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Susan O'Neill. Chair

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Testimony in Support of
House Bill 1327 – Natural Resources - Maryland Heritage Areas Authority - Funding and Grants
House Environment and Transportation Committee
March 5, 2025

The Rural Maryland Council supports House Bill 1327 – Natural Resources - Maryland Heritage Areas Authority - Funding and Grants. This bill enhances funding and support for Maryland's certified heritage areas. The bill would expand Maryland Heritage Areas Authority (MHAA) to award grants and loans to local jurisdictions or other appropriate entities specifically for managing these heritage areas. Additionally, it seeks to increase the maximum funding amount for certain grants to \$300,000, providing more substantial financial support for heritage projects. Another significant change is the adjustment of how Program Open Space funds are allocated - reducing the portion that can be used for operating expenses from 10% to 7%. These provisions aim to strengthen the preservation and promotion of Maryland's cultural and historical resources while ensuring more funding is directed toward direct program support and project implementation.

A Maryland Heritage Area is a designated region recognized for its unique historical, cultural, and natural significance. These areas receive support from the MHAA to promote heritage tourism, economic development, and resource preservation. Within a heritage area, communities, businesses, and organizations can apply for grants and other funding to support projects that enhance historic sites, conserve landscapes, develop visitor experiences, and strengthen local economies. Maryland currently has 13 certified Heritage Areas, each with a distinct focus, such as maritime history, agricultural heritage, Heritage Areas encompass parts of every county in the state, as well as the City of Baltimore. Established in 1996, the Heritage Areas Program is one of the key initiatives aimed at promoting heritage tourism in Maryland.

Maryland's Heritage Areas significantly contribute to the state's economy by attracting visitors whose expenditures bolster local jobs, businesses, and tax revenues within communities. Annually, these Heritage Areas contribute \$2.4 billion into Maryland's economy and generate \$319.8 million in combined state and local tax revenue. Additionally, they support approximately 40,000 jobs across various sectors, including museum personnel, trail construction teams, and event organizers.

With additional funding, the Maryland Heritage Areas will be able to fully support community-driven projects that boost local economies, with 62% of money spent in a community remaining there. This investment will also help prepare for the celebrations of America's 250th anniversary in 2026 and Maryland's 400th anniversary in 2034, ensuring that every voice is heard and every story is told - from the mountains of Western Maryland to the shores of the Chesapeake.

The Rural Maryland Council respectfully requests your favorable support of House Bill 1327.

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.