



Testimony: HB1327

Budget and Taxation Committee

Name: Lisa Challenger, Executive Director

Organization: Beach to Bay Heritage Area

Issue: Support HB1327 (SB0980)

Position: Support full funding in FY26

The Beach to Bay Heritage Area is in FULL SUPPORT of the legislative initiative SB0980 which will allow for lifting the cap on Maryland Heritage Area funding. The proposed legislation would allow the Maryland Heritage Areas program to receive up to \$12 million annually, lifting the current cap of \$6 million. The legislation does not guarantee funding, of course, but allows for this important program to receive a greater share of Program Open Space funding from the state's transfer tax, if and when it should become available.

The Maryland Heritage Area program is remarkable, with community driven projects and initiatives that grow our local economies here in Maryland. The return on investment is stunning, with a \$7 return for every \$1 of state funding! Also, thousands of jobs are supported, and millions in state and local tax revenue is generated.

In the Beach to Bay Heritage Area, these funds have supported the renovation effort of Henry's Hotel, Ocean City's first boarding house and hotel for blacks, new exhibits at Germantown School, a Rosenwald School, repairs to Furnace Town's historic Nassawango Iron Furnace, restoration of the skipjack, City of Crisfield and the Pocomoke Indian Nation, traveling exhibit. These five projects alone total more than \$250,000 in leveraged dollars.

So why this legislation? There is a \$6 million gap in funding ability each year, stalling high impact projects. Grant levels have not been raised in 30 years, and this future funding will allow the grant levels to rise to where they can be the most impactful in our counties, towns, and rural communities. In these difficult economic times, the Maryland Heritage Areas program is one of the solutions. The Maryland Heritage Areas cover a portion of every county in the state, and the

City of Baltimore. This program is the primary tool used to encourage heritage tourism to Maryland, where heritage/cultural visitors stay longer and spend more money in our communities.

The Beach to Bay Heritage Area appreciates your continued support of the Maryland Heritage Areas Authority full funding during the current and previous legislative sessions.

Thank you!

A handwritten signature in black ink, reading "Lisa Challenger". The signature is written in a cursive, flowing style.

Lisa Challenger, Beach to Bay Heritage Area

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SUPPORT SB0980 & HB1327

Unlock Maryland's Potential: Lift the Cap on Heritage Area Funding

SB0980 & HB1327 Would Lift the Funding Cap On Maryland's Heritage Areas

Proposed legislation would allow the Maryland Heritage Areas Program to receive up to \$12 million annually, lifting the current cap of \$6 million. The legislation **does not guarantee funding** but allows for this important program to receive a greater share of Program Open Space funding from the state's transfer tax, should it become available.

A Smart Investment with Big Returns

Maryland's 13 Heritage Areas fuel our economy, attracting visitors whose dollars support jobs, businesses, and tax growth in communities across our state.



\$2.4 billion pumped into Maryland's economy annually



\$319.8 million in state and local tax revenue



40,000 jobs supported, from museum staff to trail builders to festival organizers

Right now, this vital program is running on fumes.

Funding for the Maryland Heritage Areas Program is currently capped at \$6 million annually.



Over the last three years, an \$8 million gap has stalled high-impact projects.



Capital, Management, and Project grants to heritage areas haven't increased in 30 years—worth just 62 cents on the dollar today.



Meanwhile, the workload has tripled as demand for heritage tourism grows.

With additional investment, we can:



Fully fund community-driven projects that grow local economies (62% of money spent in a community stays in the community).



Prepare to celebrate America's 250th (2026) and Maryland's 400th (2034) anniversaries.



Ensure every voice is heard and every story is told—from the mountains of Western Maryland to the shores of the Chesapeake.

Maryland has 13 certified Heritage Areas, **covering a portion of every county in the state** and the City of Baltimore. Created in 1996, the Heritage Areas Program is one of the primary tools used to encourage heritage tourism to Maryland.

INVEST IN MARYLAND'S HERITAGE. INVEST IN MARYLAND'S FUTURE.



