

Dates to Remember

- Start of the 2002 Maryland General Assembly Session, Annapolis, January 9, 2002
- U.S. Senate and U.S. House of Representatives reconvene, Washington, D.C., January 23, 2002.
- FORVM Executive Board Meeting, Annapolis, January 25, 2002.

FORVM FOR RURAL MARYLAND

Oct./Nov./ Dec. 2001
Volume 1, Issue 4

Maryland's Rural Development Council

Maryland Rural Summit presents possibilities

4th Annual
2001 Maryland
Rural Summit
October, 2001

The Maryland Rural Summit brought together 200 people, 20 speakers, 13 workshops, and 25 exhibitors for two days of activities. Our website has many of the complete presentations; however, in this newsletter, we cover some of the highlights.

Summit Highlights!

- Housing committee, DHCD discuss HOME structure
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- Maryland rural families open their lives to researchers
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- 2001 Rural Award Winners Announced
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- E-readiness Survey results due in January
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- Microenterprise Council of Maryland completes second year of "building & connecting"
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For information about time-sensitive events and meetings, please visit us at:
www.ruralforvm.state.md.us

Legislators face questions at Town Hall Meeting

4th Annual
2001 Maryland
Rural Summit
October, 2001

Legislators from rural districts across the state joined Maryland House Speaker Casper R. Taylor Jr. in outlining their legislative priorities for the upcoming year and answering questions on a variety of issues. Speaker Taylor said his legislative priorities this year are improving K-12 education and ensuring that there are adequate telecommunication services in underserved areas.

"If rural areas aren't connected to the information highway, we will be isolated and left behind," Taylor said. "It's a big ticket item, but it's something we have to do."



(Above, from left) Speaker Casper Taylor, Senator Mac Middleton, Delegates Louise Snodgrass and Norm Conway take questions at annual Rural Town Hall Meeting.

**4th Annual
2001 Maryland
Rural Summit
October 25-26, 2001**

DHCD seeking public input in program-wide review: **FORVM Housing Committee asks state to restructure HOME**

Officials with the Maryland Department of Housing and Community Development — contemplating a complete review of the way it administers the federal HOME program — met with rural housing leaders during the Rural Summit to hear their ideas and suggestions.

HOME is a federal program that helps local communities provide affordable housing opportunities for low-income families, however, the state administers it on behalf of small, non-entitlement communities.

Committee members attending the October meeting expressed a strong desire to restructure the program to allow local housing organizations to set up revolving loan funds and enter into sub-recipient agreements — two components that are available in virtually all other states.

Under such a restructuring, federal HOME loans would be paid back into a fund operated by a local housing orga-

“Accountability is a concern. Help us figure out how to address that.”

Peter Engel, HOME Program Director, DHCD

nization, rather than back to the State, as it is now. Those funds would stay in the community and be used again to fund other affordable housing projects, giving communities more capacity to serve working families.

“We hear regularly that small communities have a need to build their capacity and sustain themselves. HOME is one of the most flexible programs we

About the Home Investment Partnership Program (HOME)

HOME provides formula grants to states and localities that communities use, often in partnership with local nonprofit groups, to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people. HOME is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. Each year it allocates more than \$1 billion among the states and hundreds of localities nationwide.

*From the U.S. Department of Housing and Urban Development Website,
www.hud.gov/progdesc/home1a.cfm*

have available to promote production on an on-going basis,” said Duane Yoder, chair of the FORVM’s Working Committee on Housing and Community Development and president of the Garrett County Community Action Agency. “It could give us the capacity we need if it were restructured (to include revolving loans and sub-recipient agreements).” Without those options, he said, “Maryland’s rural communities are at a disadvantage in seeking housing production resources whether at the state or national level.”

Peter Engel, director of the program at DHCD, expressed general support for the idea but said that as long as the federal government holds the State accountable for the way those funds are used, the State has to remain involved in fund distribution until all the responsibility for compliance can be delegated to local communities.

“We want to kick the tires on some of these ideas, debate the pros and cons, and see what happens,” he said. “Accountability is a concern. Help us fig-

ure out how to address that.”

Engel said DHCD has been administering the program consistently for many years but will be actively seeking public input through focus groups and other public venues to determine if it needs modifications and, if so, how extensive those modifications need to be.

Yoder said the FORVM’s Working Committee will work cooperatively with DHCD to ensure that the rural perspective is considered as the agency reviews the HOME program.

