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# Nonprofit Champion | October 21, 2024

**Free Post-Election Webinar**

## Impact of the Elections on Charitable Nonprofits



Tuesday, Nov 12 @ 4:00 pm Eastern

Join nonprofits from across the U.S. to discuss the impact of the federal elections on nonprofits, their missions, and our communities. This webinar will focus on the election results, how they affect the lame-duck session of Congress starting next month, and what nonprofits from many different subsectors can expect from and achieve in the 119th Congress.

## An Urgent Plea for Disaster Relief Legislation

Natural disasters are a fact of life in the 21<sup>st</sup> Century, affecting large segments of the United States population every year. Yet, when Congress acts in the aftermath of these crises, the charitable nonprofit sector is often forgotten by policymakers more focused on for-profit businesses and individuals than the organizations on the ground providing immediate relief and recovery support. This neglect must change. Now.

Congress must return to take up meaningful disaster relief legislation that accelerates the cleanup from recent devastating storms, floods, and wildfires, helps individuals, nonprofits, and businesses recover, and includes permanent incentives that enable charitable organizations to be the problem-solvers in their communities. Specifically, Congress needs to adopt tax policies such as targeted non-itemizer deductions, unemployment relief, and a new form of employee retention tax credit that enables nonprofits to keep their employees on the job while helping people during severe crises. Learn more about [Natural Disaster Tax Relief for Charitable Nonprofits](#).

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### **Worth Reading**

- [FAQs for Disaster Victims](#), Internal Revenue Service, updated Sept. 27, 2024.
  - [Natural Disaster Tax Relief](#), National Council of Nonprofits policy paper, Aug. 12, 2024.
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### **The Coming Tax Debate**

*The expiration of key provisions of the 2017 tax law at the end of 2025 sets the stage for one of the most consequential tax debates in a generation. The networks of the National Council of Nonprofits are committed to identifying and promoting fundamental tax policy proposals that will enhance the abilities of organizations to advance their missions in communities while working to ensure that adverse*

*policies, including benign proposals with identifiable, adverse consequences, are not adopted.*

## Memorandum on Tax Policy Priorities of the Charitable Nonprofit Sector



Click image to view the full Memorandum.

**TO:** Members of the House Ways and Means Committee  
Members of the Senate Finance Committee

**FROM:** The Networks of the National Council of Nonprofits

**DATE:** October 16, 2024

The charitable nonprofits in your communities and across the country are significant employers, economic drivers, and problem solvers on whom your constituents rely. Every day. The networks of the National Council of Nonprofits share this Memorandum with the knowledge and concern that the tax policy questions you will be called upon to decide can have a profound impact – either positive or negative – on the ability of your local nonprofits to improve lives, strengthen communities, and advance the public good.

The expiration of key provisions of the 2017 tax law at the end of 2025 sets the stage for one of the most consequential tax debates in a generation. In this [memorandum and accompanying policy papers](#), we highlight fundamental tax policy proposals that can enhance the abilities of organizations to advance their missions in communities. We also identify adverse policies, including benign proposals with

identifiable, but unintended consequences, that we believe Congress should not adopt.

[Read the Memorandum to Tax Committees](#)

[Read the series of tax policy papers](#)

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## ***Worth Reading***

- [Federal Tax Proposals: Where the Presidential Candidates Stand](#), Mike Smith, CLE accounting firm, Oct. 10, 2024.
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## **Federal *FastView***

