

# **HB695 Testimony\_Senate Finance.pdf**

Uploaded by: Renee M Harris

Position: FAV

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SPEAKER PRO TEM  
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Economic Matters Committee

Rules and Executive  
Nominations Committee



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THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

TESTIMONY FOR THE SENATE FINANCE COMMITTEE

CHAIR GRIFFITH  
VICE CHAIR KLAUSMEIER

HOUSE BILL 695 – RURAL MARYLAND PROSPERITY INVESTMENT FUND –  
ALLOCATION OF GRANTS (RURAL COMMUNITIES IMPROVEMENT ACT OF  
2023)

SUPPORT

March 29, 2023

Good afternoon Chairman Griffith, Vice Chair Klausmeier and members of the Finance Committee. I am here today to ask for your support for HB695 - Rural Maryland Prosperity Investment Fund – Allocation of Grants (Rural Communities Improvement Act Of 2023) as it has been amended. HB695 strikes the funding request, the Executive Committee concurrence with reallocations of grant funds and sunset repeal of the Rural Maryland Prosperity Investment Fund. The legislation passed the House unanimously (133 – 0) on March 20<sup>th</sup>.

This is a formula-driven grant program administered by the Rural Maryland Council – RMC, which is an independent State Agency housed at the Department of Agriculture. RMC is known as the collective voice for rural Maryland. The Council convenes stakeholders to collectively address the needs of rural Maryland communities, develop solutions to meet these needs and then implement the solutions.

The Rural Maryland Prosperity Investment Fund (RMPIF) is distributed through a highly competitive grant program to the State's five Rural Regional Councils, programs, and projects eligible under entrepreneurship, infrastructure, and health care. A portion of funds are retained by the RMC for operational expenses consisting primarily of staff.

RMC is seeking a technical update to the RMPIF which adds Cooperative Development and Workforce Development as focus areas under Rural Entrepreneurship and Agricultural Development. The original RMPIF distribution formula was adopted in 2006, however, it was not until FY2017 that the Council received initial funding for this program.

Demand for RMC programs are high. **In FY2023, RMC received 215 grant applications totaling \$19,130,407, of which 84 grants were awarded totaling \$8,369,629.** These grant recipient projects have had significant outcomes such as improved education outcomes of at risk,

minority children by providing educational summer enrichment programming; supporting general contractor and infrastructure costs for a new 72-unit affordable housing community; expanding broadband internet connections to new homes; and, providing medical transportation, personnel, and services to those in need.

The strength of RMC's impact is dependent on the resources provided to them through the State's operating budget. The RMC and rural non-profit community leverage these funds with local and federal funds to improve the lives of rural Marylanders.

Thank you for your time and I request a favorable report for HB695.

# **HB 695, FAV, Senate, FCG Economic Development, LS2**

Uploaded by: Victoria Venable

Position: FAV



# FREDERICK COUNTY GOVERNMENT

## OFFICE OF ECONOMIC DEVELOPMENT

Jessica Fitzwater  
County Executive

Jodie Bollinger, Acting Executive Director

### **HB 0695 - Rural Maryland Prosperity Investment Fund - Revisions and Sunset Repeal (Rural Communities Improvement Act of 2023)**

**DATE:** March 29, 2023  
**COMMITTEE:** Senate Finance Committee  
**POSITION:** Support  
**FROM:** Frederick County Office of Economic Development

Thank you for your consideration of HB 0695. As the Acting Director of the Frederick County Office of Economic Development, I urge the committee to give this bill a favorable report.

The Frederick County Office of Economic Development supports this bill for the following reasons:

1. **Workforce development:** Supporting workforce development initiatives will help to build a skilled and knowledgeable workforce in the county. This is essential for attracting and retaining businesses in the area, as well as ensuring that the workforce is able to meet the demands of the local economy.
2. **Entrepreneurship:** By adding cooperative development under entrepreneurship, the county will be able to support new and existing businesses by providing them with the resources they need to grow and succeed. This can include access to funding, training, and mentorship programs.
3. **Economic Growth:** By investing in workforce development and entrepreneurship, the county will be able to foster economic growth and prosperity in the area. This will help to create new jobs, attract investment, and improve the overall quality of life for residents.
4. **Rural Development:** The Rural Maryland Prosperity Investment Fund is designed to support economic development initiatives in rural areas. The Frederick County Office of Economic Development is eager to work with the state to ensure that the fund is used effectively to support the needs of rural communities in the county.

In summary, HB 695 is a smart investment for the Frederick County Office of Economic Development as it will help to foster workforce development, entrepreneurship, and overall economic growth in the area. Thank you for your consideration of HB 0695. On behalf of the Frederick County Office of Economic Development, I urge the committee to give this bill a favorable report.

Jodie Bollinger  
Acting Executive Director  
Economic and Workforce Development

**HB695 Allegany College of Maryland\_FAVwAMDS\_Jones.**

Uploaded by: David Jones

Position: FWA

## TESTIMONY

Submitted by

David R. Jones, Vice President of Advancement and Community Relations  
Allegany College of Maryland

March 29, 2023

### **BILL: HB0695 – Rural Maryland Prosperity Investment Fund**

### **POSITION: FAVORABLE WITH AMENDMENTS**

On behalf of Allegany College of Maryland, I am pleased to offer our favorable and complete support of HB0696, “Rural Maryland Prosperity Investment Fund”

The Mission of ACM is to deliver diverse and relevant education centered around student success in a supportive and engaging community.

External studies continue to document that Allegany College of Maryland, and all community colleges, play a significant role in our local economy and is a sound investment from multiple perspectives. Whether it be job creation, business growth, small business development and industry diversification, we are an important partner to ensure the continued success of our region.

