



Wes Moore | Governor
Aruna Miller | Lt. Governor
Kevin A. Anderson | Secretary of Commerce
Signe Pringle | Deputy Secretary of Commerce

TESTIMONY OF KEVIN A. ANDERSON, SECRETARY
on the
FY 2025 COMMERCE CAPITAL BUDGET ALLOWANCE
before the
HOUSE APPROPRIATIONS
CAPITAL BUDGET SUBCOMMITTEE
Monday, February 12, 2024
and the
SENATE BUDGET AND TAXATION
CAPITAL BUDGET SUBCOMMITTEE
Tuesday, February 13, 2024

Good afternoon Chairs and members of the subcommittees. Thank you for the opportunity to appear before you today in support of the FY 2025 capital budget allowance for the Maryland Department of Commerce. The proposed \$3 million budget supports the new Maryland Arts Capital Grant Program within the Maryland State Arts Council (MSAC).

Before proceeding with our testimony, I want to thank Elizabeth Waibel and the staff of the Department of Legislative Services (DLS) for their thorough and professional review of this budget allowance.

Chapters 394 and 395, Acts of 2021, established the Maryland Arts Capital Grant program to be administered by MSAC. The Governor must include \$3M in the State operating or capital budget for the program in fiscal years 2024 through 2029. As such, the \$3M appropriation in the FY 2025 capital budget allowance is continued funding for this program.

The program will allow MSAC to continue offering grants for the acquisition, expansion, renovation, or major repairs to a facility or other infrastructure operated by organizations with operating budgets under \$3 million that either participate in MSAC's Grants for Organizations or Community Arts Development programs or are open to the public and provide cultural education or experiences. Ryan Patterson was promoted to the Arts Capital Program Coordinator position last June and worked at a brisk pace to create an accessible and transparent program that will equitably distribute the allocated funding. Program building included soliciting a great deal of constituent input to ensure the program meets the needs of Maryland's Arts Sector. Since the launch of the program in mid-December, Ryan has hosted "how to apply" webinars with over 100 potential applicants and has been in direct contact with over 80 organizations; MSAC now has 85 draft applications in its grants system ahead of this Friday's application deadline. If the budget is authorized, MSAC anticipates launching the FY25 application this summer and advancing the timeline so that annual awards will be made and approved by the Board of Public Works before the legislative session begins in future years.

The arts create jobs, attract visitors and visitor spending, improve health outcomes, build

understanding, help us interpret our shared history, help strengthen our sense of community, and, where there is pain and division, help us heal. We believe this program is critical for small arts organizations - ones that often serve distinct communities in our state. It allows access to capital funds so those organizations can leverage additional investment to build and maintain facilities in order to deliver high-quality programs, ultimately maintaining Maryland's status as an arts leader and getting us closer to ensuring access to the arts for all Marylanders.

We respectfully ask that you approve this proposal as submitted. Thank you very much, and we'd be happy to answer any questions you may have.

GO Bond Recommended Actions:

Approve the general obligation bond authorization for the Department of Commerce.

Commerce concurs with this recommendation.