Over the past several years, they have assisted our organization with educational projects, tours, and literature that have all led to a better understanding of the forestry sector.

I am in favor of the proposed increase in appropriation from \$900,000 to \$1,000,000, as it will provide the necessary resources for the Commission to expand its initiatives and contribute to the economic vitality of our region. Additionally, the repeal of the termination of certain provisions of law related to the annual budget bill appropriation is a positive step toward ensuring consistent and reliable funding for the Commission's ongoing activities.

I urge you to support SB589 to contribute to the sustained growth and prosperity in forestry in Southern Maryland and statewide.

In closing, our organization relies heavily on regional partners as part of our education and outreach projects that keep our forests healthy and productive. For these reasons, we ask for a favorable report on SB589. Thank you, and please feel free to contact me, Beth Hill, at 410-463-1755 or via email at [beth@mdforests.org](mailto:beth@mdforests.org) if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "E. Hill".

Elizabeth D. Hill  
Executive Director  
Maryland Forests Association



## La Plata Farmers Market

Kelly Phipps  
305 Queen Anne St  
La Plata MD 20646  
[khipps@townoflaplata.org](mailto:khipps@townoflaplata.org)  
301-966-7473

**Subject:** Testimony In Support of SB 0589 - Tri-County Council For Southern Maryland –  
Southern Maryland Agricultural Development Commission – Funding

Dear Chair Guzzone, Vice-Chair Rosapepe, and Members of the Senate Budget and Taxation Committee,

I am writing to express my strong support for Senate Bill 0589, which aims to increase the appropriation for the Tri-County Council for Southern Maryland from the Cigarette Restitution fund. The proposal to raise the annual appropriation from \$900,000 to \$1,000,000 is a crucial step in fostering the sustainable growth of the Southern Maryland Agricultural Development Commission (SMADC).

The Tri-County Council for Southern Maryland plays a pivotal role in our community's development, and the Southern Maryland Agricultural Development Commission, under its umbrella, contributes significantly to the prosperity of our region's agricultural sector.

With SMADC's direct support, the La Plata Farmers Market has evolved from a small, sparsely attended gathering to a regional small business incubator and tourist destination celebrating Southern Maryland's agricultural heritage. Since integrating the Maryland Market Money program, our market has increased the reach of our local small businesses to include underserved communities, providing these food-insecure populations more equitable access to locally produced goods with higher nutritional content. Moreover, our market has embraced the historical image of a market as a community gathering space that fosters partnerships among farmers, agriculturalists, consumers, and the business community.

The proposed increase in funding to \$1,000,000 is essential for the following reasons:

- **Supporting Agricultural Innovation:** The additional funds will enable the Southern Maryland Agricultural Development Commission to invest in innovative initiatives that benefit local farmers, promote sustainable practices, and enhance overall agricultural productivity.
- **Economic Impact:** Agriculture is a cornerstone of our local economy, and increased funding will positively impact the financial well-being of our farmers, contributing to the economic vitality of Southern Maryland.



- **Educational Programs:** The Commission plays a vital role in educating our community about the importance of agriculture. The increased funding will allow for expanded educational programs, ensuring that residents are informed about the value of sustainable farming practices.

I also commend the initiative to repeal the termination of certain provisions of law, ensuring consistent and uninterrupted support for the Southern Maryland Agricultural Development Commission. This stability is crucial for planning and executing long-term projects that benefit our community.

In conclusion, I urge you to support SB 0589 and contribute to the continued growth and success of Southern Maryland's agricultural sector. This investment is not just in the Commission but in the well-being of our community as a whole.

Thank you for your time and consideration. I appreciate your dedication to the betterment of our community.

Sincerely,  
Kelly Phipps  
Market Manager  
La Plata Farmers Market



# **SB 589 Testimony MARBIDCO.pdf**

Uploaded by: Steve McHenry

Position: FAV



**MARBIDCO**  
growing rural ventures™

MARYLAND AGRICULTURAL AND RESOURCE-BASED  
INDUSTRY DEVELOPMENT CORPORATION  
1410 Forest Drive, Suite 21 ~ Annapolis, MD 21403  
Office: 410-267-6807 ~ Fax: 410-267-6809  
www.marbidco.org

---

Mary Shank Creek, *Chair* / Stephen R. McHenry, *Executive Director*

## TESTIMONY STATEMENT

**BILL:** Senate Bill 589 (Tri-County Council for Southern Maryland – Southern Maryland Agricultural Development Commission – Funding)

