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THE SENATE OF MARYLAND
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Green & Renewable Energy Efficiency for Nonprofits (“G.R.E.E.N.”) Loan (SB186)

Senate Budget & Taxation Committee
Wednesday, January 25, 2023 2pm

Solving our Climate Crisis requires concerted action by both individuals and organizations. In this context, nonprofits have a critical role to play. Unfortunately, many of Maryland’s 32,000 nonprofit organizations cannot afford an upgrade to renewable energy. A food pantry, homeless shelter, or arts center is investing in their mission, without leftover income to install renewable energy systems. Establishing a fund to support nonprofits’ investment in clean energy would be a significant step in reaching climate goals while helping 501(c)(3)’s reduce their energy bills.

[SB186](#) would create an interest-free, revolving loan fund: “Green & Renewable Energy Efficiency for Nonprofits” (G.R.E.E.N.). It would be housed within the [Maryland Energy Administration](#) (MEA) to help nonprofits purchase and install clean energy systems. This is a modified reintroduction of [SB683](#), Renewable Energy for Nonprofit Organizations, “R.E.N.O.,” which **passed the Senate unanimously in 2022**. This version restores funds and increases the options to include both green and renewable energy technologies.

“G.R.E.E.N.” would launch on July 1, 2024, giving MEA one year from the bill’s effective date to design, advertise, and launch the Fund. MEA would establish the criteria for application, selection, and repayment that include:

- Nonprofits that own (rather than rent) their buildings;
- Geographic diversity;
- Ethnic/racial diversity;
- Socioeconomic diversity;
- Mission diversity;
- Ability to match 10% of the project cost
- An agreed-upon schedule for repaying the loan.

SB186 proposes to appropriate \$5,000,000 in FY25. In FY26, the fund would receive \$5,000,000-- minus the remainder from the previous fiscal year. Therefore, if FY25 ends with \$2,000,000 balance, only \$3,000,000 would be added.

Maryland’s nonprofit organizations want to do their part in addressing our Climate Crisis. This “G.R.E.E.N.” Revolving Loan Fund will help them lower their utility bills as well as their carbon footprint.

I urge a favorable report on SB186 with a small technical amendment.