Who We Are

The Garrett County Chamber of Commerce is the largest professional business organization in the Mountain Maryland region. Our membership consists of 550 companies and organizations representing every industry in our community. The Chamber Board of Directors, elected by the membership, has adopted the following priorities and positions as our 2021 Legislative Agenda. As the voice of business, we will advocate for these priorities, monitor legislative activities of the Maryland General Assembly and keep our members informed of issues that may impact them. We ask for your support of these Chamber positions and policies and collaboration in fostering the betterment of our community and the great State of Maryland.

Where We Stand

TOP PRIORITIES:

The four items below are the top priorities of the Garrett County Chamber. Details on each issue are included in the full agenda which is comprised of additional issues the chamber believes are important to our community.

1. Oppose Increases to UI Premiums as a Result of COVID-19 Claims (p. 1)
2. Support COVID Liability Protections for Businesses, Schools & Organizations (p. 2)
3. Oppose Exorbitant Local Share School Funding Increases as Mandated by the “Blueprint” (p. 7)
4. Support $1.2 Million Appropriation for Deep Creek Lake Dredging (p. 3-4)

FULL AGENDA:

The issues included in our agenda are those items that the Garrett County Chamber believes could have the biggest impact through legislative action.

Business Climate

A. Oppose Increases to UI Premiums as a Result of COVID-19 Claims

The Legislature must act quickly to prevent undue increases to unemployment insurance (UI) premiums for Maryland employers.

Due to the state-wide stay-at-home mandate and the closure of non-essential businesses during the pandemic, many employers had to furlough or lay off workers. Some had to eliminate jobs and positions due to decreased customers and revenue. These employers were following State mandates and the decision to close was not their own. Therefore, unemployment claims made during the COVID-19 crisis should not be counted against an employer’s experience rating. In turn, these employers can expect significant UI premium increases.

According to TaxFoundation.org, “As of mid-May, 26 states and the District of Columbia have declared—mostly through executive order or labor department guidance—that COVID-19-related layoffs will not be charged against employers for purposes of calculating the experience ratings that determine their UI tax rates. (A detailed map of states’ handling of UI claims is included below.) This is a reasonable way to help protect businesses and industries that have been disproportionately impacted by mandated business closures and stay-at-home orders. It will also help ensure more businesses will be able to survive this crisis and rehire their employees once they can safely resume operations.”

Maryland is one of only six states, and the only one of all of our neighboring states, that has declared the COVID claims will count against the employers despite the extenuating circumstances. This policy is counterintuitive to all that the State and its agencies are doing to help businesses recover.

We are fully aware that the massive amounts of unemployment claims due to the pandemic are draining the State’s UI coffers, but huge increases to UI premiums adds insult to injury for businesses that were mandated to close their doors and are now struggling to stay afloat. Every effort should be made to replenish the UI fund without increasing premiums for employers.
B. Support COVID Liability Protections for Businesses, Schools & Organizations
As if the pandemic and the economic downturn were not enough, employers are confronting the possibility of unwarranted lawsuits related to COVID that threaten their ability to operate and the economy’s ability to recover. Temporary and targeted liability relief must be enacted to provide employers, healthcare providers, non-profits, and educational institutions a safe harbor from these types of lawsuits when they make good-faith efforts to follow applicable public health guidelines.

This is a critical issue for a wide range of employers from distillers who switched to producing hand sanitizers, to manufacturers that transformed their operations to construct personal protective equipment (PPE) and ventilators, to front line medical professionals treating the afflicted, to pharmaceutical companies that are expediting research into cures, to essential businesses that remained open, to colleges and schools, to businesses. A safe-harbor will ensure that bad actors can be held accountable while simultaneously protecting those entities who are working to follow public health guidance.

The Maryland General Assembly must enact safe harbor protections for the duration of the pandemic crisis. As the crisis subsides, Maryland businesses, schools and organizations will require liability protection to resume commerce without the fear of frivolous lawsuits.

