

MAIN STREET MIDDLETOWN

19 West Main Street, Middletown, Maryland 21769

Testimony: SB 638, Senate Budget & Taxation Committee &
HB 654, House Environment and Transportation Committee
Position: **FAVORABLE**
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I am writing as a member of the Advisory Council of the Heart of the Civil War Heritage Area, as the Executive Director of Main Street Middletown, MD Inc.

The Maryland Heritage Areas Authority (MHAA) program is a powerful contributor to Maryland's economy. SB 638 and HB 654 will pave the way for even greater return on MHAA investment. By "lifting the cap" on this unique program, the state will be positioned to harness the economic potential of Maryland's heritage areas in future years.

The Maryland Heritage Area Authority is not funded through the general fund; it is funded through Program Open Space (property transfer tax). The Maryland Heritage Area funding is a restricted line within Program Open Space funding and is not part of the Program Open Space formula.

Current law allows "up to" \$6 million allocated statewide for this program. Over \$5.1 million goes directly back to our communities by way of grants for economic stimulus. Returning on that investment is a remarkable \$7 for every \$1 of state funding. There are far more requests for funding than this program can provide at its current level. This year alone, the grant requests are for over \$12 million, projects and services that will stimulate tourism spending, sustain and support jobs, and generate state and local taxes.

The significant impact of the current funding levels can be seen in Maryland's museums, parks, trails, towns, cities, main streets, forests, waterways, and more. Heritage Area funds have helped us purchase and rehabilitate a historic building that most likely would have been demolished, that now operates as a Welcome Center; hire professional graphic designers and historians to create enriching interpretive panels about our history; and fund historic research. The MHAA program closely aligns with that of Main Street – leveraging unique historic assets as a methodology to grow our local economy. We have found grants from the MHAA and the Heart of the Civil War Heritage Area to be very beneficial for Main Street Middletown, MD Inc. and our goals of growing the heritage tourism sector of our local economy. In fact, Main Street Middletown, MD Inc. presented this information along with the MHAA and the HCWHA at the Maryland Main Street conference on the effectiveness and usefulness of this program.

There is no fiscal mandate associated with this legislation. The language is careful to state "may" and "up to" rather than "shall." This is important, as the bill sponsors are aware of current budgetary constraints both for the general fund and for Program Open Space funds. **This is a legislative adjustment to a capped program to allow for future growth and is not a current funding request.**

These bills strike an appropriate balance between recognizing current budget constraints and providing an avenue for future growth, thus reinforcing Maryland's commitment to effective governance and responsible stewardship. **For these reasons, I respectfully urge favorable consideration and passage of SB 638 and HB 654 during the current legislative session.**