HEARING DATE: January 29th, 2026

BILL NO: SB 226

COMMITTEE: Finance

POSITION: Support

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TITLE: Maryland Heritage Area Authority and Heritage Areas - Alterations

BILL ANALYSIS:
SB 226 seeks to amend Title 13, Subtitle 11 of the Financial Institutions Article to establish a series of administrative updates to the Maryland Heritage Area Authority (Authority), staffed by the Maryland Historical Trust (MHT) and chaired by Maryland Department of Planning (MDP) Secretary Rebecca L. Flora. These updates include adding voting members to the board, increasing the number of members needed for quorum, removing project funding caps for grant awards, allowing the Authority to determine an appropriate funding level when issuing grants, repealing an antiquated requirement of the Authority to send boundary maps to county clerk offices, and removing an outdated requirement of both the Authority and state agencies surrounding the preparation of program statements. This requirement has been replaced with an affirmation that agencies who have program responsibilities within the Authority must support and assist certain activities in certified heritage areas (CHA). For context, the Authority is the governing body of the Maryland Heritage Areas Program (Program). The Program designates, supports, and collaborates with CHAs and their partners to create place-based experiences for the public that preserve and promote Maryland's unique stories and contribute to the well-being of local economies.

POSITION AND RATIONALE:
Following a strategic planning process that resulted in "Maryland Heritage Areas Program Strategic Plan, A Statewide Vision for Success (July 2025 - June 2032)" (Plan), MDP proposes administrative updates to the Authority's statute, Financial Institutions Title 13 Subtitle 11, to help fulfill Priority #3 on page 14 of the Plan. This priority charges the Authority to "assess and refine Authority governance and the operational effectiveness of the Program" and one of the

strategies to help realize this priority is to "update foundational documents to support the strategic plan." An assessment of the Authority's statute has been completed and MDP is pursuing four updates to align the statute with the aforementioned Plan.

The first amendment proposes removing the requirement that grants awarded by the Authority cannot exceed 50% of a project's costs and gives the Authority the discretion to set these caps as they deem appropriate. These caps indirectly set matching requirements for prospective grantees, and given changing financial times this amendment allows the Authority to take inflation and other market trends into consideration and adjust to the needs of grantees.

The bill also proposes the addition of the Secretary of Agriculture, the Superintendent of the State Department of Education, and a member of the public with significant education or experience in natural resource stewardship or climate resiliency to the voting board of the Authority. The Secretary of Agriculture and the Superintendent of the State Department of Education have been non-voting members since 2010 when they were invited by the Authority to join, and the member of the public replaces a representative from the defunct Maryland Greenways Commission. The addition of these members to the voting board will allow the Authority to make decisions that directly reflect the interests of stakeholders in the development, maintenance, and support of CHAs. With the addition of two new members, the bill also proposes increasing the number of members needed to achieve quorum from nine to ten.

Finally, SB 226 looks to amend two requirements of the Authority and its members. The first amendment removes a requirement for State officials on the voting board of the Authority to develop "program statements" to support CHAs. This requirement is ambiguous and does not reflect the ways these officials can and do support CHAs. Instead, this language is replaced with a requirement to directly support and assist activities in CHAs in the areas of planning, implementation, use, development, and regulation. Then, the bill looks to repeal the requirement for the Authority to send a copy of each boundary map to the office of the county clerk where the CHA is located. Sending these copies is an outdated means of providing information and is more effectively delivered by Maryland's map based cultural resource geographic information system, known as Medusa.

These changes will allow the Authority to better serve the needs of CHAs and prospective grantees and assist the purpose of the Program of supporting the economic well-being of our state's communities by preserving and celebrating the state's history, cultural traditions, and natural resources.

MDP Position

The Maryland Department of Planning respectfully requests a **favorable** report on SB 226.