C. Support Small Business Participation in Association Health Plans:
Small businesses must have access to affordable group health insurance plans to provide as benefits to their employees. In June of 2018, the U.S. Department of Labor published a Final Rule creating a new pathway for small businesses to participate in Association Health Plans. This Final Rule allows for small business owners, employees of small businesses, family members of working owners/employees access to more coverage options, more affordable pricing, enhanced ability to self-insure, and reduced administrative costs through the participation in Association Health Plan.

Association Health Plans (AHPs) are group health plans that employer groups and associations offer to provide health coverage for their members’ employees. They allow small employers, through associations, to pool their employees to gain regulatory and economic advantages that are available to large employers. By participating, all of the employees of the members are part of the same group allowing the risk to be spread across a larger group of individuals instead of restricting the risk to just the employees of a specific business. It is common knowledge that individual health insurance premiums are lower for more lives that are covered under that plan. And the plan benefits are better. AHPs are not trimmed down plans.

AHPs cannot cherry pick or discriminate based on health or prior conditions. AHPs cannot charge different premiums to employees based on their health status. Additionally, AHPs under this rule cannot charge employers different rates based on the health status of their employees. And associations cannot be created for the sole purpose of offering an AHP. The DOL’s Final Rule includes important safeguards. Consumer protections and healthcare anti-discrimination protections apply to large businesses and will also apply to AHPs organized under this rule.

States where chambers of commerce and associations are already offering AHPs include: Georgia, Kentucky, Michigan, Montana, Nebraska, Nevada, Oklahoma, Oregon, Texas, Vermont, West Virginia, and Wisconsin. According to Congressional Budget Office estimates, 400,000 Americans who lack insurance will join an AHP by 2023.

However, Maryland is preventing this opportunity for small businesses by denying them true participation in AHPs. In Maryland, small business employees cannot be included in that larger pool prohibiting spreading the risk across a larger number of lives insured and inhibiting the business’s ability to access lower rates and better plans. In essence, the State is discriminating against small businesses and their owners, employees and family members.

During the 2018 Legislative Session, the General Assembly passed the Maryland Healthcare Access Act of 2018. That Act included language that prohibits a small business’s owners, employees and family members from being included in the pool of an AHP. This act must be amended to allow small businesses full participation in AHPs.

Small businesses are the backbone of our economy. It is imperative that Maryland create a climate that nurtures business growth and allows small businesses to thrive. This includes keeping the cost of doing business in check. While not required, many small businesses provide health insurance to their employees as a benefit to retain a quality of workforce. These businesses should have access to the same group health insurance options as larger businesses, enabling them to compete with businesses in neighboring states such as West Virginia.
The Garrett County Chamber supports small business participation in Association Health Plans to lower costs of health insurance and requests that the Legislature amend the Maryland Healthcare Access Act of 2018 to remove language prohibiting small businesses from including their owners, employees and family as part of the larger pool of employees in an AHP.

D. Support a Pro-Business Environment in MD & Oppose Unnecessary Workplace Regulations:
Preserve the employer’s right to manage its workforce and create an environment to expand and retain existing firms through less workplace regulation. For Maryland to be competitive in the global economy, we need to create a world class business climate that supports business instead of placing unnecessary regulations on employers. Regulations such as expansion of FMLA or creation of an FMLA insurance fund; prohibition of non-compete, conflict of interest & non-disclosure agreements; and onerous scheduling requirements/predictive scheduling are a transgression on private enterprise and will only hinder business growth. Impeding on business development will only serve to further paint Maryland as unfriendly to business and drive companies out of state. These measures are unnecessary and costly, especially for small businesses that have limited resources. Maryland state agencies should strive to be partners not hinder, and polices should be evaluated for appropriateness and use indicators to ensure laws and regulations are making positive impacts for business and Maryland’s economy, not producing negative results.

E. Amend the Maryland Healthy Working Families Act without Further Expansion:
The Maryland Healthy Working Families Act put a financial and workforce strain on many small businesses and non-profits in Maryland. Additionally, they are now dealing with higher absenteeism and abuse of the law.

To relieve some of this burden on small businesses, while still keeping with the spirit and intent of the Maryland Healthy Working Families Act, the bill must be amended.

