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The Maryland House of Delegates
ANNAPOLIS, MARYLAND 21401

Testimony in Support of HB 84
Maryland Nonprofit Development Center Program –
Nonprofit, Interest-Free, Micro Bridge Loan (NIMBL) Account Funding
Testimony of Delegate Cathi Forbes
Hearing February 2, 2023 at 1:00 pm
Ways and Means

What this bill does

This bill would fully fund the existing [Non-profit, Interest Free, Micro Bridge Loan \(NIMBL\)](#) Account housed within the Maryland Nonprofit Development Center and the Maryland Department of Commerce. The NIMBL Account was created five years ago when the General Assembly enacted [SB465/HB1517](#). NIMBL provides nonprofits with short-term, interest-free loans up to \$25,000 to continue their work while they await approved federal, state, county or municipal funding.

Why this bill matters

Nonprofit organizations are an integral part of our community. Our constituents depend on them for so many things, and our government depends on them to provide services and fill in the gaps. Generally nonprofits run on small budgets and are largely grant-dependent. Waiting for grant funding to arrive can stress non-profits and causes cash flow problems for payroll, programming, and other expenses.

The NIMBL fund exists to provide nonprofits with no-interest, short-term loans while they await monies from grants that have been approved. Once that grant funding is received, the nonprofit returns the loan to the NIMBL fund. The NIMBL fund is replenished, so that money is available for another non-profit. Because of this, maintaining this account is a one-time allocation, and no funds will be requested in the future.

History of the fund balance in the NIMBL fund

As introduced, the NIMBL fund required a one-time allocation of \$1,000,000. That has never been realized. In the fall of 2017 the account launched with \$187,000 from the state budget. There have been other appropriations since then, and today the Budget Director at the Department of Commerce indicates there will be \$432,800 in funds to loan. The Department of Commerce has a proposed marketing plan to explain the NIMBL resource to nonprofits, but it has never been executed because the NIMBL fund historically has not had enough funds to fulfill its promise.

With the funding that exists and no marketing, from inception through FY2022, NIMBL has successfully issued 39 loans.

Who benefits from this bill

The state's nonprofits, the people that staff them, and the people they serve.

Why you should vote for this bill

The passage of HB84 will mandate that the NIMBL fund reach the one-time allocation of \$1,000,000 so it can be a viable resource for our nonprofits.

I ask for a favorable report on HB84.