**COMMITTEE:** Senate Budget and Taxation

**DATE:** February 14, 2024

**POSITION:** Support

---

The Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) supports Senate Bill 589, which proposes to continue – and increase modestly – the State’s annual mandated investment in the Southern Maryland Agricultural Development Commission (SMADC), which is a division of the Tri-County Council for Southern Maryland. SMADC has received about \$900,000 annually in recent years from the Cigarette Restitution Fund (CRF) to support its “infrastructure development” work in Anne Arundel, Calvert, Charles, Prince George’s, and St. Mary’s Counties, and would like to see this amount raised to \$1,000,000 beginning in FY 2026.

MARBIDCO believes that this would continue to be a good investment in CRF funds going forward.

SMADC has a good track record of success and has assisted MARBIDCO with its outreach effort to assist farmers and other rural businesses in the Southern Maryland region with its development finance programming. (Since 2007, MARBIDCO has funded nearly 225 projects in Southern Maryland totaling about \$10 million.)

SMADC has also partnered with MARBIDCO in the development of some innovative financing tools for use only in the region. For example, some of SMADC’s financial resources have been deployed to establish two programs (under MARBIDCO’s jurisdiction):

- 1) the Southern Maryland Revolving Loan Fund for Agriculture, and
- 2) the Southern Maryland Loan Equity Incentive Matching Fund.

The Southern Maryland Revolving Loan Fund for Agriculture was established in 2018 to offer microloans to farmers for projects that are difficult for conventional commercial lenders to finance because these small projects involve the purchase of assets that are difficult to collateralize. Six such small loans have been made so far totaling \$116,507.

An even more significant innovation working with SMADC is the establishment of the Southern Maryland Loan Equity Incentive Matching Fund, which was also launched in 2018 and has funded 16 projects thus far. This program was developed to meet two significant objectives:

- 1) encourage farmer participation in using MARBIDCO's Core loan programs in the Southern Maryland region (including in the MRBIFF loan program which directly works in conjunction with commercial lenders); and
- 2) help improve the quality of an applicant's loan application from a credit underwriting (and thus loan approval) perspective. The \$176,985 advanced using this program, together with the MARBIDCO loan funds, so far has leveraged \$3,733,500 private commercial lender debt capital.

### **Conclusion**

The Southern Maryland Agricultural Development Commission has proven to be a valuable asset to the 5-county Southern Maryland region over the last 25 years since the first days of the farm tobacco production diversion effort, and it is desirable that its operations should be continued past fiscal 2025 using the Special (CRF) funds identified in this legislation. This funding is particularly important now with the Regional Agricultural Center (RAC) about to begin construction soon, and its operational needs requiring some support for a period of time.

**As such, MARBIDCO respectfully requests a Favorable Report for Senate Bill 589.**

*MARBIDCO Contact: Steve McHenry, 410.267.6807*

---

*MARBIDCO was established by the Maryland General Assembly 17 years ago to help enhance the sustainability and profitability of the State's agricultural and resource-based industries to help bolster rural economies, support locally produced food and fiber products, and preserve working farm and forest land. Notably, over one-half of the State's land area (about 3.4 million acres) still remains as privately-owned rural working land today.*

*MARBIDCO is a nimble, quasi-public financial intermediary organization which has a mission to serve exclusively the commercial farming, forestry, and seafood industries of Maryland. Assisting young and beginning farmers is a special focus for MARBIDCO, as is farm operation diversification (especially through value added processing activities). Commercial urban farming has also become a focus of MARBIDCO's efforts in recent years.*

*In delivering its financing programs, MARBIDCO works cooperatively with commercial banks and farm credit associations, as well as a host of federal, State, regional and local government agencies, and universities. Since 2007, MARBIDCO has approved 1308 financings totaling about \$104 million for food and fiber business projects located in of all Maryland's counties (including Baltimore City) – and in the process has leveraged \$219 million in commercial lender financing. For more information about MARBIDCO's programs, please visit: [www.marbidco.org](http://www.marbidco.org).*

# **Support - SB0589 Tri-County Council for Southern M**

Uploaded by: Tyler Hough

Position: FAV



## Maryland Farm Bureau

3358 Davidsonville Road | Davidsonville, MD 21035  
410-922-3426 | [www.mdfarmbureau.com](http://www.mdfarmbureau.com)

February 13<sup>th</sup>, 2024

**To:** Senate Budget and Taxation Committee

**From:** Maryland Farm Bureau, Inc.

**RE: Support of SB0589 -Tri-County Council for Southern Maryland - Southern Maryland Agricultural Development Commission – Funding**

On behalf of the nearly 9,500 Farm Bureau families in Maryland, I am writing in support of SB0589. This bill aims to increase the appropriation for the Southern Maryland Agricultural Development Commission (SMADC), which is a division of the Tri-County Council for Southern Maryland, from the Cigarette Restitution Fund.