The General Assembly should amend the Maryland Working Families Act to include the following:
1. Increase the minimum number of hours worked per week to 30 to keep the law consistent with the Affordable Care Act. The 12-hour threshold is extremely low and promotes a poor work ethic. The low threshold eliminates the ability to reward hard work.
2. Exclude seasonal employees. It is not necessary to provide sick and safe leave to employees that are in a temporary position. Sick and Safe Leave should be provided to permanent employees only. Again, this promotes a strong work ethic and provides the employer the ability to reward or support those loyal, hardworking employees.
3. Increase mandatory number of days worked from 106 to 120.

F. Oppose Expanding Sales Tax:
Expansion of the sales tax to services, on-line transactions and advertising will be passed onto consumers and result in artificial inflation.

The Legislature should refrain from putting more tax burdens on the residents of Maryland.

Tourism

A. Support $1.2 Million Appropriation for Deep Creek Lake Dredging:
The State, as the owner of Deep Creek Lake, must fulfill its responsibilities to preserve and maintain the largest inland body of water in Maryland. That includes dredging the coves that have silted in and are reducing the recreational use of the lake. We have requested $1,200,000 be included in the FY 2022 capital budget to fund the dredging project of Arrowhead Cove on Deep Creek Lake (DCL), a State-owned property purchased in 2000 from the Pennsylvania Electric Company.
Deep Creek Lake, a lake made by damming rivers, is the State’s largest inland body of water covering about 3,900 acres and 69 miles of shoreline. DCL is 95 years old and with age, comes issues such as the shallowing of coves. Research shows that the lake has some coves that have shallowed significantly and must be dredged in order to preserve the use of those coves. Arrowhead Cove, in the central part of the lake, is one of these coves and is the perfect pilot project for future cove dredging on Deep Creek Lake. A proposal submitted to Garrett County placed the cost for dredging Arrowhead Cove at $2,300,000. The County received $1,000,000 through the Department of Natural Resources’ Waterway Improvement Fund (WIF) grant in FY20 which requires a 50% match, an amount difficult for the County to cover and does not fully fund the project. We are requesting, instead, that $1,200,000 be included in the State’s FY 2022 capital budget to fund the project along with the $1 million WIF grant.

The reduction of recreational use directly negatively impacts the economic prosperity of the lake through declining property values and decreased tourism. The State should also consider investing in ways to mitigate the future silting in of coves caused my shoreline erosion and silt carried in by contributing waterways.

DCL is an economic engine for Garrett County and a premier tourist destination for the State of Maryland and surrounding States. DCL hosts 1.4 million visitors each year who spend $315 million and have a total economic impact of $360.5 million for the area. It is paramount that investments are made and policies are enacted that protect the future of DCL.

The Legislature must act to protect this very important Maryland recreational asset. The Garrett County Chamber urges the Legislature to support a $1,200,000 capital budget allocation to protect and preserve one of Maryland’s most important natural assets.

B. Continue County Cooperative Marketing Grant Program:
To leverage the state’s investment in tourism promotion, Maryland must continue the County Cooperative Marketing Grant program that matches some county tourism promotion. Since FY10, Garrett County’s fiscal year accommodations sales have increased 73% to over $52 million resulting in an approximate $360.5 million economic impact. Even with a pandemic, Garrett County saw record numbers for summer tourism. In fact, the Garrett County Chamber, which serves as the Destination Marketing Organization, revised its marketing strategy and message during lockdown in order to use the marketing grant dollars to help prepare for a tourism relaunch which started May 2020. This resulted in a 27% increase in tourism for June 2020 and 19% for July over 2019. This type of recovery and growth does not happen without intelligent, quality marketing and we believe much of this growth can be attributed to our aggressive strategies. We leverage the Cooperative Marketing Grant we receive from the Office of Tourism with County accommodations tax collections to enable us to fund more marketing and attract more visitors to Maryland. The County Cooperative Marketing Grant is a very important tool for the counties to continue their promotion efforts to bring tourists to the state. And now more than ever, our communities to focus on recovering from the economic crisis caused by the pandemic. That mean investing in tourism promotion is more critical than ever.

