



**MARBIDCO**  
growing rural ventures™

MARYLAND AGRICULTURAL AND RESOURCE-BASED  
INDUSTRY DEVELOPMENT CORPORATION  
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Mary Shank Creek, *Chair* / Stephen R. McHenry, *Executive Director*

## TESTIMONY STATEMENT

**BILL:** **House Bill 379** (State Employee and Retiree Health and Welfare Benefits Program – Eligibility for Enrollment and Participation (Independent Agency Health Insurance Option Act))

**COMMITTEE:** **Senate Budget and Taxation**

**DATE:** **March 29, 2022**

**POSITION:** **Support** (with conforming amendments to Senate Bill 417)

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The Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) supports House Bill 379 which, with the conforming amendments to Senate Bill 417, would enable (but not require) the employees of MARBIDCO and the Maryland Clean Energy Center (MCEC) to enroll and participate in the State’s health insurance program options if the individual entity’s board of directors so elected to do so. If either of these State instrumentalities decided to participate in the State’s health insurance program options, the entity would be required to pay 100% of the cost.

House Bill 379 would place these instrumentalities in the same statutory posture as about a dozen other statewide and regional instrumentalities of the State of Maryland (not all of whom currently participate in the State’s health insurance program options). In addition, MARBIDCO believes it is likely that the Department of Budget and Management will determine that MARBIDCO is eligible under federal law to participate in the State’s health insurance program options.

MARBIDCO currently has a workforce consisting of nine (9) employees. MARBIDCO does not directly offer health insurance coverage to its employees today, but it does help to subsidize the out-of-pocket costs that employees incur for their health insurance coverage up to a maximum of \$412 per month. MARBIDCO believes that having one or more quality health insurance programs available will assist in the retention of current employees, as well as aid in the recruitment of new ones.

### Background Information Concerning MARBIDCO

MARBIDCO was established by the Maryland General Assembly 15 years to enhance the sustainability and profitability of the State’s agricultural and resource-based industries to help bolster rural economies, provide locally produced food and fiber products, and preserve working farm and forest land for future generations. MARBIDCO is an independent public instrumentality of the State of Maryland that is required by law to become self-sustaining after Fiscal Year 2025 (with respect to its Core agri-business assistance programs).

MARBIDCO receives annual appropriations for its Core Programs (\$2.3 million), Local Farm Enterprise Food Aggregation Grant Program (\$435,000) and the Next Generation Farmland Acquisition Program (\$2.5 million). These appropriations will cease after fiscal 2025 or fiscal 2027.

MARBIDCO is governed by a Board of Directors that consists of 17 individuals who bring a wide range of perspective and experience to the Corporation’s work. These include 11 members appointed by the Governor with the Advice and Consent of the Senate, and 6 ex officio (voting) members from MDA, DNR, Commerce, RMC, Maryland Food Center Authority, and the University of Maryland Extension.

Today, MARBIDCO offers more than a dozen agricultural and rural business financial assistance programs, As a nimble financial intermediary organization, and agricultural and specialized small business lender and grants-maker, MARBIDCO has financed **1,066** farm, forestry, and seafood business projects (totaling \$81 million), located in all 23 counties and in Baltimore City, since becoming operational in the spring of 2007.

More specifically, MARBIDCO has assisted with funding **277** value added food or fiber processing enterprises (\$7.1 million) and helped **541** young or beginning farmers buy their first farms or expand their business operations (\$59 million). MARBIDCO’s investment in rural business lending (\$63.5 million) has also leveraged nearly \$170 million in private commercial loan capital (approaching a 3-to-1 leverage of MARBIDCO’s debt capital). More recently, MARBIDCO has also assisted **33** “Beginner Farmers” with purchasing their first farms (\$9.0 million) and helped put 3,080 acres of good quality farmland on a path to become permanently preserved.

Below is a graphic of how MARBIDCO uniquely uses State resources in support of the commercial financing of the food system in Maryland (see the left-hand side):

### Maryland’s Food System Continuum

#### From A Public Sector Small Business Development Finance Perspective

