

January 23, 2025

House Bill 145

**Green and Renewable Energy for Nonprofit Organizations Loan Program and Fund
House Economic Matters Committee**

Position: SUPPORT

Maryland Nonprofits is a statewide association of almost 2000 nonprofit organizations and institutions. We urge you to support this proposal to establish a Green and Renewable Energy Loan Program to assist nonprofits with investments that will benefit their long-term financial stability and contribute to the state's efforts to maximize the benefits of clean energy.

Nonprofits suffered along with the rest of the private sector throughout the pandemic, with disruption of operations, revenue losses, and workforce shortages. Their financial reserves, in most cases less than adequate before the pandemic, worsened. Even in the best of times, their ability to upgrade facilities or invest in newer technologies has been limited by difficulties in borrowing.

Representing more than 13% of the State's workforce, nonprofits should be encouraged and assisted to play a larger role in Maryland's transition to Green Energy. Significant financial incentives already exist to promote the broad use of renewable energy sources by individuals or businesses. But because the tax code is being used as the vehicle for most of these incentives, they are not as easily accessible to cash-strapped nonprofit organizations.

House Bill 145 would provide many charitable nonprofits the opportunity to make long term investments in their buildings taking advantage of the benefits of renewable energy sources. These investments can also benefit the public in several ways. Nonprofits can provide more services and operate more efficiently with reduced energy costs. The buildings they improve are used for and dedicated to the public's benefit.

Finally, increased use of green and renewable energy helps the community and the state to reduce reliance on fossil fuels and lessen the threat of global warming.

It is important note that the program funding does not take effect until Fiscal Year 2027, and may be sourced from special energy-related funds.

We ask you to give House Bill 145 a favorable report.