As evidenced above, the State should continue to direct $2,500,000 to the County Cooperative Marketing Match Grant program, with the goal of increasing the amount to $3 million, to leverage more local funds and better assist local jurisdictions with promotion to recover from the pandemic.

C. Maintain Tourism Promotion Funding:
As we face down COVID, it is essential that tourism funding be maintained. The tourism industry was the hardest hit but will be back. The Maryland Office of Tourism reported that in December 2019, the first half of Fiscal Year 2020, Sales and Use Tax for the Tourism-related tax codes was up $271 million, up 7 percent from 2019. COVID hit and by the end of Fiscal Year 2020 Sales and Use Tax for the Tourism-related tax codes plummeted to negative 14 percent to $428 million down from $498 million in Fiscal Year 2019.

According to the MD Office of Tourism, Maryland hosted 42.1 million visitors in 2019 and these visitors spent more than $18.6 billion, which is up 3 percent from the previous year. The spending by overnight visitors grew 3.4 percent. Visitor spending has grown every year since 2009.

According to the U.S. Travel Association, in the race for consumer travel dollars, the average state tourism budget amount hit a new record high in Fiscal Year 2019 at $20.3 million - a 9 percent year over year increase.
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In Maryland’s regional set, the average state tourism budget is $20 million with New York State topping the charts at $45 million and Virginia at $18.9 million. It is critically important that Maryland remain competitive in the tourism arena and we must continue to invest in tourism promotion.

Tourism promotion has a proven return on investment and the industry is a significant economic driver for the State. For every dollar invested that the Maryland Office of Tourism invests in promoting the state as a destination, $31 goes back into the economy for every $1 and generates $50 million in state and local taxes.

Tourism generates revenue to state and local governments. In 2019, visitor spending generated $2.6 billion in state and local taxes. Each household would need to pay an additional $1,175 in taxes to replace the tax revenue generated by visitors.

D. Support Explore Maryland Tourism Tax Credit for Marylanders:
The State of Maryland needs to enact policies and programs that will help the tourism industry recover from economic crisis created by the pandemic. Tourism is Maryland’s 10th largest private employer and normally generates nearly $500 million in taxes each year. However, the pandemic has taken its toll and this industry is suffering greatly. To help tourism in Maryland recover, a tax credit up to $4,000 for Marylander’s who spend money on in-state lodging and attractions/amusements (including museums, amusement parks, state parks, recreation, arcades, etc). The Explore Maryland Tax Credit would be a one-time tax credit that Marylanders could claim on state income tax through December 31, 2022.

E. Continue Funding for Heritage Areas Program:
Garrett County averages 1.2 million visitors per year resulting in an economic impact of $347 million. Since FY2004, 757 heritage projects have been funded within Maryland’s certified heritage areas with $104 million in non-state investment leveraged year-to-date. Heritage Areas generate $19.8 million in state and local taxes, and have created 3,146 jobs. According to budget analysts, the ratio of return on investment is $4.45 for every $1 in heritage area grants. The Heritage Areas program is allocated up to $6 million per year in the budget. For the FY21 grant cycle, MHAA received 170 requests for $7.5 million in funding and just under $5.1 million was awarded.

We appreciate the State’s commitment to the Heritage Tourism program and request the program continue to be funded at the maximum allowed by law - $6,000,000 per year – for continued growth of Heritage Tourism investment and revenues.

F. Support Mountain Maryland Recreational Trails:
The Garrett County Chamber supports the maintenance of existing trails and continuing efforts of Garrett Trails towards the completion of the Eastern Continental Divide Loop (ECDL). This 150-mile long trail will connect to The Great Allegheny Passage (GAP) in two separate locations and serve to help capture a portion of the estimated 800,000 annual visitors to the GAP. Recreational Tourism on the GAP generates more than $40 million per year and $7.5 million in annual wages.