Specifically at Allegany College of Maryland, for or every dollar spent on their education, students gain \$3.70 in lifetime earnings, society gains \$2.70 in added state revenue and social savings, and taxpayers gain \$13.6 million in added tax revenue and public sector savings. On average, our students realize a 22.9 percent return on their investment which is a 13 percent higher ROI than the stock market’s 30-year average return.

Allegany College of Maryland’s Continuing Education and Workforce Development provides workforce education for regional employers to enhance economic advancement opportunities. As one example, the Makerspace (Western Maryland Works) site is the product of a collaborative partnership between ACM’s Center for Continuing Education and the Allegany County government. This 30,000 square foot adaptive space, once the former site of Economy Wholesale Co. Warehouse, was designed to house over \$4 million in state-of-the-art equipment which is used to provide essential training to local workforce members and to bring innovative and high-demand training opportunities to our region. The enhancement of this space remains a priority for both ACM and for Allegany County, as it has successfully produced hundreds of graduates who have entered the local and regional workforce. These graduates are former employees of the closed Verso Mill in Westport, incumbent workers, and displaced workers from across Western Maryland who have found new roles and new careers in the regional workforce. These graduates now have high-paying and meaningful careers at organizations such as Berry Plastics, National Jet, and Northrup Grumman—three of the largest employers in the region.

This success would not be possible without the support of this fund and the Rural Maryland Council. This project, along with many others, not only supports the consistent production of workers such as those who have passed through this space already, but it will open the door to new levels of innovation and training for positions that do not even exist yet.

Allegany College of Maryland is supportive of updates to the Rural Maryland Prosperity Investment Fund (RMPIF).

David R. Jones  
Vice President of Advancement and Community Relations  
Allegany College of Maryland  
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# **HB695 - RMC Support Testimony - RMPIF - Allocation**

Uploaded by: Megan D'Arcy

Position: FWA





*Susan O'Neill, Chair*

*Charlotte Davis, Executive Director*

Testimony in Support with Amendments of  
House Bill 695 – Rural Maryland Prosperity Investment Fund – Allocation of Grants  
(Rural Communities Improvement Act of 2023)  
Finance Committee  
March 29, 2023

**The Rural Maryland Council supports House Bill 695– Rural Maryland Prosperity Investment Fund – Allocation of Grants (Rural Communities Improvement Act of 2023) as amended.** This amended bill contains one technical update to the Rural Maryland Prosperity Investment Fund that will promote and expand workforce and cooperative development projects and programs in rural Maryland through a formula-driven grant program administered by the Rural Maryland Council.

The Rural Maryland Council (RMC) is an independent State Agency housed in the Department of Agriculture. RMC is known as the collective voice for Rural Maryland and its mission is to convene stakeholders to collectively address the needs of rural Maryland communities. The Council administers two grant programs – the Rural Maryland Prosperity Investment Fund (RMPIF) and the Maryland Agricultural and Rural Development Assistance Fund (MAERDAF). This legislation focuses on the RMPIF program. The RMPIF funds are distributed through a highly competitive grant program to the State’s five Rural Regional Councils and programs and projects eligible under entrepreneurship, infrastructure, and health care. A portion of funds are retained by the Rural Maryland Council for operational expenses consisting primarily of staff salaries.

The original RMPIF distribution formula was adopted in 2006, although it was not until Fiscal Year 2017 that the Council received initial funding for this program. In 2014, the Maryland General Assembly and the Governor signed Senate Bill 137/House Bill 1024-Rural Maryland Prosperity Investment Fund– Revisions and Extension of Termination Date (Chapter 469 of 2014) which updated the formula to include health care and a hold harmless clause to ensure funding for RMC operations. The Rural Maryland Council received \$9,001,144 in Fiscal Year 2023 and is budgeted to receive \$9,046,194 in Fiscal Year 2024.

Demand for RMC programs is high. Over the past five years, in Fiscal Year 2019 through 2022, the RMC grant programs have had an average of 155 applicants requesting \$10,819,991. With this funding, RMC has funded on average 66 applicants at \$6,080,255. In FY2023, RMC received 50% in additional funding and was able to provide more grants that are helping build stronger rural communities. **In Fiscal Year 2023, RMC received 215 grant applications totaling \$19,130,407, of which 84 grants were awarded totaling \$8,369,629.** These grant recipient projects have had significant outcomes such as improved education outcomes of at risk, minority children by providing educational summer enrichment programming; supporting general contractor and infrastructure costs for a new 72-unit affordable housing community; expanding broadband internet connections to new homes; and, providing medical transportation, personnel, and services to those in need.

The Council seeks to **add Cooperative Development and Workforce Development as focus areas under Rural Entrepreneurship and Agricultural Development** as a technical update to the RMPIF statute. Through Rural Workforce Development, the Council will support apprenticeships and community colleges so young adults can stay in rural areas and become part of the rural workforce. Efforts to improve career and technology education through the implementation of the Blueprint for Maryland's Future will be a main component of this program. Through Cooperative Development, the Council will support programs that improve the economic conditions of rural areas by helping individuals and businesses start, expand, or improve rural cooperatives and other mutually owned businesses.

The strength of the Council's impact is dependent on the resources provided to them through the State's operating budget. The Council members and rural non-profit community leverage these funds with local and federal funds to improve the lives of rural Marylanders. RMPIF funding allows many rural organizations to provide innovative programming that creates jobs, educational opportunities, and enhances the quality of life in our rural communities. For many nonprofit organizations and stakeholders, RMPIF provides the critical support needed to fuel healthy, resilient rural communities.

The Rural Maryland Council respectfully requests your favorable support of House Bill 695 as amended.

*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.*