Task Force Request

The Governor’s staff recently announced plans to create a task force that would — among other things — develop strategies to make affordable housing for working families an integral part of Maryland’s Smart Growth efforts. The Housing Committee passed a motion, formally asking the FORVM Executive Board to request that the Committee have representation on that task force. The Executive Board approved that request during its October meeting.

The intent of the research is to provide current information to citizens, public policy makers and program directors as a basis for decision-making about the well-being of these families.

4th Annual
2001 Maryland
Rural Summit
October, 2001

Keynote Address:

Maryland rural families open their lives to researchers

Many of Maryland's rural families have trouble feeding their children, feeding themselves, and meeting basic needs, despite working two and three jobs.

These are just the first of several disturbing results from a five-year study

they are not stable everywhere. Here are just some of the Maryland results, released at the Rural Summit for the first time:

■ Many of Maryland's rural mothers work two to three jobs to make ends meet but still live at or below the poverty level.

Most of them work in the service sector — the poorest paying with few or no benefits.

■ Many of these mothers are unable to get enough food to meet their nutritional requirements and often sacrifice food for themselves

"No one should be struggling for food in a nation like ours. No matter how deep of a recession we go through, we have enough food to feed everyone."

-- Dr. Bonnie Braun

About the Maryland Mothers in the Survey

- ◆ Average age: 28
- ◆ Average number of children: 2
- ◆ Married / living with partner: 57%
- ◆ High school or GED: 20%
- ◆ Beyond high school: 49%;
- ◆ Less than high school: 31%
- ◆ White: 54%
- ◆ African American: 34%
- ◆ Native American: 9%
- ◆ Multiracial: 2.9%

being conducted by researchers in several states, under the leadership of Bonnie Braun, Ph.D., an Extension Family Life Specialist at the University of Maryland Department of Family Studies. Dr. Braun was a keynote speaker during the Maryland Rural Summit in October.

This multi-state, longitudinal study — "Tracking the Well-Being of Rural Low-Income Families in the Context of Welfare Reform" — began in 1998 and continues through 2003 in an effort to determine how rural families are faring since the passage of welfare reform in 1996. In the first year of the survey, 422 families in 14 states provided information about their lives in a number of areas. Among those interviewed were 35 families in Maryland's Dorchester and Garrett Counties. Both of these counties are at or near the bottom in economic indicators. These families are interviewed periodically throughout the length of the study.

"The family is the basic unit of an economy and a democracy," said Dr. Braun, "When families are stable, your area is stable."

In Rural Maryland, however,

to feed their children.

■ These families have difficulties stretching their income for basic needs. Food and clothing tied for the top challenges followed by school expenses.

■ Of the 15 sources of public assistance used, food assistance tops the list— school lunch, food stamps and WIC.

"No one should be struggling for food in a nation like ours," said Dr. Braun. "No matter how deep of a recession we go through, we have enough food to feed everyone."

■ Rural mothers reported having six health problems in the past year; their partners had three; and children had four, with most children suffering from allergies.

■ Half of rural mothers suffer from depression as measured by a standardized scale—well beyond the number found in the general population.

■ Only 19 percent of working mothers studied have health insurance. Most rural families do not have health benefits for the entire family.

■ Only 23 percent of rural families

own their homes, compared to 68 percent who rent. Most spend more than 40 percent of their income on housing. (The general guideline is not to spend more than 30 percent.) Housing stock is limited in rural communities; affordable housing even more so.

Surprisingly, however, a majority of these families stated they were satisfied with their lives, despite being in poor health and living at or below the poverty line. Dr. Braun calls this "the psychology of life," a kind of self defense mechanism that kicks in when people consider their situation.

Dr. Braun said the results of this survey will help policy-makers make more informed decisions when working with rural communities. For instance, she said, at least one-third of rural families are not receiving the earned income tax credit, which could provide them with another \$1,200 to \$2,000 a year — a substantial amount to a family at or below the poverty level. Efforts need to be made to ensure these families take advantage of the programs already available to them.

2001 Rural Award Winners Announced:

Rural Leaders Recognized for Going Above and Beyond

Five rural programs and two rural legislators were recognized for their outstanding efforts during the annual Rural Awards Dinner, which was sponsored by The FORVM, the Maryland Rural Health Association and the Maryland Department of Health and Mental Hygiene Office of Primary Care and Rural Health. The dinner was one of several activities that took place during the 2001 Maryland Rural Summit in Cumberland. Individuals and organizations from throughout the state are nominated for rural development awards in six categories and announced during the dinner. Those categories and a brief description of the winners are listed below:

Outstanding Rural Health Achievement: Garrett County Partnership for Children and Families, Inc., Susan Athey-Oxford, President

The Partnership for Children and Families is one of the few home visiting programs in the United States that offers home visiting services on a voluntary basis to all pregnant women and families with newborn. The program, under the leadership of President Susan Athey-Oxford, is credited with providing more than \$1.4 million to address health needs in Garrett County. Ms. Athey-Oxford is a licensed certified social worker who “displays a passion for improving the health and welfare of the most at-risk members of our community,” according to Robert Stephens of the Garrett County Health Department.

