



To: Senate Budget and Tax Committee

For: SB 245 – Maryland Nonprofit Development Center Program – Nonprofit, Interest-Free, Micro Bridge Loan (NIMBL) Account – Funding

Date: January 25, 2022

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Thank you for the opportunity to present this testimony in favor of increasing the NIMBL Fund to \$1 million.

My name is Elise Saltzberg. Since 2000, I have worked as a fundraising consultant to dozens of nonprofit organizations in Maryland and previously testified in favor of NIMBL. While I applaud the passage of legislation that created the NIMBL program, its current funding level does not reflect the original intention of the bill – which was to make it easy for nonprofits in our state to attain bridge loans while waiting for payouts on government contracts and grant awards.

As it stands, the fund has enough money to provide only seven \$25,000 loans at any given time. With 32,000 nonprofit organizations in our state, clearly this is not nearly enough.

Awardees of government grants and contracts are expected to start delivering services immediately, using their own funds, although there often can be a delay of several months before they receive payment. Most nonprofits that I know don't have the capacity to absorb long payment delays, especially during the pandemic, thereby diminishing their ability to help needy Marylanders.

It's not surprising that some nonprofits have given up even applying for government grants.

Providing readily available bridge loans of up to \$25,000 will go a long way towards supporting small and medium-sized Maryland nonprofits that provide such vital services to our communities.

Increasing the amount available in the NIMBL revolving loan fund to \$1 million will ensure that this happens.

Thank you again for the opportunity to present this testimony.