- **Catching Up on ERTC Claims:** The IRS reports that it has made significant progress in processing nearly [400,00 claims for the employee retention tax credit](#) (ERTC or ERC) enacted as part of Covid-related legislation in 2020 and 2021. IRS processing of claims for the refundable credit of up to \$26,000 per employee had been stalled due to a flood of invalid claims from fraudsters. “The IRS is working diligently to process ERC claims as quickly as possible, while guarding against improper payments driven by unscrupulous marketers,” said IRS Commissioner Werfel. The Service reportedly is mailing checks totaling about \$10 billion in claims.
- **Implementing Changes to Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity:** On October 16, the Chief Statistician of the United States released an [update](#) on how federal agencies will implement [Statistical Policy Directive No. 15](#). The major changes include the requirement for a single question on race and ethnicity and including “Middle Eastern or North African” as an additional category. Most agencies and the U.S. Equal Employment Opportunity Commission are drafting their action plans to explain “(1) how each agency will bring their collections and publications into compliance with the revised standards; (2) potential implementation challenges and mitigation strategies; and (3) how each agency will meaningfully engage with stakeholders to ensure transparent communication and public participation.” Specified agencies must submit plans to the Office of Management & Budget by September 28, 2025.

- **Tax Exempt IRS Forms Under Review:** The IRS [announced last month](#) that it is undertaking its regular paperwork reduction review of 134 forms related to tax-exempt organizations. All of the Form 990s and accompanying schedules are on the list, as is the controversial [IRS Form 1023-EZ](#) and other applications for tax-exempt status. The public comment period runs through **November 12, 2024**.
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## ***Worth Studying***

- **Earmarks:** [Unlocking Funding: A Guide to Community Project Requests](#), Dante Moreno, National League of Cities, Oct. 18, 2024.



## ***Election Tip***

## **Vote Early Day - October 29th!**



Celebrate [Vote Early Day](#) with your nonprofit peers. When you vote early you ensure that busy schedules, Election Day lines, or last-minute problems won't stop you from sharing your voice. There was a time when charitable organizations would be nervous about giving time off to vote because of worries about being short-handed on Election Day. Now, with early voting, it's easier to make sure your [nonprofit has adequate staff coverage](#) on Election Day since employees can go to the polls on different days. Celebrate Vote Early Day on Oct. 29 and vote now!

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## ***Worth Studying***

- [10 Things To Do From Now Until Election Day](#), Nonprofit VOTE, updated Oct. 17, 2024.
  - [How do you vote amid the hurricane damage? States are learning as they go.](#), Jennifer Shutt, *Stateline*, Oct. 10, 2024.
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## **Worth Watching**

- **Webinar:** [It's GOTV Time! Getting Voters to the Polls in November](#), Nonprofit VOTE, Oct. 16, 2024.

### State and Local

## **Lawmakers, Regulators, Courts Respond to Natural Disasters**

Nonprofits are always among the first helpers on the scenes during natural disasters. And they continue helping long after the skies have cleared. This fall, lawmakers are taking notice and developing policies to address the needs of nonprofits providing relief and recovery.

- **Disaster Recovery Funding:** In the wake of Hurricane Helene, [North Carolina](#) lawmakers quickly established the Hurricane Helene Disaster Recovery Fund with a [\\$273 million appropriation](#). More money is expected to be allocated later this month. [West Virginia](#) lawmakers reconvened a special session and appropriated \$10 million for farmers affected by a drought this year.
- **Elections: Florida** Governor DeSantis issued two executive orders, one after [Helene](#) and one after [Milton](#), to allow for changes and flexibilities in election administration and voting periods for impacted counties. Election supervisors reported “extensive infrastructure damage, power outages, displacement..., and the unavailability of ... poll workers,” and anticipated continued challenges. The new [North Carolina](#) law also [provides flexibility for the 2024 elections](#) in counties where a federal disaster has been declared, which [county election officials are already implementing](#). For more information, see [Voting Locations and Processes May Have Changed in Western North Carolina](#). A court in [South Carolina](#) ordered the voter registration day to be extended for an additional eight days for voters in all counties after Hurricane Helene hit.

