



**SB 632 – Maryland Health Benefit Exchange – Small Business and Nonprofit Health Insurance  
Subsidies Program  
Committee: Finance  
Position: Support with Amendments  
March 2, 2022**

On behalf of the Association of Community Services (ACS), which represents over 150 member organizations and community advocates in Howard County, I to urge you to support SB 632 with amendments.

First and foremost, we thank Senator Hester for seeing the needs nonprofits have and introducing this legislation to establish the Small Business and Nonprofit Health Insurance Subsidies Program. As a local nonprofit association, we frequently hear from our members about the challenges of recruiting and retaining employees, and one of the top reasons for that is the inability to afford and offer health insurance for employees. ACS also faces this challenge as well as a small organization. Nonprofits are hampered in our ability to afford health insurance due to a variety of reasons, such as prohibitions on creating health insurance co-ops, having very limited opportunities for grants that will sustainably fund operating expenses, and presumptions that employees can just get health insurances elsewhere (e.g., through a spouse, from a family plan if under age 26) or will go without it. We cannot keep operating like this –particularly as society continues to change and The Great Resignation further drives people to seek better wages and benefits elsewhere.

We support SB 632 with amendments and ask that the following areas be changed:

1. Remove the cap to end the program at the end of calendar year 2028/fiscal year 2029. Health insurance is a long-term need and funding this program for a limited amount of time will bring us back to where we are today once it ends.
2. Establish a minimum funding amount rather than a cap of up to \$45 million per year. Along those lines, the committee may want to consider establishing a task force first to study what amount of funding is actually needed in a health insurance subsidies program and if nonprofits need specific provisions to participate that are unique from those of for-profit businesses.

Our employees deserve health insurance for the vital work they do, and nonprofits need support to do that -especially in Howard County where it takes approximately \$75,000 per year for families to be self-sufficient and financially stable<sup>1</sup>. With that, please support SB 632 with amendments

Thank you,

*Joan Driessen*

Joan Driessen  
Executive Director

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<sup>1</sup> See ACS Self-Sufficiency Indicators Report: <https://www.acshoco.org/self-sufficiency-indicators/>