

CHERYL C. KAGAN  
Legislative District 17  
Montgomery County

Vice Chair  
Education, Energy, and  
the Environment Committee

Joint Audit and Evaluation Committee  
Joint Committee on Federal Relations



Miller Senate Office Building  
11 Bladen Street, Suite 2 West  
Annapolis, Maryland 21401  
410-841-3134  
800-492-7122 Ext. 3134  
Cheryl.Kagan@senate.state.md.us

## THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

### **SB365: Nonprofit Navigator**

House Health & Government Operations Committee

Tuesday, April 1, 2025 1:00 PM

Nonprofits account for 13% of Maryland's workforce. More than 40,000 organizations provide shelter, safety, and sustenance to our communities. The State prioritizes this critical partnership through grant programs, yet this vital sector is disproportionately impacted in these turbulent times. [SB365](#) would offer a modicum of assistance by employing ONE PERSON to help ensure nonprofits have the support in government they need to continue serving our communities effectively.

Preliminary research from Maryland Nonprofits has identified at least 18 "Ombudsman" positions across State government, advocating and providing support in the Departments of Aging, Education, Human Services, Transportation, and elsewhere. Modeled on (and housed with) a similar position in the Department of Commerce focused on small businesses, the new "Nonprofit Navigator" would:

- Help nonprofits understand and access federal, State, and local grant programs;
- Resolve grant delays, ensuring that State dollars reach their intended use more efficiently (without needing legislative interventions like our 2023 Prompt Payment Parity law); and,
- Represent nonprofit interests across State agencies, making sure that policies and programs neither undermine nor overlook the uniqueness of the sector (carried out, in part, through a seat on the Maryland Efficient Grant Application, or "M.E.G.A.," Council).

Nonprofits are our vital partners, weaving our safety net and enhancing the quality of life for our residents. Their work will only become more important with the deep cuts from the Trump Administration, so I requested that it become an ***emergency bill***.

Finance Committee amendments:

- Prohibit the Navigator from working with larger nonprofit organizations;
- Require a report on the Navigator's utilization and results; and,
- Sunset the position on June 30, 2027, if no further action is taken.

While there is broad agreement that the Navigator is both most needed for-- and most likely to be accessed by-- smaller organizations, the Department of Commerce has raised concerns about

the practicality of implementing the proposed restriction: “Commerce does not distinguish between for-profit companies based on their employees’ salaries when providing non-financial assistance, and therefore the Department feels it should also not make such a distinction in relation to nonprofits and their employees’ salaries.”

In any form, however, the low cost of this *single* position (\$73,900 in FY26) would repay itself many times over by facilitating the use of budgeted resources to meet Maryland’s priority needs. Let’s supercharge our ability to get services to our communities through our nonprofit partners!

**I urge a favorable report on SB365.**