Outstanding Rural Health Program: Healthy Families, Garrett County. Earleen Beckman, Director

Healthy Families Garrett County is a comprehensive prevention program created to ensure that children enter school healthy and ready to learn. The mission of the program is to enhance family functioning and promote child health and development. The program works to ensure that all parents have the support and assistance they need to foster health, learning and development for children, age birth to 5.



sity has been instrumental in the start up of this system.

Outstanding Rural Community Development Program: Shore Transit

Shore Transit is the result of a community coalition of organizations and public agencies that developed and implemented a rural, regional public transportation system for the three lower counties of the Eastern Shore (Somerset, Wicomico and Worcester). Each month, more than 9,000 people travel to work, medical appointments, grocery stores, leisure activities and other important destinations. A public transportation system is critical for those who are disabled, elderly, and economically disadvantaged. Salisbury Univer-

Outstanding Rural Health Practitioner: Thomas S. Sisca of Shore Health System

Dr. Sisca, Pharm.D., FCCP, BCPS became the first clinical pharmacist on the Eastern Shore after taking a position in 1972 with Memorial Hospital in Easton, now Shore Health System (SHS). At SHS, he has developed a clinical pharmacy, including a drug information service, consult service, drug protocol service and outpatient clinical service. He is best known for the development of Pharmacist Managed Drug Therapy by Protocols at SHS, which has directly managed more than 70,000 courses of drug therapy. He was recently recognized as an Honorary Alumnus of the University of Maryland



(from left) Del. Norm Conway, Sen. Mac Middleton, Del. Charles McClenahan, Jake Frego, Bill Eckman present award to Shore Transit's Mike Scott and Rob Hart

Continued on next page

Rural Awards

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School of Pharmacy and elected the Hospital Pharmacist of the Year for 2000 by the Maryland Society of Health System Pharmacists.

Outstanding Rural Economic Development Achievement: City of Taneytown.

The Taneytown Economic Development Commission was established in 1995 and currently has 22 members representing business and industry in Carroll County. The Commission supported the application of the Main Street Program of which Taneytown became a Maryland Main Street designee and was also selected as a National Main Street for 2001. The Commission has also established one of the state's largest non-organizational Business Breakfasts that promote the positive image and visibility of Taneytown. Speakers have included the Secretary of State, Secretary of Transportation, State Treasurer, Comptroller and other state officials.

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Conway, McClenahan:

Two Eastern Shore Delegates named Outstanding Legislators of the Year

Delegate Norman Conway and Delegate Charles McClenahan were named Outstanding Legislators of the Year for their work in supporting legislation that established two regional economic development councils on the Eastern Shore – one for the Lower Shore and one for the Mid Shore. They were also instrumental in convincing the Governor to include \$200,000 in the state budget to fund these councils. Both McClenahan and



Del. Charles McClenahan, Republican, District 38, Somerset, Wicomico & Worcester Counties.



Del. Norman Conway Democrat, District 38, Somerset, Wicomico & Worcester Counties.

Conway have been working on the regional councils' organizing committees to ensure that they are set up properly and operate smoothly as they move forward.

Rural recommendations submitted to Governor's Task Force Studying the Upgrading of Sewerage Facilities

Many smaller rural communities in Maryland can't afford to upgrade sewerage lines and wastewater treatment facilities to meet current environmental standards and accommodate growth, a reality that poses a serious challenge to the quality of life and undermines Smart Growth objectives in rural and semi-rural areas.

Most small sewage collection lines in rural Maryland were installed at least 50 years ago, and a few as far back as 125 years ago. Many aging rural sewerage treatment plants do not meet today's design standards. Most treat less than 1 million gallons of wastewater a day. A relatively few small system operators know for sure if they have a serious Inflow and Infiltration (I&I) problem in their wastewater collection system, and even if they did finding the funds to remedy

the problem is prohibitively expensive. The families living in these communities simply do not have the resources to pay for these improvements and government funds often are not available. In addition, many local jurisdictions don't know if the utility rates being charged are enough to meet both operational and long-term maintenance costs.

