



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

House Appropriations Committee

March 9, 2023

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

Annapolis Green supports House Bill 1226 to create a new Nonprofit Sustainability Fund and to fund it at \$100 million annually.

Small and mid-sized nonprofits play an outsized role by augmenting the services of local and state government by providing services, opportunities, and enhancing quality of life in every community in Maryland. Nonprofits are knowledgeable about the issues that most affect specific communities, and often are able to reach individuals and groups much more easily than government agencies can.

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. Most grants, for example, provide funding for programs but not for the staffing necessary to implement those programs. It is difficult to cover the operational costs of running a nonprofit business, and it is difficult to obtain funds for organizations that flexibly address multiple needs in our communities.

Annapolis Green has been a local non-profit powerhouse since its founding in 2006. We have created a foothold in the community for gaining knowledge and taking action for the environment. However, the organization's future is not secure and exists on a year-to-year basis relying heavily on the volunteerism of its founders and a strong base of supporters. House Bill 1226 would ensure the future of Annapolis Green, allow us to build on our achievements, and continue to provide unique services to the greater Annapolis area residential and business communities. Here are just two examples of what we have achieved and work hard to continue:

- For 12 years we have been the only local nonprofit advocating for and educating about the role of electric vehicles in reducing greenhouse gasses.
- Our Responsible Events and Festivals (REF) program has resulted in large-scale Greening of the many festivals and special events in our area, including the Rotary Crab feast and Military Bowl, by providing recycling and composting resources, but more importantly, raising awareness of how to reduce single-use plastics and how to responsibly manage the waste that threatens the beauty and ecology of the Chesapeake Bay.



Funding from HB 1226 would ensure that an organization like ours, with a long history of positive impact, would continue. This funding would help us go beyond just continuing and surviving, but rather help us grow. We would use the funding to build our capacity and evolve communications to attract the energy of our area's young people into our movement. The funding would allow us to secure office and conference space and serve as a collaboration center for large-scale public efforts that can move the dial toward community-wide mitigation of the effects of Climate Change.

Each of our unique program areas described above have costs we struggle to meet. Currently, we are a small team comprised of one full-time person, two part-time dedicated founders, and a working board of six individuals. Funding resulting from the Nonprofit Sustainability Fund would mean we Green every festival in our area, increase EV ownership and infrastructure, and raise public consciousness to change consumer behavior as it relates to single-use plastics.

In sum, this funding ensures we can continue to carry out the Annapolis Green mission to *connect, inform and inspire Annapolis area residents, organizations and businesses to care for the environment, live more responsibly and create a more beautiful and thriving community* for decades to come.

The Nonprofit Sustainability Fund would bolster Maryland's Nonprofit sector, increasing employment and investment. It would enhance government's ability 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, Annapolis Green respectfully requests a favorable report on HB 1226.

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