

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 104

(Chair, Environment and Transportation Committee)(By
Request - Departmental - Agriculture)

Environment and Transportation

Finance

Maryland Farms and Families Fund – Purpose and Use – Alterations

This departmental bill modifies the stated purpose and authorized uses of the Maryland Farms and Families Fund within the Maryland Department of Agriculture (MDA). It also makes other related and technical changes.

Fiscal Summary

State Effect: The bill does not materially affect State finances. It primarily alters the purposes for which existing funds may be used. MDA can implement the bill's changes using existing resources.

Local Effect: None.

Small Business Effect: MDA has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Bill Summary/Current Law: *Under current law*, the purpose of the Maryland Farms and Families Program within MDA is to double the purchasing power of food-insecure Maryland residents with limited access to fresh fruits and vegetables and to increase revenue for farmers through redemption of federal nutrition benefits at Maryland farmers' markets. *The bill* does not alter the purpose of the program.

Under current law, the stated purpose of the Maryland Farms and Families Fund is to provide grants to (1) nonprofit organizations that match purchases made with the federal Farmers Market Nutrition Program (FMNP), the federal Supplemental Nutrition Assistance Program (SNAP), and federal Special Supplemental Food Program for Women, Infants, and Children (WIC) benefits at participating farmers markets and farm stands; (2) nonprofit farmers markets to implement the program at the farmers markets; and (3) local nonprofit organizations to implement the program in partnership with one or more participating local farmers markets.

The bill alters the stated purpose of the fund. *Under the bill*, the purpose of the fund is to (1) match purchases made with FMNP, SNAP, and WIC benefits at participating farmers markets and farm stands; (2) support nonprofit farmers markets to implement the program by providing logistical and marketing support to increase the use of federal nutrition programs at these farmers markets; and (3) support nonprofit organizations and other responsible persons to implement the program in partnership with one or more participating local farmers markets.

Under current law and the bill, the fund consists of (1) money appropriated in the State budget to the fund and (2) any other money from any other source accepted for the benefit of the fund. The Governor is required to include in the annual budget bill an appropriation to the fund of \$300,000.

Under current law, the fund must be used to provide grants to (1) nonprofit organizations that meet specified qualifications and distribute the grant money to farmers markets and local nonprofit organizations, as specified; (2) nonprofit farmers to implement the program at the farmers markets; and (3) local nonprofit organizations to implement the program in partnership with one or more local farmers markets.

The bill alters the authorized uses of the fund. *Under the bill*, MDA may use the fund for either one or both of the following purposes: (1) to implement, in whole or in part, the program within MDA; and (2) to provide funds to a qualified nonprofit organization or other responsible person to implement, in whole or in part, the program. The bill makes corresponding changes to related provisions.

Background: According to MDA, the Maryland Farms and Families Program supports Maryland Market Money (MMM), a statewide food access program that feeds Marylanders and supports farmers. MDA advises that MMM removes economic barriers for Marylanders experiencing food insecurity, providing a dollar-for-dollar match for purchases made using federal nutrition benefits at participating Maryland farmers markets and farm stands while providing extensive technical assistance, training, marketing, and additional services to stakeholders.

MDA advises that since the establishment of the Maryland Farms and Families Program, the sole applicant and recipient of grant funds was the Maryland Farmers Market Association until its dissolution in 2020. Since then, the Southern Maryland Agricultural Development Commission (SMADC) has partnered with the Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) to administer MMM statewide. According to MDA, because SMADC is legally prohibited from directly receiving funds, MARBIDCO serves as the grant applicant and collaborates with SMADC to manage the program.

MDA advises that the bill is intended to streamline the process by allowing the department to manage the program directly through an existing interagency agreement with the Tri-County Council for Southern Maryland, which oversees SMADC, eliminating the need to route funds through MARBIDCO.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 226 (Chair, Finance Committee)(By Request - Departmental - Agriculture) - Finance.

Information Source(s): Maryland Department of Agriculture; Department of Human Services; Department of Legislative Services

Fiscal Note History: First Reader - January 29, 2025
km/lgc Third Reader - March 14, 2025

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Maryland Farms and Families Fund - Purpose and Use - Alterations

BILL NUMBER: HB 104

PREPARED BY: Mark Powell

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

 x WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

 WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

This legislation will keep intact current \$300,000 fund supporting programs that match purchases made with Farmers Market Nutrition Program (FMNP) funds, Supplemental Nutrition Assistance Program (SNAP) funds and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) funds.