



THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**SB53: Maryland Nonprofit Development Center Program –  
Nonprofit, Interest-Free, Micro Bridge Loan (NIMBL) Account – Funding**

Senate Budget & Taxation Committee  
Thursday, January 17, 2023 | 1:00pm

The nonprofit sector relies heavily on federal, state, and local grants and contracts. Unfortunately, government funds often take time to process and may be distributed only after a project is completed. This makes it challenging to cover payroll, rent, or programming expenses.

In 2017, the General Assembly enacted [SB465/HB1517](#), which created the [Nonprofit, Interest-Free, Micro Bridge Loan](#) (NIMBL) program. NIMBL provides nonprofits with up to \$25,000 to continue their work while they await promised federal, state, county, or municipal government funding.

As introduced, NIMBL was to be funded by a **one-time** allocation of \$1,000,000 from the Maryland Small Business Development Financing Authority (MSBDFA). Unfortunately, the money was diverted for three years. Working with Maryland Nonprofits, we managed to launch the program in the Fall of 2017 after identifying \$187,500 from another source in the State budget. Even with that paltry amount of money, loans have been successfully issued and repaid. The Department of Commerce created a marketing campaign to increase awareness of this program; it has been on hold for five years so that demand would never exceed the supply of available funds.

Another challenge NIMBL has faced is a technical drafting error. The 2017 law indicated that the Governor would fund the program in FY21 with “up to 5% [of the MSBDFA fund], not to exceed \$1,000,000.” Unfortunately, “up to” can be interpreted as **any** amount...**including \$0!**

SB53 would mandate that the NIMBL fund **finally** reach a one-time allocation of \$1,000,000 and remove the “up to” language in statute. Once it gets funded, the Small, Minority, and Women-Owned Businesses Account established under § 5–1501 of this title can be repaid.

Nonprofit organizations are an integral part of our communities-- amounting to [13% of Maryland's workforce](#) according to Maryland Nonprofits, and 12% of the economy. We must have short-term funding available to nonprofits working so diligently to address our community needs.

According to one NIMBL grant recipient:

*“I was made aware of the program through a colleague, and I'm so glad for that. I would guess that many of my peer professionals are not aware. I would be happy to share our story if that would help. **It was exactly what we needed at precisely the right moment.** Thank you!”*

I have an amendment that updates the bill so that it is parallel to the 2022 version SB245, which passed the Senate **unanimously**. I urge a favorable report on SB53 so that we can **finally fully launch the NIMBL program for nonprofits that has been waiting for full funding since 2017!!**