



Wes Moore | Governor
Aruna Miller | Lt. Governor
Harry Coker, Jr. | Secretary of Commerce

DATE: February 17, 2026
BILL NO: House Bill 461
BILL TITLE: Economic Development - Rural Readiness Program and Rural Maryland Capacity Building Fund - Establishment
COMMITTEE: House Economic Matters
POSITION: INFORMATIONAL ONLY

This bill establishes the Rural Readiness Program administered by the Rural Maryland Council (RMC) to assist small towns and small nonprofits that lack the capacity to compete for funding. HB 461 also establishes a capacity-building fund for early planning and predevelopment activities such as strategic plans, building plans, feasibility studies, and market analysis, and lastly allows the Rural Maryland Council to certify participants, giving them priority in RMC grant funding decisions. The bill also establishes the Rural Maryland Capacity Building Fund to provide grants to support capacity building initiatives and enables the Fund to accept appropriations for said grants but does not mandate a certain appropriation or source of funds for implementation. The Maryland Department of Commerce (Commerce) provides the following information should it be helpful to the Committee in consideration of this legislation.

Rural communities face unique challenges that limit their ability to compete for funding and implement projects, including smaller tax bases and limited access to infrastructure such as broadband and transportation; difficulty recruiting and retaining skilled staff to manage projects; fewer social and professional networks to support collaboration, and aging populations and outmigration of younger residents. Without targeted capacity-building support, these challenges lead to ongoing disparities in healthcare, education, infrastructure, and economic opportunity. When RMC assists communities in obtaining grant and state funding, they have found that this can sometimes be challenging for many reasons, one of which being that they are often applying and inquiring about multiple funding opportunities, with little understanding of how to maximize their efforts and streamline the process. This bill seeks to alleviate this issue.

The Moore Miller Administration recognizes these challenges and has implemented a variety of efforts to attempt to mitigate them. One of these efforts was the creation of a new position within Commerce, the Director of Rural Economic Development, which was filled in the summer of 2024. The Rural Readiness Program will complement the work being done by the Director of Rural Economic Development by directing additional resources toward capacity building and expanding economic opportunities in rural communities.