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Testimony in Support of
Senate Bill 393- Economic Development - Project Restore Program and Fund
Senate Education, Health, and Environmental Affairs Committee
February 22, 2022

The Rural Maryland Council supports Senate Bill 393- Economic Development - Project Restore Program and Fund. This bill helps revitalize communities across the state of Maryland while also incentivizing the growth of small businesses. The bill will accomplish this by awarding rental grants of \$2,500 a month for no longer than 12 months, and business operation grants of no more than \$250,000 for a 12-month period to small businesses and commercial developers that locate in vacant properties. Additionally, these businesses must have less than 50 employees, further promoting the growth of small businesses.

By incentivizing businesses to come into these vacant areas, it is promoting small businesses, creating jobs, and creating vibrant communities. As we recover from the pandemic, many business owners are cautious to move locations or expand to new areas. Many small businesses were forced to close during the lockdown and were never able to financially recover, leading to their permanent closure. Additionally, many individuals became more comfortable with ordering products online that come from out of the State. Project Restore will give an incentive to these businesses to locate in vacant properties that are negatively impacting the value of communities across the State. When communities lose the businesses that make up the main streets and downtowns, the area loses value and desirability. This causes new homeowners and new businesses to locate elsewhere, and consequently the jobs and resources as well.

Rural areas and other underserved areas are hit the hardest by these vacancies. For example, the National Association of Realtors lists the Cumberland area as having a vacancy rate of 6.2% as of October 2021, while the national average is 4.8%. Rural communities are slower to recover from economic tragedies, making it necessary to make sure all of Maryland can recover from this pandemic properly.

The Rural Maryland Council respectfully requests your favorable support of Senate Bill 393.

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.

“A Collective Voice for Rural Maryland”