Maryland DEPARTMENT OF PLANNING

Memo

To: Shaina A. Hernandez, Deputy Chief of Staff, Governor's Office

From: Rebecca L. Flora, Chair, Maryland Heritage Areas Authority (MHAA)

CC: Members of the Maryland Heritage Areas Authority; Brad Fallon, Deputy Legislative Officer, Governor's Office; Ariane Hofstedt, Administrator, Maryland Heritage Areas Program

Date: February 19, 2025

Re: Notice of MHAA Special Meeting on February 13, 2025 and Approved Motion

A special meeting of the Maryland Heritage Areas Authority was held on February 13, 2025, to discuss 2025 legislation that could potentially impact the work of MHAA, specifically SB0980 and HB1327 concerning Natural Resources – Maryland Heritage Areas Authority – Funding and Grants. The meeting, which was scheduled at the request of members, resulted in a motion to notify Governor Moore of MHAA's general desire for increased funding to support the work of the Authority. This memo serves as that notification and includes a brief summary of the proceedings, the motion, and some historical context.

As Chair of the Authority, I began the meeting by informing members that MHAA, as an "independent unit of government in the Executive Branch of government that operates in the Department of Planning," is subject to the requirement that it coordinate with the Governor's Office on legislative matters. I also noted that the same requirement to consult with the Governor on legislative matters applies to the Maryland Department of Planning, as well as all other cabinet agencies, including those that have representation on MHAA. MHAA did not take an official position (support or opposed) on SB0980 and HB1327, but instead stated a desire to share with Governor Moore its view that increased funding would have a positive impact on the work of the Authority.

To this end, the members of MHAA passed the following motion:

"The Maryland Heritage Areas Authority (MHAA) should notify the Governor's Office in writing that MHAA members believe an increase in funding to the Maryland Heritage Areas Program, to include administering grants to organizations and agencies located within certified local heritage areas, would be beneficial to the overall work of the Authority and

encourages the Moore-Miller Administration to support an increase of Program Open Space funding to the Maryland Heritage Areas Authority for this purpose.”

The following members voted in favor of the motion:

- Elizabeth Hughes, State Historic Preservation Officer
- Natalie Chabot, Maryland Greenways Commission representative
- Melissa Archer, representing MD Department of Housing & Community Development Secretary Jake Day and Vice Chair to MHAA
- Mary Anne Harms, Speaker of the House representative
- Robert D. Campbell, Governor’s Appointee for Historic Preservation
- Nicholas Redding, President of the Senate representative
- Dennis Doster, Governor’s Appointee for Heritage Tourism
- Pete Leshner, Maryland Association of Counties representative
- Mayor Nathan Brown, Maryland Municipal League representative

The following members abstained:

- Secretary Rebecca M. Flora, MD Department of Planning and serving as the Chair for the Maryland Heritage Areas Authority
- Hilary Bell, representing MD Department of Natural Resources Secretary Josh Kurtz

No members opposed the motion.

The following MHAA members were absent:

- Geoffrey Newman, representing Maryland Department of Higher Education Secretary Sanjay Rai
- Sandy Turner, Maryland Tourism Development Board representative
- Julie Schablitsky, representing MD Department of Transportation Secretary Paul Wiedefeld
- Jonathan Hughes, Speaker of the House representative
- Peter Ramsey, representing MD State Superintendent of Schools Mohammed Choudhury (non-voting)
- Rowland Agbede, representing MD Department of Agriculture Secretary Kevin Atticks (non-voting)

The Maryland Heritage Areas Coalition, composed of heritage area directors from all 13 certified heritage areas, is the group that has historically advocated for increased funding to

MHAA. Their advocacy efforts successfully doubled the funding to the Maryland Heritage Areas Authority in FY19 when it was raised from \$3 million to \$6 million. MHAA did not take a position on the FY19 bills, but members of MHAA testified as individuals of the public not representing MHAA. The Coalition is once again advocating for the funds to MHAA to be doubled as outlined, among other provisions, in SB0980 and HB1327. Similar to last time, MHAA members have been informed that they are able to testify for these bills during the 2025 legislative session as individuals, not representing MHAA, if they so choose.