The Southern Maryland Agricultural Development Commission plays a pivotal role in supporting local farmers, promoting agricultural education, and fostering sustainable practices. This bill asks that SMADC receive at least \$1 million annually or up to the original 5% of the Cigarette Restitution Fund (CRF). The CRF fund is continual and non-lapsing and the only place that money can go is to the Maryland Department of Health or to SMADC. SMADC requests an increase in the share of the CRF so they can continue to support the farmers in their region and across the state who are growing healthy food and a healthy community. It is worth noting that last fiscal year, with just their \$900,000 in base funding, SMADC was able to leverage that to bring in over \$3 million additional dollars in grants. SMADC and the farmers they serve are a proven worthwhile return on investment. Funding is an important element of Maryland Agriculture that needs to be promoted and preserved.

**MDFB Policy:** We support the State of Maryland increasing funding to the Tri-County Councils for the purpose of including and funding agricultural and natural resources development in their mission.

**Maryland Farm Bureau Supports SB0589**

A handwritten signature in black ink, appearing to read 'Tyler Hough', written over a horizontal line.

Tyler Hough  
Director of Government Relations

*Please contact Tyler Hough at (443) 878-4045 with any questions*

# **SB 589 - Tri-County Council for Southern Maryland-**

Uploaded by: Tyler Majchrzak

Position: FAV



February 14, 2024

To: Senate Budget & Taxation Committee

From: Horizon Farm Credit

**Bill: SB 589 - Tri-County Council for Southern Maryland - Southern Maryland Agricultural Development Commission - Funding**

**Position: SUPPORT**

---

Horizon Farm Credit is a member-owned cooperative supporting rural communities and agriculture with reliable, consistent credit and financial services throughout our five-state lending territory in good times and bad. With over \$6.5 billion dollars in loans outstanding to over 23,000 member-owners representing the full range of agriculture, we are one of the largest agricultural lenders on the East Coast.

**Senate Bill 589** aims to increase the Tri-County Council for Southern Maryland (TCCSMD) appropriation from the Cigarette Restitution Fund. This amendment is crucial for the continued success and growth of the Southern Maryland Agricultural Development Commission (SMADC).

Under the purview of the TCCSMD, Southern Maryland Agricultural Development Commission plays a pivotal role in supporting local farmers, promoting agricultural education, and fostering sustainable practices. Farm Credit considers them a strong partner to our Association and our customers as we all work to ensure a thriving and dynamic ag economy.

Horizon Farm Credit supports the proposed increase in funding from \$900,000 to \$1,000,000, as it will provide the necessary resources for SMADC to expand its initiatives and further contribute to the economic vitality of the region and the state as a whole. Additionally, repealing the termination of specific provisions of law related to the annual budget bill appropriation is a positive step towards ensuring consistent and reliable funding for their current and future endeavors.

**Senate Bill 589** would secure sustained growth and prosperity for Southern Maryland and statewide agriculture.

**Horizon Farm Credit SUPPORTS SB 589**

*For more information, please contact Tyler Majchrzak at 443-244-1050 or [tmajchrzak@horizonfc.com](mailto:tmajchrzak@horizonfc.com).*

**ALA\_MD\_TCP\_Tri-County\_SB 589\_Oppose\_2-13-24.pdf**

Uploaded by: Aleks Casper

Position: UNF





American Lung Association Testimony Senate Bill 589

Senate Budget and Taxation

February 13, 2024

Oppose

Chair Guzzone, Vice-Chair Rosapepe and Members of the Committee:

We thank you for the opportunity to provide comments on Senate Bill 589 – Tri County Council for Southern Maryland-Southern Maryland Agriculture Development Commission Funding which would increase funding to the Tri County Council for Southern Maryland to \$1 million and require an appropriation in the state budget of 5% of the amount allocated to the state under the Master Settlement Agreement. The American Lung Association strongly opposes this bill as it would divert important investments in tobacco control and prevention program funding.

