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Survey 

DEADLINE TODAY!

Are Nonprofit Workforce Shortages Still a Problem?

Is your charitable nonprofit struggling with unfilled vacancies, long waiting lists of people seeking services, chronic burnout, and other challenges? Or is the nonprofit workforce shortages crisis a thing of the past? The entire charitable sector needs to know.

A [major survey and report in late 2021](#) identified the scope of the problems related to nonprofit workforce shortages and identified public policies and practical solutions that have helped organizations hire and retain the staff they need to advance their missions. We invite you to complete the updated survey and help the nonprofit sector tell its story.

[TAKE THE SURVEY](#)

Federal

Debt Limit, Spending Drama Grows

The House passage of a bill to temporarily raise the federal debt limit and impose significant spending cuts makes clear that the nation's capitol is in for a drawn-out and high-risk stalemate for the next several months. Until last week, President Biden had refused to negotiate over raising the debt limit saying both that there can be no tradeoffs for paying the bills that Congress had already authorized and that Republicans have to show their own debt-limit and spending plan. The narrowly passed Republican [Limit, Save, Grow Act](#), which multiple commentators have called "dead on arrival in the Senate," would raise the debt limit only until early spring next year, cancel some Covid-related spending, cap federal discretionary spending, repeal so-called "green energy" tax provisions, and impose stricter work requirements for some individuals participating in social support programs. [See more below](#). President Biden and Senate Majority Leader Schumer (D-NY) must now decide whether they negotiate over some or all of the House Republican provisions or continue to demand a clean increase in the federal debt limit. As a first response, the [Senate Budget Committee will convene a hearing](#) on Thursday to highlight what Democrats consider flaws in the House-passed bill.

Worth Quoting (to all who will listen)

- "There is a temptation to brush off the developing debt limit drama, thinking it will end as the others have with lawmakers coming to terms and signing legislation just in time. That would be a mistake given the heightened dysfunction in Congress and the large political differences gripping the nation. Odds that lawmakers blunder either out of intent or ineptness are uncomfortably high."

~ Mark Zandi, Chief Economist of Moody's Analytics, writing in [Debt Limit Brinkmanship \(Again\)](#), Jan. 23, 2023.

Worth Reading

- [What is the debt ceiling, and what happens if the U.S. hits it?](#), Amber Phillips and Matthew Brown, *Washington Post*, updated Apr. 28, 2023.

- [Balanced Budgets Don't Need to Be a Thing of the Past](#), John Kasich and Timothy Penny, *Newsweek*, Apr. 28, 2023.
 - [Federal Debt and the Statutory Limit](#), Congressional Budget Office, February 2023
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DOA, But Still Dangerous to Nonprofits

Key House Republican Provisions Likely to Return

While the House-passed fiscal bill won't be enacted into law in its current form, there are components that, if included in other legislation, could adversely affect the ability of charitable nonprofits to serve their communities. Here are three that may be recycled:

- **Clawing Back Unspent Covid Funds:** Section 201 of the [Limit, Save, Grow Act](#) would rescind unspent funds from the American Rescue Plan Act (ARPA) and other pandemic-era relief laws. This means that Congress could claw back money that is currently available for investment in the work of charitable nonprofits under the Coronavirus State and Local Fiscal Recovery Fund. Learn more about [ARPA funds and nonprofits](#).
- **Requiring Work - and Volunteering - in Support Programs:** The House bill (Sections 311, 312, and 321) would expand the work requirements to more people under the Supplemental Nutrition Assistance Program (SNAP) and Medicaid, and include a "community service" component that could result in individuals turning to charitable nonprofits to "work off" their public assistance benefits. Charitable organizations generally oppose any such [Mandatory Volunteerism](#) condition because it shames and coerces individuals while also imposing increased costs, burdens, and liabilities on nonprofits by an influx of coerced individuals.
- **Repealing Green Tax Credits:** At a claimed savings of between \$271 billion and \$1.2 trillion, the House-passed bill seeks to repeal multiple "green energy" tax incentives enacted last year as part of the [Inflation Reduction Act](#). The list of provisions to be repealed in Title III of the legislation includes measures enacted to enable charitable nonprofits to make their properties more energy efficient with the help of "direct pay" and transferrable tax credits. Learn more about the [energy-efficiency tax provisions currently available](#).

Gearing Up for Federal Grants Reforms

On May 2, the Senate Committee on Homeland Security & Governmental Affairs is holding a hearing on [Improving Access to Federal Grants for Underserved Communities](#). The hearing will explore the challenges charitable nonprofits and local governments face in the federal grantmaking process. It is expected to focus on systemic and other impediments to accessing federal grants, technological shortcomings of the government's many grants portals, and other challenges organizations experience related to accessing, managing, or reporting on federal grants. The National Council of Nonprofits has [submitted a written statement to the Committee](#) that relies on comments of frontline nonprofits and expertise from nonprofit grants professionals throughout the country. In addition to detailing flaws in the federal grantmaking systems, the statement provides multiple field-tested solutions. Learn more about [Government-Nonprofit Grants and Contracting Reforms](#).