- **State Tax Filings:** The **Georgia** State Department of Revenue [extended deadlines for certain state tax returns](#) and payments to May 1 in response to Hurricane Helene. The additional time applies to individuals and businesses, including nonprofits, quarterly estimated income tax payments, and quarterly payroll tax returns. Relief is also extended for sales and use tax, excise tax, and other miscellaneous taxes. The [North Carolina](#) disaster relief bill includes a provision to prohibit the Secretary of State from administratively dissolving any nonprofit or for-profit business in affected counties due to non-compliance with state corporation laws through at least March 1, 2025.
  - **Unemployment Insurance: North Carolina** Governor Cooper [issued an executive order](#) making three temporary changes to unemployment benefits during the Hurricane Helene state of emergency: increases weekly unemployment benefits, clarifies that employers will not be charged for unemployment benefits during the period, and waives work search requirements. Importantly, the order expressly relieves reimbursing nonprofits from having to pay for benefits paid out during the crisis.
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## Challenges in Distributing State and Local Fiscal Recovery Funds

In just over nine weeks, state, local, territory, and Tribal governments must return any unobligated [State and Local Fiscal Recovery Funds](#) (SLFRF) to the U.S. Department of the Treasury. While there have been many successful partnerships between governments and nonprofits to advance recovery from the pandemic, as in [Georgia](#) and [Ohio](#), not all experiences of nonprofit engagement have been positive. In Worcester, **Massachusetts**, local nonprofits are [demanding](#) that government officials invest more of the remaining unobligated \$44.3 million in SLFRF dollars in smaller, Black- and Brown-led nonprofits. In August, the city [announced](#) the recipients of a round of grants, and soon after many nonprofits led by and serving Black, Indigenous, People of Color (BIPOC) and low-income individuals distributed a [sign-on letter](#) to let the City know there is still time to approach funding distribution equitably. This month, nonprofit advocates attended a City Hall meeting to make their case and communicate solutions to City Council Members. With time running out, governments must obligate remaining funds. As in Worcester, nonprofits must speak out.

**Reminder:** Advocacy is key to securing any remaining funds in your town, city, or county. More resources on how to advocate and secure funding are covered in the recent webinar, [Accessing Remaining Covid Funds Before It's Too Late](#), and on the [Accessing State and Local Fiscal Recovery Funds page](#).

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## **Worth Quoting**

- “The city has opted for safety instead of impact. It’s easy to put money into established entities that have public support, and it takes more time and perhaps more risk to invest funds in smaller organizations that are innovating. It’s disappointing.”

— David L. Thompson, National Council of Nonprofits, quoted in [Worcester nonprofits see ‘blatant racial equity issues’ in some ARPA funding decisions](#), Sam Turken, *GBH*, Sept. 26, 2024.

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## **The Nonprofit Workforce Shortage Crisis in Two Quotes**

Since the depths of the pandemic, charitable nonprofits have reported serious challenges to communities and their missions due to their [inability to attract and retain qualified staff](#). Comments from nonprofit professionals last week show that the challenges haven’t abated and that more solutions are needed.

- “Compensation is an important part of attracting and retaining talented individuals to the work communities across Maine rely on nonprofits to deliver: educating our children, protecting our natural environment, nurturing our spirits through the arts, creating affordable housing, encouraging community connection and recreation, caring for vulnerable neighbors and much, much more.... Nonprofits report vacancies for direct care positions like these, which are often critical to our community safety net, at the highest rates.”

— Molly O’Connell, Assistant Director, **Maine Association of Nonprofits**, quoted in [Many jobs at Maine nonprofits don't pay a living wage, new study says](#), Laurie Schreiber, *Maine Biz*, Oct. 16, 2024.



- “Work-related child care disruptions have serious implications for families’ economic wellbeing. Families whose employment was disrupted by the lack of affordable child care had less stable employment going forward, and were more likely to experience material hardship, with longer-term implications for child wellbeing”

— Kathryn Neckerman, quoted in [Report: One-third of mothers, regardless of income, don’t seek employment due to childcare issues](#), Angelique Molina-Mangaroo, *NYN Media*, Oct. 16, 2024.

Learn more about the ongoing [nonprofit workforce shortage crisis](#).