The American Lung Association is the leading organization working to save lives by improving lung health and preventing lung disease, through research, education and advocacy. The work of the American Lung Association is focused on four strategic imperatives: to defeat lung cancer; to improve the air we breathe; to reduce the burden of lung disease on individuals and their families; and to eliminate tobacco use and tobacco-related diseases.

In the recent release of the American Lung Association's [State of Tobacco Control](#), it was noted that the funding for Maryland's Tobacco Control and Prevention program at approximately \$22.9 million is (inclusive of approximately \$1.7 million of federal CDC funds) woefully lower than the Centers for Disease Control and Prevention's (CDC) recommended level of \$48 million, at 47.8%. The Lung Association strongly supports protecting and increasing this funding especially considering the epidemic levels of youth use of electronic smoking devices and the need to develop educational programs and outreach to prevent youth from initiating tobacco use and encourage current smokers to quit and not switch. Diverting funding away from the tobacco control and prevention program will undermine efforts to address tobacco use in Maryland.

Tobacco use remains the leading cause of preventable death in the United States, killing an estimated 480,000 Americans and [7,500 Marylanders](#) each year.<sup>1</sup> The American Lung Association supports funding of evidence-based tobacco prevention, education and cessation programs. These programs should focus their efforts on the populations most disproportionately impacted by tobacco use and secondhand smoke exposure.

In data from the [2023 National Tobacco Youth Survey](#), tobacco use among high school and middle school students continue to show epidemic levels with more than 2.8 million youth using a tobacco product. The American Lung Association is particularly alarmed at the frequency of use by middle school students with the CDC report showing a significant increase in tobacco use. The report showed that tobacco use overall for middle school students increased nearly 50% from 4.5% to 6.6%. The report also shows that 2.1 million youth are still vaping, and over 25% are vaping daily which indicates a very high addiction rate. In [Maryland](#), 23% of high school students use an electronic smoking device. Nearly 90% of the youth survey respondents reported using flavored e-cigarettes including mint and menthol. In

addition, of the youth who smoke, 40.4% smoke menthol cigarettes. Flavored tobacco products remain the primary gateway for youth addiction. The tobacco industry has continued to target youth users with marketing of flavored tobacco products which makes them appealing to youth, with many of them not realizing that these products contain nicotine. As a result, we are setting our kids up for a lifetime of addiction and losing the opportunity for the first tobacco-free generation.

An important tool in fighting tobacco use in Maryland is the tobacco control and prevention program funding which comes from the Cigarette Restitution Fund. Diverting funding to other programs undermines the ability for Maryland's tobacco control and prevention program to implement evidence based programming to address tobacco use in our state. Given the lack of best practice recommended funding, the Lung Association believes we must not support any efforts to reduce funding but focus on increasing funding to the tobacco control and prevention program

Thank you for your continued commitment to the health and wellbeing of the residents of Maryland, we urge you to oppose Senate Bill 589 which would divert important investments in tobacco control and prevention funding.

Sincerely,

A handwritten signature in cursive script that reads "Aleks Casper".

Aleks Casper  
Director of Advocacy, Maryland  
202-719-2810

<sup>1</sup> U.S. Department of Health and Human Services. The Health Consequences of Smoking: 50 Years of Progress. A Report of the Surgeon General. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health 2014.

**SB 589 - PHPA - LOO.pdf**

Uploaded by: Jason Caplan

Position: UNF



Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

February 14, 2024

The Honorable Guy Guzzone  
Chair, Budget and Taxation Committee  
3 West Miller Senate Office Building  
Annapolis, MD 21401-1991

**RE: Senate Bill 589 – Tri-County Council for Southern Maryland - Southern Maryland Agricultural Development Commission - Funding – Letter of Opposition**

Dear Chair Guzzone and Committee members:

The Maryland Department of Health (the Department) respectfully submits this letter of opposition for Senate Bill (SB) 589 – Tri-County Council for Southern Maryland - Southern Maryland Agricultural Development Commission - Funding. SB 589 increases the annual Cigarette Restitution Fund (CRF) allocation to the Tri-County Council for Southern Maryland (the Council) from \$900,000 to \$1,000,000 beginning in fiscal year (FY) 2025. Also, SB 589 allows the Governor to allocate in the annual budget up to five percent of the yearly Master Settlement Agreement (MSA) payment made from tobacco companies to Maryland to the Council.

