

Pro Bono Counseling, Statement in Favor of House Bill 1226 – House Appropriations  
Committee – March 9, 2023

Chair Barnes, Vice-Chair Chang, and honorable members of the Appropriations Committee: Pro Bono Counseling 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 vital to communities across Maryland. Organizations like Pro Bono Counseling help the state by providing services that complement and augment the services of state government, and are able to reach communities that may be hard for government agencies to connect with. Nonprofits provide vital food, physical and mental health, transportation, education, and mentoring services, and serve as points of connection in our communities as conveners, collaborators, and organizers.

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 so that even more members of our communities can participate in the benefits they provide.

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. Much of the funding available to nonprofits comes with restrictions, which make it difficult for nonprofits to respond quickly to changing and growing needs. 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. This has become especially clear over the past few years, as nonprofits recognized new and emerging needs and identified larger populations in need of services. These additional services came with associated costs, and many nonprofits experienced a whiplash of funding.

Every day at Pro Bono Counseling 850 volunteer licensed mental health clinicians and 15 staff members work together to increase access to mental health care. We provide free long-term counseling with volunteer licensed clinicians and on-demand telephone-based mental health support through our WARMLine. These services are needed in our communities—annually, 3,000 people engage with PBC for counseling, WARMLine support, and information and referral. Since the start of the pandemic, demand has increased, care has become more complex, and we have incurred increased costs to meet these needs. Because our services are free of charge, there is no associated increase in income correlated with the increased costs. Unrestricted, operational funds would allow nonprofits like Pro Bono Counseling to continue to offer person-centered, trauma-informed care to Marylanders with barriers to accessing affordable mental health care.

You don't need to take my word for it: one of the most common ways that our clients express gratitude is by sharing that if they were in a better financial position they would donate so that our services would continue to be available for all Marylanders in need of mental health care. 95% of our clients have shared that they would definitely recommend Pro Bono Counseling to a loved one who is also in need of affordable mental health services.

The Nonprofit Sustainability Fund could bolster Maryland's Nonprofit sector, allowing organizations to hire adequate staff, thus improving the state's economy. 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, Pro Bono Counseling respectfully requests a favorable report on HB 1226.

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