

**Testimony of Nicholas A. Redding
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Before the
Senate Budget and Taxation Committee

February 15, 2023

Pertaining To: SB425

*Maryland Historic Trust – Historic Preservation Partnership Program and Fund –
Established*

Favorable with Amendments

On behalf of the staff and Board of Directors of Preservation Maryland and our thousands of statewide supporters, I thank you for the opportunity to provide testimony in **SUPPORT of SB425** – a piece of legislation that invests in our state’s history and communities.

Preservation Maryland is the statewide voice for historic preservation that works to protect the best of Maryland. Since 1931, we have worked tirelessly to protect the places, stories and communities in Maryland that matter. (learn more at: presmd.org)

Why Is This Bill Necessary?

The Need for Speed

A revolving loan fund program has existed with the Maryland Historical Trust (an agency of the Maryland Department of Planning) since 1973 – but in recent years has been underutilized due to challenging requirements, a changing landscape of preservation, and easement requirements which often keep potential recipients from applying.

The High Cost of Historic Rehabs

The cost of rehabilitating vacant and underutilized historic structures increases daily and Maryland communities across the state need an agile, easy to deploy source of funds that is quickly able to support nonprofits, governments and businesses working to put these buildings back into productive use.

Partnerships Work Best

Many other states have transferred similar funds to creative and responsive nonprofit organizations – including our neighbors in Virginia where *Preservation Virginia* has managed a similar fund with great success over the past two decades. This redesigned program would allow each partner to do what they do best and save more historic places.

What this Bill Does

This legislation is simple. After a thorough conversation with MDP/MHT, new amendments (forthcoming) streamline the bill further and will provide the Maryland Historical Trust with the authority to make an expenditure from the existing fund to establish a Preservation Partnership Fund at a qualified nonprofit preservation organization. The new Fund will be designed to revolve and exist in perpetuity. The legislation requires annual reporting, transparency requirements and audit standards.

The nonprofit selected will be able to utilize the funds to rehabilitation, restore and reinvest in historic places through loans, direct acquisition, option agreements and grants to accelerate the preservation of important historic places.

Why You Should Vote for This Bill

Without new appropriations, the legislation allows for the redeployment of existing funds to help invest in Maryland communities.

SB425 is an innovative way of redeploying existing funds to save more historic places and support communities across the state. Therefore, I respectfully urge a favorable report on the to-be amended version of SB425.

Favorable with Amendments