The Cigarette Restitution Fund (CRF) was established in 2000 to receive MSA dollars resulting from a settlement between 46 states, including Maryland, five territories, the District of Columbia and major tobacco companies and to ensure funds were spent on statewide tobacco prevention and control efforts and related programs.<sup>1,2</sup> The CRF is a critical source of funding for several Department programs, including tobacco prevention and control and cancer prevention, education, screening, and treatment.

The Medical Assistance program is the recipient of whatever CRF funds are left over after any other specific outlined uses, and the funds are used to offset the State share of the program's provider reimbursements. If the program receives \$100,000 less in CRF funds due to an increased allocation to the Council, the State would have to use \$100,000 in general funds to cover those costs instead.

---

<sup>1</sup> Chapter 172 of the Acts of 1999 (SB 334). Accessed 9 Feb 2024 at <https://mgaleg.maryland.gov/mgawebsite/Search/Legislation?target=/1999rs/billfile/sb0334.htm>.

<sup>2</sup> Chapter 173 of the Acts of 1999 (HB 751). Accessed 9 Feb 2024 at <https://mgaleg.maryland.gov/mgawebsite/Search/Legislation?target=/1999rs/billfile/hb0751.htm>.

While SB 589 does not require the Governor to allocate up to five percent of the annual MSA payment to the Council, should the Governor exercise this new option, this would greatly reduce the amount of funding available to other CRF programs. For example, the MSA payment for FY 2024 was \$203,344,100 (before adjustments).<sup>3</sup> If SB 589 were currently in effect, this would have reduced the MSA payment allocated to other CRF programs by over \$10 million, which would directly impact the State's critical tobacco prevention and control efforts, cancer prevention and treatment work, and the amount of general funds the State uses to cover provider reimbursements. This is a significant concern because Maryland is already well below recommended funding levels for tobacco control and prevention efforts set by the Centers for Disease Control and Prevention.<sup>4,5</sup>

As aforementioned, SB 589 would have a significant financial impact on the Department and could reduce funding to critical CRF programs.

If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs at [sarah.case-herron@maryland.gov](mailto:sarah.case-herron@maryland.gov).

Sincerely,



Laura Herrera Scott, M.D., M.P.H.  
Secretary

---

<sup>3</sup> Department of Budget and Management, "Exhibit H - Cigarette Restitution Fund - Fiscal Year 2024," Accessed 9 Feb 2024 at <<https://dbm.maryland.gov/budget/FY2024FiscalDigest/Exhibit-H-Fiscal-Digest-CRF-FY24.pdf>>.

<sup>4</sup> American Lung Association, State of Tobacco Control Maryland, 2024, Accessed 9 Feb 2024 at <<https://www.lung.org/research/sotc/state-grades/maryland>>

<sup>5</sup> Centers for Disease Control and Prevention. Best Practices for Comprehensive Tobacco Control Programs - 2014. Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014. <https://www.cdc.gov/tobacco/stateandcommunity/guides/pdfs/2014/comprehensive.pdf>

# **Oppose SB 589 Tri County Council Funding AHA.pdf**

Uploaded by: Laura Hale

Position: UNF



February 13<sup>th</sup>, 2024

Testimony of Laura Hale

American Heart Association

**Oppose SB 589 Tri-County Council for Southern Maryland - Southern Maryland Agricultural Development Commission - Funding**

Dear Chair Guzzone, Vice Chair Rosapepe, and Honorable Members of the Budget and Taxation Committee ,

Thank you for your time and consideration on our concerns with this legislation. My name is Laura Hale and I am the Director of Government Relations for the American Heart Association. The American Heart Association extends its opposition for SB 589 as it will remove funding away from the intended purpose of the Cigarette Restitution Fund which is to combat tobacco use in the state and into other programs.

The American Heart Association is committed to making a world of longer healthier lives. Part of a world of longer healthier lives is people never starting to consume tobacco. The Maryland Department of Health does amazing work with the funds the state provides to address tobacco use and help smokers/vapers quit. With this legislation it will remove up to 5% of funds from the Cigarette Restitution Fund (CRF) and that will set back the work that is currently being done to stop youth vaping and tobacco use. The CRF was set up with funds from the tobacco industry to combat the lies the industry told which addicted people to tobacco in Maryland. Unfortunately, we still have many Marylanders who start these products every year. With the increase of vaping among teens, now is not the time to take money away from the Health Department to address this crisis.

The American Heart Association urges an unfavorable report on this legislation.