HEARING DATE:	February 20 th , 2024
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BILL NO: HB 504

COMMITTEE: Appropriations Committee

POSITION: Informational Testimony

FOR INFORMATION CONTACT: Andrew Wilson (443) 366-4224

<u>TITLE</u>: Department of Planning – Maryland Humanities Council – Appropriation to the Marilyn Hatza Memorial Strengthening the Humanities Investment in Nonprofits for Equity (SHINE) Grantmaking Initiative.

BILL ANALYSIS:

HB 504 requires the Governor to include in the annual budget bill an appropriation of \$1,000,000 each year to the Department of Planning to be used as a grant to the Maryland Humanities Council for the Marilyn Hatza Memorial Strengthening Humanities Investment in Nonprofits for Equity (SHINE) Grantmaking Initiative and requires the Maryland Humanities Council to select, award, and report on grants to qualifying nonprofit organizations under the SHINE Grantmaking Initiative.

POSITION AND RATIONALE:

For the past two years SHINE funding has been provided to the Maryland Humanities Council (MHC) via pass-through grants (\$500K in FY23 and \$1M in FY24) from the Maryland Historical Trust (MHT), a division of MDP. This arrangement has worked effectively and the partnership between MHC and MHT continues to be collaborative and mutually beneficial. The Maryland Humanities Council is an extremely capable partner who has effectively distributed project grant funds equitably, while ensuring accountability. They have a proven track record of being a responsible fiscal steward around the state for nearly fifty years, including the distribution of federal COVID-relief funds through the CARES Act and American Rescue Plan Act.

SHINE was created to provide operational support to organizations statewide, particularly those that do not have staff capacity or resources to be competitive in fundraising, either from government programs or other private funders. MDP can confirm that several cultural heritage organizations across the state are in dire need of operational funds. The MHAA grant program receives inquiries about this type of support regularly, but its guidelines do not allow for this type of funding. If the Maryland Humanities Council secures SHINE funding for FY25, they will continue to fill this void by providing at least \$950,000 in general operating grant support to small and mid-size humanities, arts, cultural, heritage, and educational nonprofits.

General operating support is often the hardest to secure, but also the most crucial in setting organizations up for success. If the State decides to continue to invest in the SHINE grantmaking initiative it will work in a complementary way alongside the other MDP, MHT Capital and Non-Capital, and MHAA grant programs that do not allow for operational support, including the African American Heritage Preservation Program. By having both operating and programmatic funding options available to organizations across the state, the opportunities increase for creating valuable programs and activities to Maryland's citizens and out-of-state visitors. These programs and activities protect valuable historic resources, provide quality of life experiences, and often result in increased heritage tourism offerings that contribute to boosting the economies of Maryland's local communities statewide. While supportive of the intent and purpose of the bill for all the reasons listed above, MDP also recognizes that requests for mandated appropriations can become unending and unsustainable. The agency trusts that the General Assembly will weigh the merits of this and similar bills against the costs to the State.