



**TESTIMONY
HOUSE BILL 1226
APPROPRIATIONS
March 9, 2023
Position: FAVORABLE**

Dear Chair Barnes and Members of the Appropriations Committee:

The Community Development Network of Maryland (CDN) is the voice for Maryland’s community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland’s urban, suburban and rural communities. CDN envisions a state in which all neighborhoods are thriving and where people of all incomes have abundant opportunities for themselves and their families.

CDN urges your support for House Bill 1226 to establish the Nonprofit Sustainability Fund in the Department of Commerce to provide general operating support to nonprofit organizations in the State; establishing the Nonprofit Sustainability Fund Evaluation Committee to evaluate applications from certain nonprofit organizations in the State for grants from the Fund; establishing criteria for eligibility for a certain grant from the Fund; etc.

The community-based sector continually faces criticism for not “acting like businesses” but when they do and expect payment for work completed, they get bureaucratic responses to their inquiries. Further, the sector provides vital services in communities throughout the state of Maryland. Without these services, disinvested communities have few actors working toward positive change and support. As a result, people needing housing, workforce development, housing counseling, legal services and other services do not get what they need.

Non-profit organizations need adequate operating capital available to carry out their missions. Inflation, supply chain delays and pandemic response has made everything more expensive in the last three years. Private and philanthropic support has favored bricks and physical investments over operational support. It has made the need for a Nonprofit Sustainability Fund more urgent as groups respond to community needs and work to build a state with greater opportunity.

We respectfully request a favorable report for HB 1226.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network