To begin addressing this problem, the FORVM, working in collaboration with the Maryland Municipal League, recently submitted a joint set of recommendations to the Governor's Task Force on Upgrading Sewerage Facilities, which is studying the problem statewide.

The FORVM and MML Recommendations are:

ONE: Conduct a Statewide "Review of Records" I&I Study: The state

should fund a desk study for every small system in the state to determine if there is an I&I problem and what the magnitude of the problem is. The information will help system owners make planning and expansion decisions; help government officials understand the scope of the statewide problem (in dollars); and help the planners determine which systems can handle additional growth.

TWO: Conduct Comprehensive I&I Study of Selected Representative Systems: The state should fund in-depth I&I studies of six to ten selected systems that are representative of communities across the state in order to provide more complete data on the extent of the I&I problem; and to help systems locate and

Continued on page 6

Results of statewide e-readiness survey scheduled to be announced in early '02

The \$300,000, 18-month assessment will identify areas of the state that need additional telecom infrastructure.

Maryland's Technology Development Corporation (TEDCO) and ten corporate sponsors are in the process of assessing Maryland's e-readiness, taking special care to study currently underserved areas, according to Renee Winsky, TEDCO's deputy executive director and Rural Summit speaker.

eReadiness-Maryland is the first comprehensive study of Maryland's information technology readiness. The \$300,000, 18-month assessment, expected to be completed in January 2002, will identify areas of the state that need additional telecom infrastructure to ensure that all Maryland citizens and businesses have the access they need to the information highway, said Ms. Winsky.

The project was originally designed to study underserved areas but was expanded to include the whole state. Once results are known, decision-makers in the state and in each region will know their telecom strengths and weaknesses and have reliable, quality information with which to make improvements and develop strategies for the future.

Specifically, TEDCO — using a model developed in Ohio — is studying the following:

■ Network Infrastructure – network capacities, access and utilization by citizens and businesses. Fiber optic, cable modem, DSL, wireless, and dial-up will be assessed;

■ Real-time Web Testing – assess backbone capacity, quality, consistency, and availability of network connections;

■ Users' Surveys – assess Maryland business and household usage of the network through in-depth phone surveys;

■ Websites – type and number of business websites, functionality, usage, rate of increase; and

■ Community Planning and Affordability – comparative pricing, access and capacity of local network, extent to which government and private sector are planning for digital access and use.

A Statewide Corporate and Management Steering Committee is managing the assessment, while five regional steering committees focus on Western, Northern, Central, Southern, and the Eastern Shore of Maryland.

Lieutenant Governor Kathleen Kennedy Townsend is the committee's honorary chair. Other members include Chairman André Lynch, president and CEO of Ingenium Corporation who is also a member of the TEDCO Board of Directors. Co-Vice Chairs are Dr. Catherine Gira, president, Frostburg State University; Preston Dillard, deputy CIO of the State of Maryland, and one senior executive from each of the 10 corporate sponsors — Allegheny Ventures, BAE Systems, Comcast, Dimension Data, FDC, FiberPlus, IBM, Logicon, MITC, USi, and Verizon.

The federal government, TEDCO and the ten corporations fund the study.

Recommendations Continued from page 5

fix serious I&I problems.

THREE: Conduct Rate Studies:

The state should fund a rate study for each small system in Maryland so that local jurisdictions can find out if their utility rates are appropriate. This data would help system owners set rates and prepare for major borrowing for improvement, and it would help MDE understand the need on a region-by-region basis.

FOUR: Prioritization of State Funding: The state should fund small system improvements based on local effort, factoring in affordability and need. Accordingly, all systems should impose rates that meet or exceed 1 percent of Median Household Income (MHI) in order to be eligible to receive state financial assistance after a required date.

The state should provide 100 percent grant funding for all improvements over and above any federal financial aid provided for systems that treat less than a half million gallons per day *and* meet one of the following conditions.

- The project corrects a serious public health problem;
- A major wastewater treatment plant expansion is avoided; or
- The project reduces the Total Maximum Daily Load in a stressed waterway.

Grant funding in lesser proportions is recommended for larger systems in rural areas. The state should provide substantial grant funding to small systems for improvements related to growth or infill development over and above any federal financial aid provided to free up treatment capacity that is currently committed to flows resulting from I & I issues.

FIVE: Equitable Penalties. MDE should not fine smaller systems that impose appropriate (locally affordable) rates if they do not have the financial resources available to correct I&I-related problems. Fairness dictates that smaller jurisdictions who act in good faith to meet environmental mandates should not be penalized for things that are beyond their financial ability to control. (*Note: The final report of the Task Force will be available at: www.mde.state.md.us*)



Announcement!