The development of the ECDL continues in phases, currently focused on the Meadow Mountain Trail section. This 14-mile-long trail (one-way) runs along the crest of Meadow Mountain following the Eastern Continental Divide in some areas and is a crucial component to the eastern leg of the ECDL.
The Garrett County Chamber supports Garrett Trails request for funding the following projects to work towards completion of the Eastern Continental Divide Loop Trail:

1. **Provide funding to Garrett Trails for annual trail maintenance obligations, as well as new trail development with long term partners including the US Army Corp of Engineers, Maryland Department of Natural Resources and the Garrett County Board of Commissioners.**

2. **Increase recreational staff for the rugged 55,000-acre Savage River State Forest and 11,461-acre Potomac-Garrett State Forest in Garrett County, Maryland. Savage River State Forest is the largest State Forest in the state of Maryland. They are extremely understaffed.**

3. **Provide funding to Garrett Trails to prepare and execute an extensive survey of trail user experiences in Garrett County, to include digital marketing and solicitation, physical trail survey days, and the purchase of 25 new trail counters.**

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**Economic & Community Development**

**A. Allocate Additional Funding to the State Lakes Protection and Restoration Fund:**

The state of Maryland owns 16 lakes, with Deep Creek Lake in Garrett County being the largest. It is an economic engine, helping to generate an economic impact of $360.5 million annually. The property tax revenue from the Deep Creek Lake watershed accounts for nearly 60% of County revenue. It is imperative for the County and the State to make every effort to maintain Deep Creek Lake as a premier natural recreational and economic resource for property owners and visitors. Deep Creek Lake is now 94 years old and as happens with any man-made lake, it is experiencing issues with aquatic invasive species (AIS), sediment accumulation, shoreline erosion and threats to water quality and conditions. The County and the State have been working together for many years to maintain the health of the lake and have even created a Deep Creek Watershed Management Plan. However, the State is the owner of Deep Creek Lake and 15 other lakes throughout Maryland. As the owner of these lakes, the State must allocate funding for protection programs, restoration and remediation projects to sustain these important natural resources for future generations. During the 2018 session of the General Assembly, the Legislature approved the annual allocation of $1 million to the State Lakes Protection and Restoration Fund for the next three years. This amount is grossly inadequate for the State to uphold its responsibilities to all 16 lakes. As an example, it costs DNR $215,000 annually for treatment of hydrilla just in Deep Creek Lake. Hydrilla is an AIS that is highly threatening to a lake and extensive treatment is needed to prevent the AIS from taking over a lake and rendering it useless.

The General Assembly must allocate an additional $2 million annually ($3 million total) to the State Lakes Protection and Restoration Fund and eliminate the three-year sunset as many of these projects are multi-year projects with multi-phase implementation.

**B. Support Alternative Funding for Business Start-up & Expansion:**

Traditional lending has decreased dramatically due stringent lending regulations. Therefore, businesses are in need of alternative funding for the ability to start and grow. Crowd Funding and Angel Investors are two sources that have proven successful in funding start-up and expanding businesses. However, Maryland needlessly limits the potential of both of these funding sources by capping the investment amount and/or not incenting individual investors.
A. Oppose Exorbitant Local Share School Funding Increases as Mandated by the “Blueprint”:

In 2020, the General Assembly passed HB 1300 “Blueprint for Maryland’s Future”. The bill included a formula for funding the “Blueprint” based on charts and information provided by the Department of Legislative Services (DLS). However, the numbers included for Garrett County were based on assumptions for the future that inaccurately depict the County’s current local share. The appendices show Garrett County’s current local share at $37.6 million, $9.5 million more than the actual figure of $28,170,094. With the additional $300,000 in local share required in the bill over the next 10 years, It is inconceivable to believe that Garrett County will have the ability to generate an additional $9.8 million to accommodate the local share funding formula included in the “Blueprint”.

The funding formula recommended by the Kirwan Commission workgroup put Garrett County at a greater disadvantage than already exists. As a county with a high concentration of students receiving free and reduced priced lunch and a shrinking student population, Garrett County continues to receive reduced state funding for public schools. The local share required by the County government to the school district continues to increase and the County struggles to find additional revenue to meet these needs.

The County raised property tax rates in FY20 to generate revenue for rising school costs. And, the mandated local share does not even cover school capital projects for our ever-aging facilities that are estimated to require approximately $30 million in local match over the next 6 years. That would mean that Garrett County government would have to generate an extra $40 million (142% increase in local funding) by 2030 to cover the local share for public schools.

