VAUGHN STEWART Legislative District 19 Montgomery County

Environment and Transportation
Committee

Subcommittees

Environment Land Use and Ethics

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THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Testimony in Support of HB 510
Testimony by Delegate Vaughn Stewart
March 21, 2024 • Senate Education, Energy, and the Environment Committee

The Business Facade Improvement Program:

Due to the leadership of House Speaker Adrienne Jones, the General Assembly established the Business Facade Improvement Program (BFIP) with bipartisan support in 2023.

The purpose of the BFIP is to assist businesses with improving the outside appearance of their buildings and facilities. The Office of State Revitalization Programs (part of DHCD) receives applications from and distributes money to local governments, which then pass the funds along to the businesses within their jurisdiction. Businesses must apply to the localities to receive the grant money. The localities are empowered to develop their own criteria for ranking and awarding the grants; the only criteria from the state level is that a business which receives money from this Program is located in a sustainable community and has a plan to improve the outside of the business's building or facility.

What the bill does:

The 2023 establishment of the BFIP was an important step towards improving our state and revitalizing neighborhoods which have been previously neglected by state and local funding. Our experience with the program has demonstrated that community development organizations have stepped up and sought opportunities to partner with businesses directly.

HB510 codifies this practice: It allows for these grants to be distributed directly to community development organizations and nonprofits. Community development organizations will be permitted to apply directly to the state for BFIP funds and distribute them to qualified businesses with whom they work.

Why this bill is important:

The BFIP is one of the few revitalization programs in Maryland where nonprofits do not have authorization to directly receive funds from the state. Currently, a nonprofit community development organization has to wait for the county or local government to apply and receive

BFIP funds from DHCD. Under this bill, money would go directly from DHCD to the nonprofit, cutting out an unnecessary middleman.

HB 510 received a bipartisan favorable vote in the House. In committee, there was no opposition and no requested amendments. I worked closely with the Department of Housing and Community Development (DHCD), which is in full support of the bill.

HB 510 is a simple clean-up bill to make the administration of the BFIP match what is happening on the ground. It makes the BFIP distribution process more efficient and reduces the burden on county and local governments. **I urge a favorable report.**