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FORVM Board welcomes new members

New members will join the FORVM's Executive Board for the upcoming year. They are:

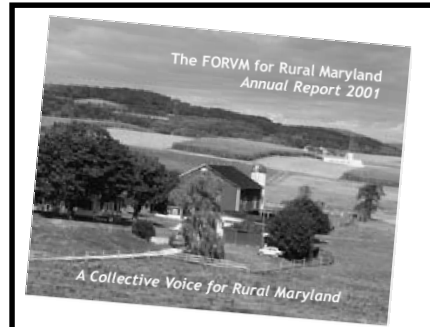
- **Mayor John Bunnell** will represent District 4 (Cecil & Harford Counties);
- **Annie Kronk**, recently retired from Johns Hopkins University, will represent the Maryland Rural Health Association.
- **Steve Weber** will represent the Maryland Farm Bureau;
- **Mike Pennington** will represent the Tri-County Council for the Lower Eastern Shore.

For a complete listing of Board Members, see our website at: www.ruralforvm.state.md.us

Thanks to outgoing members

A special thank you to our departing Board Members who have served Rural Maryland and the FORVM with distinction during their terms.

- **Jay Gullo**, a councilman in the Town of New Windsor, represented Frederick & Carroll counties.
- **Marita Novicky** of the University of Maryland represented the Maryland Rural Health Association.
- **Deborah Povich**, director of public policy for the Maryland Center for Community Development, represented non-profit organizations.
- **Michael Spurrier**, executive director, Frederick Community Action Agency, represented Maryland Community Action.



FORVM's 2001 Annual Report available in print & online

The FORVM's latest annual report has been published and has been mailed to all FORVM members. A text-only version is available on our website at www.ruralforvm.state.md.us; however, the printed copy -- which includes data and statistics not available on line -- is available for free by calling 410-767-6531 to request a copy.

2nd Annual meeting:

MCM finishes second year of "building & connecting"

The Microenterprise Council of Maryland told about 50 supporters that it intends to spend the upcoming year increasing microenterprise employment in the state by 40 percent, doubling the training capacity of micropractioners, and developing a digital storefront of microenterprise providers and services.

The year's plans were outlined in a grant proposal which received \$230,000 from the U.S. Small Business Administration and was discussed with supporters during the MCM's Second Annual Meeting in December.

MCM Board Chair Stephen McHenry (who is also the executive director of the FORVM) recapped the previous year's start-up efforts, calling it "a year of achievement, a year of building and connecting." With a staff and an of-

fice now in place, he said, the MCM will hit the ground running in 2002.

Several micro practioners shared their experiences during the last year and their goals for the year ahead.

"Microenterprise is not solely about throwing loans at people. It's about access to the marketplace, access to knowledge, access to institutions," said Dodie Lazzati, executive director of Maryland Capital Enterprises on the Lower Eastern Shore. "Seventy-eight percent of microenterpreneures are minorities and women who have never felt included. It's about building bridges from the mainstream American markets to the people who never had access to markets before. We're trying to level the playing field so it's not who you know but what you know."

A microenterprise has five or fewer employees, difficulty accessing traditional business services and has a start-up capitalization need of less than \$25,000.

New Information!

Microenterprise Council of Maryland

P.O. Box 3327
Annapolis, MD 21403-9998
Phone: 410-514-7563.
Fax: 410-987-8902.
Mikal McCartney,
executive director,
mikal@micromaryland.org

FORVM FOR RURAL MARYLAND

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Have enough paper piling up on your desk?

Join our email list and get current updates!

Now and then we need to contact rural stakeholders very quickly about important issues and meetings. Although those announcements are on our website, we are putting together an email list so that we can contact you directly about issues and events important to Rural Maryland. We hope you will want to be on that list. **(We promise not to flood your InBox with unnecessary messages, so sign up for our distribution list now.)**

Also, our newsletters is published only once a quarter. Members of our email distribution list will be informed when the next newsletter is available on our website (in Adobe Acrobat format).

All of our publications are on our website at least a week before they are printed and snail mailed.

Remember!

Our website is updated frequently and contains diverse and often time-sensitive information. We urge you to check it often. Visit us at:

www.ruralforvm.state.md.us

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The FORVM for Rural Maryland

217 E. Redwood Street
Baltimore, MD 21202
Office: 410-767-6531
Fax: 410-333-8314

www.ruralforvm.state.md.us

Chairman

The Hon. William Eckman

Executive Director

Stephen McHenry

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Vanessa Orlando

Administrative Aide

Susan Kelliher

TO: