

February 6, 2024

Testimony on Senate Bill 262
Charitable Organizations - Late Fees and Registration - Suspension and Cancellation Requirements
Senate Judicial Proceedings Committee

Position: Favorable

Apra Maryland is the professional development and networking resource for Maryland-area fundraising professionals who harness information and data to drive philanthropy. We support Senate Bill 262 which aims to promote a more inclusive and supportive environment for Maryland's charities.

Maryland's 34,000 charitable nonprofits drive economic development as some of the largest private employers in Maryland, employing 13% of the state's private sector workforce according to the latest Bureau of Labor Statistics research. We firmly believe that Senate Bill 262 successfully strikes a balance between regulatory oversight and supporting the critical work of nonprofit organizations, which are undeniably essential to the well-being of our communities.

By allowing the Secretary of State to suspend or waive late fees for charitable organizations under specific conditions, Senate Bill 262 eases the regulatory burden on smaller, often all-volunteer nonprofits, that disproportionately rely on individual donations. This flexibility acknowledges the unique challenges faced by these organizations and will help alleviate financial burdens, enabling them to dedicate more resources to their mission-driven work.

The bill also establishes clear guidelines for the cancellation and reinstatement of a charitable organization's registration. This framework provides a fair and transparent process, ensuring that organizations that fall behind in compliance have the opportunity to rectify their situation and continue their valuable work within our communities.

We urge you to give Senate Bill 262 **a favorable report.**