

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

House Appropriations Committee

March 9, 2023

Dear Chair Barnes, Vice-chair Chang, and honorable members of the Appropriations Committee,

Voices of Hope, 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 organizations that flexibly address multiple needs in our communities.

Voices of Hope is a grassroots nonprofit that has had to struggle for funding and sustainability to provide lifesaving services to people who struggle with addition and their families. With dedicated funding, Voices of Hope would be able to reach more people during this unprecedented overdose death and mental health crisis that Maryland is currently experiencing.

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, Voices of Hope, Inc. respectfully requests **a favorable report on HB 1226**.

Thank you,

Jennifer Tuerke Executive Director

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