It is estimated that the county would need to implement a 25% property tax increase just for the “Blueprint” and not including capital projects. This is absolutely not feasible and completely unreasonable. Not only would these exorbitant property tax increases cause a mass exodus of residents from an already shrinking population, they would also cause complete devastation to the 2nd homeowner market, which does not even use the local school system but props up the local economy and generates 60% of all of the property tax revenues.

B. Support Equity in Capital Project Funding for Garrett County Public Schools:

Garrett County is unfairly disadvantaged due to a discriminate formula used to fund capital projects for public schools. This formula is known as the “wealth formula” for it attempts to calculate the wealth of a community thereby determining the amount of school funding the community should receive. Based on this formula, Garrett County is required to pay 50% of the costs for capital projects. That is unreasonable to a poor school district like Garrett County.

During the 2020 legislative session, the General Assembly passed HB 1, the “Built to Learn Act of 2020”. This bill corrected the absurdity of the wealth formula and adjusted Garrett County’s share for school contruction to a reasonable amount. However, the bill was tied to the “Blueprint for Maryland’s Future” which was vetoed by the Governor, thereby vetoing the “Built to Learn Act”.

Maryland’s current funding formula for education that is based on county wealth takes into consideration our property tax base, but not per capita income. It does not work and results in poor communities like Garrett County receiving far less funding than other school districts. Garrett County Public Schools are located in Appalachia and more than half of our students receive free or reduced-price lunches. However, the data for Garrett County gets skewed due to part-time residents and second homeowners. Just because these individuals may be wealthy, does not mean that the wealth is transferred to the County, especially since Garrett County does not collect the income tax from these part time residents.
The State must include in their evaluation, the needs of special education students, transportation costs, the age of schools, and the household income of the local residents. Some states include a student poverty factor which recognizes that students in poverty may require additional support. Such a factor could help Garrett County schools with the wider disparity in our wealth formula status and per capita income. Other states provide increased funding for smaller school districts and take into account district sparsity. The funding for capital projects should take into consideration these other factors.

It makes no sense that Garrett County has to match State funding of facilities at 50%. This is a one-to-one match for a school system that is in desperate need of upgrades and construction of public school facilities. The community has no way to fund these projects.

**C. Support Community Colleges:**
Community colleges remain the most affordable post-secondary option in Maryland’s system of higher education – and that’s particularly true of Garrett College. Garrett College reduced in-county tuition rates by more than 10% in FY21 in order to keep local tuition rates affordable.

To support this cost-effective strategy, the Chamber endorses restoration of the $36.5 million rescinded in FY21 community college funding as a minimum FY22 state appropriation. The Chamber also supports full restoration of the $6.8 million cut from the Infrastructure Renewal Grant, which is critical to ensuring Garrett College (and its sister community colleges) can maintain the facilities students need to achieve their educational goals.

**HealthCare**

**A. Support Access to Behavioral Health Facilities:**
Garrett County healthcare providers need the ability to send behavioral health patients to inpatient facilities in nearby West Virginia for services. Currently, the state’s Medicaid and Medicare programs will not cover out-of-state placements. Very serious problems are created via this policy:

1. There are not enough inpatient beds within the state to meet the need, and it is worse in Western Maryland. While UPMC has a small inpatient facility in Allegany County, Allegany County is overwhelmed with the number of placements they need themselves. The same can be said of Washington County.
2. As a result, often people in Garrett County needing an inpatient placement end up back home because no bed can be found. This exacerbates the behavioral health problem and leads to a cycle of crisis and, too often, self-medication through substance abuse.
3. If a bed is found it is often downstate. Families in Garrett County face lengthy travel times to see the loved one receiving care due to the severe lack of inpatient facilities in Western Maryland.

Allowing placement of Medicaid and Medicare patients at facilities in West Virginia would solve these very serious problems. Garrett Regional Medical Center is affiliated with West Virginia University Medicine. Placing area patients at WVU’s Chestnut Ridge Behavioral Health Center, an hour’s drive from Oakland, would vastly improve access to behavioral health care for Garrett County residents.

