

**TESTIMONY IN SUPPORT OF HB 1226 - ECONOMIC DEVELOPMENT - NONPROFIT
SUSTAINABILITY FUND**

Mandy Arnold, President and CEO, Partners In Care Maryland, Inc.

House Appropriations Committee

March 9, 2023

Chair Barnes, Vice-chair Chang, and honorable members of the Appropriations Committee. **Partners In Care Maryland, Inc.** supports House Bill 1226 to create a new Nonprofit Sustainability Fund and to fund it at \$100 million annually.

Small and mid-sized nonprofits are able to help the state government by providing services, opportunities, and enhancing quality of life in every community of the state. Nonprofits are able to address the specific needs of their communities, and often are able to reach individuals and groups that are hard for government agencies to connect with.

However, these organizations struggle to obtain the revenue they need to fully meet their missions, to address the many and complex administrative requirements of a nonprofit corporation, and to grow.

An unrestricted grant of 1.5 percent to 10 percent of revenues would provide a boost that would multiply the effectiveness of Maryland's small and mid-sized nonprofits. Almost all of the funding that is now available to nonprofits is restricted to certain uses and purposes. It is difficult to cover the organizational costs of running a nonprofit business, and it is difficult to obtain funds for organizations that flexibly address multiple needs in our communities.

First, it's very difficult to get funding to support seniors. Second, it is very difficult to get operating funds. 95% of the grants available are for "Things." I always said to the funder, I am grateful, however, if I don't have the funds to operate that "Thing," what good is it.

Believe it or not, most Nonprofits go out of business with money in the bank. One of the two major reasons why Nonprofits go out of business" Restricted Funds" and second is they go outside their mission and try to be everything to everybody.

I will ask you to consider a different approach when considering total revenue. We always get hurt by that stipulation because we serve so many areas and have multiple programs to support our programs. We are disqualified from many local grants because of the organizations total budget. Example: Frederick. We can't grow that area, even though it is a county with the most need. We split our budget by class/programs/sites, and we don't mix

funding by county, but because we are successful in Anne Arundel County, it hurts the other counties.

I apologize for the long winded answers. PLEASE READ on to learn what we do.

Partners In Care Maryland, Inc. offers services to Older Adults age 60+ to allow them to age in place with Dignity and Respect. We do this through a unique culture of service-exchange and time-banking. Our volunteers bank time for when they need services. We offer arm-in-arm, door-through-door transportation to medical appointments, pharmacy, grocery store, or to run errands, basic home maintenance and repairs to check the items off the “Honey-Do” list, and member care services. Which consists of things like, advocacy, help to navigate government agencies and applications, basic tax services, education on fraud and scams, one-on-one tablet training to assist with Telehealth visits, cyber security and protection, communicating with friends and family to prevent social isolation, online grocery shopping, vetted contractors, anything to help them with everyday life tasks.

Our volunteers donated over 47,000 hours in FY22 and drove over 204,000 miles to support Older Adults in five counties, with the majority of the services performed in three.

We support Older Adults, while Building Community!

The Nonprofit Sustainability Fund could bolster Maryland's Nonprofit sector, increasing employment and investment. It would help government to deliver services and address needs in every program area. It would help make Maryland a more attractive place to live, work, and start or expand a business.

For these reasons, **Partners In Care Maryland, Inc.** respectfully requests a favorable report on HB 1226 with a few adjustments.

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Thank you so much in advance for your time and consideration.