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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

**SB376: Maryland Nonprofit Development Center Program – Nonprofit, Interest-Free, Micro Bridge Loan (NIMBL) Account – Funding
House Appropriations Committee
Thursday, April 1, 2021, 1:30 PM**

The nonprofit sector relies heavily on federal, state, and local government grants and contracts. Unfortunately, these funds may be delayed or distributed only after a program has been completed. This causes enormous cash flow challenges for payroll, programming, and other expenses. My 2017 legislation ([SB465/HB1517](#)) created the [Nonprofit, Interest-Free, Micro Bridge Loan](#) (NIMBL) program in the Maryland Department of Commerce to provide eligible nonprofits with the money needed to tide them over until promised government revenue is received.

In 2017, SB465 passed the Senate unanimously -- in part because every district has a significant nonprofit presence. Indeed, this sector is an integral part of every community. Nonprofit organizations comprise 10% of Maryland's workforce and 12% of our economy (second only to the retail sector).

While the program has been successful, the marketing campaign to increase visibility has been on hold out of concern that demand will exceed the supply of available funds. As a result, many nonprofits are unaware and therefore unable to take advantage of these helpful, no-interest loans. According to one 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!"*

As amended, SB376 would require the Governor to appropriate \$250,000 for the NIMBL account in FY23 to support nonprofits across the state. NIMBL is an invaluable tool to support nonprofits as we recover from the economic effects of the Coronavirus pandemic. In the meantime, I am working to procure additional funding in the FY22 budget.

I urge a favorable report for SB376 as amended and unanimously passed by the Senate.