



February 2, 2022

House Bill 84

**Maryland Nonprofit Development Center Program – Nonprofit, Interest-Free, Micro Bridge Loan (NIMBL) Account - Funding
Ways & Means Committee**

Position: SUPPORT

The Maryland Association of Resources for Families and Youth (MARFY) is an association of private child caring organizations providing foster care, group homes, and other services through more than 200 programs across Maryland. The members of MARFY represent providers who serve Maryland's most vulnerable children who are in out of home placements due to abuse, neglect or severe mental health, and medical needs. We operate group homes, treatment foster care programs and independent living programs, primarily serving the foster care population as well as a juvenile services population.

On behalf of the provider community in Maryland, we would like to thank you for your attention and the opportunity to increase the funds available for NIMBL – a “Micro Bridge” loan program operated by the Maryland Department of Commerce that help nonprofits in need of start-up funds or in many cases suffering from delays in payments.

Since its inception the NIMBL program has been ham-strung by the available funds – until recently allowing at most 7 full loans to be in effect at one time. An additional \$150,000 authorized for FY 23 has just become available. These loans are intended to be rapidly processed for organizations with immediate needs to start or continue services on behalf of government when their funds are delayed. Promoting the program to organizations that may face a delay waiting “in a cue” would make no sense.

Nonprofits in Maryland continually face delays in payments on grants or contracts that may extend many months. Additionally, they may need to wait several months for an initial payment on a program with considerable start-up costs but no funding advances allowed. This works to make participation in government programs even more economically difficult for service providers, particularly those smaller and younger nonprofits led by people of color.

This “one-time investment” will relieve undue burdens on nonprofits trying to provide services to your constituents on behalf of the state.

It is for these aforementioned reasons, that we politely ask for a FAVORABLE report on House Bill 84. Thank you.

For more information call or email:

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