



ENVIRONMENTAL FINANCE CENTER



Favorable Testimony – SB 0683

Date: February 24, 2022

Dear Chair Paul Pinsky, Vice Chair Cheryl Kagan, and Committee Members,

Thank you for the opportunity to speak about **SB683 – Renewable Energy for Nonprofit Organizations Loan Program** and its potential to create positive, climate-friendly change within organizations and within communities across the state of Maryland.

During my 10 years of working to support sustainability efforts in Maryland, I have come to recognize the importance of catalyzing local infrastructure projects to achieve ground-up change that translates into statewide impact. SB683 will provide much-needed funds for local and regional nonprofit organizations to reduce their energy costs and lower their carbon footprint. By doing so, they not only help directly contribute to achieving the State's environmental and climate goals, but they also provide a very public beacon of inspiration for the communities and residents these organizations serve.

This loan program will provide the upfront capital needed for renewable energy products that can be difficult for nonprofits to amass and allows these organizations to spread the financial burden out over time. The revolving nature of the program ensures that funds will continue to be available in future years as initial loans are paid back.

The priority that would be given to loan applicants with budgets of less than \$1,000,000 is a key part of this proposed legislation, as it would help make the installation of renewable energy systems more equitable, and more accessible to organizations working in underserved and overlooked communities, exactly the places where climate-forward funding programs should be focused.

Having worked with the Maryland Energy Administration in the past, to assist municipalities with their MEA Maryland Smart Energy Community grant applications, I can attest to the value of a funding programs in providing both the impetus for municipalities to purchase solar panels, electric vehicles and LED streetlights, but also the follow-on effect of implanting a sustainability ethos within those communities. Once these communities have the infrastructure, it essentially serves as a self-reinforcing reminder of their ability to achieve - and commitment to continue - the greening their communities.

SB683 would provide yet another tool in the State's climate toolbox by empowering nonprofits to do their part to help achieve a lower carbon future for the state of Maryland.

Sincerely,

A handwritten signature in black ink that reads "M. Hunninghake".

Mike Hunninghake
Program Manager - Sustainable Maryland
Environmental Finance Center at University of Maryland