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## Local Elections and Ballot Measures

Voters are considering more than the next U.S. President when heading to the polls. Mayors in [41 of the 100 largest cities](#) are on the ballot as well as thousands of positions for county and city councils, treasurers, clerks, prosecutors, public defenders, superintendents and school boards, constables and sheriffs, tax assessors, and more. Certain voters in 30 states will consider [nearly 700 local ballot measures](#) affecting how their communities are funded and run by local officials. Numerous ballot measures on affordable housing, healthcare, procurement processes, and renewable energy could directly impact local nonprofits serving their communities. Bonds, budgets, sales and use taxes, and local district taxation mechanisms will all be considered. Voters will also determine funding for seniors and children, first responders, teachers, elected officials, parks and trails, and local libraries. [Check out your ballot](#) now.

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### **Worth Quoting**

- “But these local races often have an out-sized impact on our everyday lives. ... Local school board members, commissioners, city council representatives, and other nonpartisan officials are uniquely positioned to demonstrate how we can still bring folks together from a variety of different backgrounds with common purpose: to make our communities stronger, our citizens safer, healthier, and

more educated, and our economies and quality of life better for all.”

— [Don't Forget the Bottom of the Ballot!](#), Catherine Schumacher, **Together SC** blog, Oct. 1, 2024.

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## Numbers in the News

### 1 million

The number of people working in public service, including many working for charitable nonprofits, who have received forgiveness under the [Public Service Loan Forgiveness](#) program.

**Source:** [Biden-Harris Administration Approves Additional \\$4.5 Billion in Student Debt Relief for 60,000 Public Service Workers, Bringing Total to Over 1 Million Public Servants](#), U.S. Department of Education news release, Oct. 17, 2024.

### 45%

The share of programs in the Meals on Wheels network that have a wait list or may have to soon start one. The average wait is 108 days and in some cases up to two years.

**Source:** 2024 Meals on Wheels American Member Benchmarking Survey, forthcoming.

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## Did You Know?

**Only 71 days remain** for nonprofits to advocate for remaining State and Local Fiscal Recovery Funds (SLFRF). Learn more about SLFRF and access advocacy tools at the [Accessing SLFRF](#) resource page.

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## Nonprofit Events

- Oct. 21, [Annual Convention & Expo](#), Providers' Council

- Oct. 22, [Narrative Essentials: Effective Storytelling and Issue Messaging for Stronger Advocacy](#), CalNonprofits
- Oct. 22, [Iowa Nonprofit Summit](#), Iowa Nonprofit Alliance
- Oct. 22, [Fall Election Insights](#), Louisiana Alliance for Nonprofits
- Oct. 22-23, [Annual Conference](#), North Carolina Center for Nonprofits
- Oct. 23, [Advocacy & Lobbying for Nonprofits](#), Montana Nonprofit Association
- Oct. 23, [Advocacy Unleashed](#), Utah Nonprofits Association
- Oct. 23, [Vermont Nonprofit Summit](#), Common Good Vermont
- Oct. 24, [Advocacy 101 for Nonprofits](#), Forefront (Illinois)
- Oct. 24, [MNN Conference](#), Massachusetts Nonprofit Network
- Oct. 24, [Nonprofit Government Contracting Coalition](#), Nonprofit Association of Washington
- Oct. 28-29, [Annual Conference](#), Maryland Nonprofits

## Advocacy in Action

# Make a plan. It's time to vote.

By: Tiffany Gourley Carter

Voting should be easy in our country, but many people face barriers. Nonprofits can help. Research proves that when charitable organizations encourage voting – on a nonpartisan basis – people vote at significantly higher levels than if nonprofits sat on the sidelines and did nothing. When nonprofits encourage people to vote, by, for instance by holding registration drives, providing information on where to vote, hosting candidate forums, and more, it's not an empty “feel good” activity. It truly makes a difference when people know they matter.

In this spirit, the National Council of Nonprofits offers the following tips on getting each eligible voter ready and able to vote this season. It all comes down to having a voting plan and acting on it.

[Read the entire article](#)

## Stay in the Loop

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