On behalf of the Association of Community Services and our over 150 member organizations and community advocates, I am offering this testimony to advocate for a budget that more fully supports Howard County nonprofits, particularly since the Spending Affordability Advisory Committee report for 2023 recommended increased investment and support from the County to show the value of the partnership between County government and nonprofits and meet the needs we have. ACS has been advocating for, connecting, and strengthening our nonprofit sector for nearly 60 years, and our members have ensured that community members in need are fed, housed, clothed, and supported when faced with the various challenges life may bring.

During our annual conversation in March, you, the County Council, seemed to share a collective recognition of the support needed for the nonprofit sector. We are grateful that the proposed operating budget allocates $25,000 in non-departmental PAYGO to ACS directly to support our executive transition and incorporates $12,045,310 in community funding, divided between the Community Service Partnership (CSP) funding -which is given $8,974,866, civic grants, and arts, tourism, and health. The proposed budget also incorporates $5 million to seed a Housing Opportunities Trust fund. We ask that you work to ensure that these items are, minimally, funded as proposed and, within your ability to do so, look for additional opportunities to expand funding to nonprofits.

I would be remiss if I didn’t use this testimony to re-emphasize the needs of nonprofits as the budget process advances. Nonprofits have reliably demonstrated their ability to work collaboratively with County government, for-profit businesses, and fellow nonprofits to meet the needs of our residents quickly, effectively, and creatively. This has been particularly evident in the past two plus years as they played a critical role in addressing the impacts of the pandemic. Like for-profit businesses in our community, nonprofits are coping with the effects of record inflation and are experiencing high staff turnover. Unlike for-profit businesses, we must reiterate that nonprofits have to largely absorb increased costs and try to fundraise, seek grants, etc. to cope because reimbursement rates are determined by government, there are limitations on passing on costs to the people we serve, and there are very few grants that will fund general operational expenses. Despite all of our best efforts to leverage donations, grants, and volunteers to supplement their budgets, many of our nonprofits are struggling financially because expectations to “do more with less” simply do not work and traditional forms of fundraising no longer yield the same results.

The hard truth of the matter is that nonprofits have been struggling financially for a long time and we have arrived at a point of facing very difficult decisions. Even as nonprofits have done and continue to do tremendous work with limited resources, we must call attention to the ever-growing unmet needs arising because we can no longer get by with so little. More than that, the short-term influx of support throughout the pandemic has run out or is about to run out, therefore we are facing tough decisions ahead about if programs and even entire organizations can continue to stay open. Now is the time to
ACS supports Howard County nonprofits in the achievement of their missions because strong nonprofits improve the quality of life for all

rethink the way we fund services so that they are truly sustainable for our future, or we stand to lose critical programs and/or partners in the Howard County community.

As you work through the budget process and continue introducing legislation, we raise these needs:

1. Dedicated funds for operational (and program support) for nonprofits without onerous application and reporting requirements.
2. Securing the increased proposed funding for the Community Service Partnership grants and one-time grants, particularly since they have been level funded for many years.
3. Using county, federal, and State pandemic-related surplus revenues to help address nonprofit infrastructure and operational needs and release the gridlock that has prevented those dollars from getting to more nonprofits.
4. Develop mechanisms (e.g., legislative actions) to enable multi-year grants for nonprofits so we can reliably plan for meeting community needs beyond an annual basis.

Finally, I would like to share ACS support for the Downtown Columbia Branch and Business and Arts Education Center vision shared by the Howard County Library System (HCLS). Libraries are vital components of thriving communities and serve as some of the few common spaces that everyone can be in for free. In addition to all of the educational and community gathering opportunities that will come with a new HCLS Downtown Columbia Branch that meets the needs of the present and growing population in the downtown Columbia area, we welcome this project’s plan to incorporate housing that is affordable to people at all income levels. We draw your attention to our recently released FY 2021 Housing Brief that continues to show that Howard County simply doesn’t have the amount of housing available for our current population size. With the 2020 Census revealing that Howard County is one of the top growing counties in Maryland, it will be to our detriment if we don’t use every opportunity possible for every person in Howard County to have a safe, stable place to call home that is affordable at every income level across one’s lifespan. Your support for this capital project will literally help build a better future for Howard County.

Thank you for this opportunity to represent our nonprofit community. We believe that our community deserves fully staffed and well-resourced service providers and spaces, and our nonprofit workforce deserves wages and benefits that value the critical work that we do. Nonprofits have a valuable, strong partnership with County government, and ACS hopes that we can continue to work together to meet the challenges of today and tomorrow. Now is the time for us work to ensure that community members have equitable access to the resources that they need to thrive and don’t get left behind because nonprofits are under-resourced and/or they don’t have an affordable place to call home.

Sincerely,

Joan Driessen,
Executive Director