The General Assembly should support legislation allowing Maryland Medicaid and Medicare programs to cover Maryland patients that must seek treatment from nearby out-of-state behavioral health facilities.
A. Support Funding for Broadband Development:
For future economic growth, it is necessary for Garrett County to have affordable and accessible high-speed
internet. While reliable coverage data is not available, currently it is estimated that only about 65% of the county
residents and businesses have broadband access. Even with the approximately 40 miles of fiber backbone
connecting major county institutions that was funded through the American Recovery and Reinvestment Act for
the One Maryland program, Garrett County must have state assistance to fund the last mile for private businesses
and residents. High-speed internet is a necessity to compete in today’s global economy and to have a good
quality of life.

In 2012, the Garrett County Department of Economic Development released a study that found that broadband
service was only available to 65% of the county and that supply and demand lags behind the nation’s
metropolitan areas. Garrett County suffers from many of the same broadband challenges as do other rural parts
of the country, including large unserved remote areas; relatively little competition in population centers;
high pricing that prevents consumers from fully benefiting from the networks where they do exist. These
challenges are of enormous importance in light of the county’s clear understanding of the connection of
broadband availability to community and economic development.

The study presented recommendations for expanding both broadband facilities and broadband use in Garrett
County. They range from expanding “middle-mile” broadband infrastructure to educating county
residents about the value of broadband. Furthermore, the study provided a roadmap for expanding
broadband infrastructure and use, which have long been recognized as an essential for economic development.

The smaller population of rural communities means a lack of competition of private service providers which not
only creates higher prices for customers but also leads to minimal investment towards expansion of the network
by those providers. Their business models are based on return on investment for the company and it is
understandable the reluctance to invest that money to build the “last mile” of fiber when there is not a large
enough population base to generate the needed return.

Garrett County worked with a private partner to develop a fixed wireless network providing broadband service to
currently over 1,000 residents and businesses that were previously not served or underserved. To help reduce the
infrastructure development costs, Garrett County matched three, $250,000 ARC grants for the three-phase effort
to reach specific targeted areas with fixed wireless service.

Affordable access to the internet has become a basic right in this country, and residents in rural communities like
Garrett County are being denied that right. Countries around the world understand that their federal
governments must fund broadband development to remain competitive. We need the Maryland General
Assembly to make that same commitment. It’s about job creation, job retention, telemedicine, education, access
to resources, and basic quality of life.

In order for Garrett County to assess which areas of the county have access to broadband, and what access level
is available for each location, reliable data is needed. Currently Internet Service Providers (ISPs) only share
rudimentary, generalized data for where they currently serve customers. Company-specific, address-level data
should be made available by the ISPs to enable local governments to make better decisions as to the
technologies needed to reach un/underserved areas.

Local government should have the ability to offer input on the actual customers being served to develop a more
accurate assessment. Additionally, local governments may have information that would be valuable to the
decision-makers, such as which assets exist nearby that could possibly be used to enhance project success.

It is estimated that $20 million is needed to assist with the development of last-mile fiber for the areas of
Bittinger, Pleasant Valley, Swanton & Finzel. These areas serve large numbers of businesses and residents but ISPs
will not make the investment. It is vitally important to future community and economic development that these
areas have accessibility to broadband.

Garrett County will continue to lose ground without the continued development of broadband and high-speed
internet connectivity.

The Maryland Legislature needs to continue to invest in broadband development, specifically last-mile fiber, in rural communities and require ISPs to provide actual address-level data to determine where there is a lack of service.
B. Support the North/South Highway:
The completion of the North/South Highway in Garrett and Allegany Counties is Mountain Maryland’s highest transportation priority and has been championed by Senator Cardin in the U.S. Senate, as well as Governor Hogan. With the adoption of the Federal Transportation Reauthorization Legislation and Maryland’s State Transportation Revenue Enhancement Legislation, Maryland has taken the lead once again in their commitment to this project.

We strongly urge the state to continue working with Pennsylvania and West Virginia to expedite the process for completing the US-219 and US-220 legs of this project.