



BILL NO: HB709

TITLE: 21st Century Financial Systems Council - Establishment

COMMITTEE: Budget and Taxation

HEARING DATE: March 14th, 2023

POSITION: FAVORABLE

ABOUT: TurnAround, Inc. was founded in 1978 and serves as the designated rape crisis center for Baltimore City and Baltimore County. TurnAround offers comprehensive services, including legal support, counseling, case management, and emergency shelter to those who have endured intimate partner violence, sexual violence, and human trafficking in Baltimore City, Baltimore County, and Howard County.

The pandemic was one of the most challenging periods for TurnAround – but also for a lot of other victim service providers and non-profits around the state. We saw dramatic increases in not just instances of violence, but also startling increases in level of violence – increases strangulations and near homicides. We also saw an increase in teen and adolescent sexual assault survivors seeking help – they were trapped in the house with their abuser with nowhere to turn. Some of our data points, showed an increased need of over 300%. As an example, our average numbers of calls for service pre-pandemic was around 2,500 to 3,000 this last year the number was over 10,000. We are not seeing these numbers decrease now – instead they’ve plateaued to what is now our new normal.

The other significant challenge we faced was financial – agencies around us were folding because of the economic downturn – and I remember telling one of my staff as we walked from the building in March of 2020 – no layoffs that’s the goal. We relied on our funders to help us get through a very tough period were we as the service provider was living invoice to invoice.

What a lot of our community does not realize that non-profits like TurnAround are mainly funded through reimbursable grants, which means every month we expend hundreds of thousands of dollars in payroll, bednights for fleeing survivors of violence, direct assistance for survivors who are literally starting their lives over after abuse and then wait sometimes for more than 60 days to get reimbursed by the state. We are required to have a cushion of cash at all times and don’t have the resources to have large reserves and banks rarely offer significant lines of credit to non-profits. Ultimately, one late payment leads to serious ramifications for non-profits and, in turn, that means services may be delayed or even denied to some of our most vulnerable community members.

As early as December of this last year, we were owed nearly half a million by state and local funders in delayed payments. Non-profits were drafting furlough policies while we were reading news stories about billions of dollars in surplus.

The system used by the Comptroller currently shows us what has been paid and what is in their system is unpaid but invoiced. That is all we know – so we wait and hope that our payments come on time. Utilizing technology to ensure the sustainability of our state service providers is



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necessary for the safety of those who are impacted by intimate partner violence, sexual violence and human trafficking.

We request a favorable report for SB659. Thank you.