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To: Maryland House Appropriations Committee
For: HB 1226 – Economic Development – Nonprofit Sustainability Fund
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Thank you for the opportunity to present this testimony <u>in favor</u> of creating a new Nonprofit Sustainability Fund, with an appropriation of $100 million annually. I have worked as a fundraising consultant to dozens of nonprofit organizations in Maryland since 2000, including many small and mid-sized nonprofits – the very organizations that would benefit most from creation of this Fund. These organizations help the State and State residents by providing services and opportunities, and enhancing quality of life. 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% to 10% 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.

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.

Thank you again for the opportunity to present this testimony in favor of HB 1226.