FastView

- **Charitable Mileage Relief Introduced:** On Friday (4/28), Representatives Pete Stauber (R-MN) and Angie Craig (D-MN) re-introduced the [Volunteer Driver Tax Appreciation Act](#), a bill to increase the federal tax deduction mileage rate for some volunteer drivers. The increase would be from the current rate of 14 cents per mile to the IRS' business rate, currently set at 65.5 cents per mile. Specifically, the higher charitable rate would apply to the "transportation of persons (other than the taxpayer) or property on behalf of" a charitable nonprofit. Rep. Stauber said, "Volunteer drivers are crucial to our rural Minnesota communities and to our seniors, as they help deliver meals and provide transportation for healthcare services." The bill has been endorsed by a large coalition of state associations of nonprofits and national organizations, including the American Red Cross, Meals on Wheels America, the National Council of Nonprofits, and the YMCA of the USA. See [news release](#) and [list of nonprofit supporters](#).
- **Updating Race and Ethnicity Statistical Standards:** The Office of Management and Budget (OMB) recently sought public comments on two questions related to government data collection requirements: (1) whether to combine race and ethnicity into one question for Hispanic and Latino/Latina;

and (2) whether to add a Middle Eastern or North African (MENA) category. The [National Council of Nonprofits submitted comments](#) in support of OMB's [Initial Proposals for Updating OMB's Race and Ethnicity Statistical Standards](#). In addition to explaining why these proposals were beneficial to charitable nonprofits and the people we serve, the NCN comments recommended a third set of changes, "the inclusion of additional subcategories within the Alaska Native and American Indian categories and a breakdown of Asian races and ethnicities." [See the Advocacy in Action article](#).

Worth Quoting

- "Government can't fill the emergency needs as quickly as our families, local churches, nonprofits, and charities can.... The first person on an emergency scene isn't a federal loan or grant officer; it's first responders, neighbors, churches, and local nonprofits."

~ Senator James Lankford (R-OK), in [The 'charitable act'](#), *Pauls Valley (OK) Democrat*, Apr. 15, 2023, making the connection between the work of charitable nonprofits and their need for charitable donations. Senator Lankford is the lead sponsor of the [Charitable Act, \(S. 566\)](#), a bill to give taxpayers a deduction on federal income taxes for charitable giving valued at up to one-third of the standard deduction (\$4,600/individuals; \$9,200/couples).

State and Local

States Advancing Solutions to Address Workforce Shortages

Several states are finding solutions to address recruitment and retention challenges, such as establishing talent pipelines to public service. Governor Moore of **Maryland** signed a bill that creates a [service year for high school graduates](#) and individuals with a GED, enabling them to devote a year of paid service in areas like climate, education, and health. Another new Maryland law creates a pilot program where students receive a [stipend to work in human services positions](#) in state government and sets up a scholarship program to help students interested in the field to obtain degrees or certifications. Earlier this month, **New Jersey** Governor Phil Murphy

signed an [executive order](#) to determine which state government jobs should require relevant skills and experience instead of college degrees, eliminating some barriers for applicants. Given that [child care is a concern](#) to employees and employers, a **Mississippi** measure signed into law this month grants a 50% tax credit for employers that provide a [child care stipend to employees](#) of at least \$6,000 for dependent child care.

Updating Nonprofit Regulations

Altering the regulations governing the operations of charitable nonprofits has been a focus of legislative action in several states. **Tennessee**'s Governor signed legislation that [removes a requirement](#) that nonprofits, including religious organizations, cover their own costs associated with partnering with the Governor's Office of Faith-Based and Community Initiatives. The measure is seen as a way to expand participation by small, rural, and BIPOC-led organizations in the state. A major bill in **North Carolina** would make a variety of reforms intended to [modernize state nonprofit laws](#). Among other things, the legislation would update the state charitable solicitation licensing statute by exempting more small nonprofits from needing charitable solicitation licenses. The legislation would also make changes to the [NC Nonprofit Corporation Act](#) to bring it into closer alignment with best practices for nonprofits and with nonprofit corporation laws in other states.

On the negative side, **Maine** legislation seeks to extend the state's [public meetings and public records laws](#) to also cover the board meetings and records of some nonprofit organizations that receive federal, state, or municipal government funding. The current Maine Freedom of Access Act, like similar laws in other states, applies to information about government bodies. Nonprofits in the state strongly oppose the bill, pointing out that charitable organizations already provide high levels of public accountability, and that nonprofits, like for-profit contractors, are private entities, not government bodies.

In Focus:

Government Grants and Contracting Reform

The ongoing advocacy efforts by nonprofits to secure reforms to government grantmaking and contracting practices are paying off this year. A newly enacted law in **Maryland** establishes [invoicing and prompt payment requirements](#) for specific state grants and requires that grants be paid in 30 days. As **Maryland Nonprofits** explains, nonprofits with state grants approved, extended, or renewed from June 1 onward will have essentially the same prompt payment assurance as “procurement contracts” with for-profit contractors. A bill filed in the **North Carolina** House would [limit liability of nonprofits that are sued](#) while providing a variety of health-related services pursuant to contracts with the NC Department of Health and Human Services. Finally, legislation in **Washington State** awaiting the Governor’s signature [would authorize contracts of up to \\$75,000](#) (or \$2 per resident, whichever is higher) for contracts made by a locality, school district, park and recreation district, port district, or park and recreation area with community service organizations.

Worth Reading

On volunteerism

- [Nonprofits Scramble for Help Amid Dearth of Volunteers](#), Thalia Beaty and Glenn Gamboa, *Associated Press and Chronicle of Philanthropy*, Apr. 20, 2023.
- [‘A Big Issue’: One fix could help nonprofits, volunteers serving seniors, veterans](#), Mike Sunnucks, *Beloit (WI) Daily News*, updated Apr. 18, 2023.
- [Volunteers are the Bees of Our Sector – And They’re in Trouble](#), Jan Masaoka, CalNonprofits, April 2023.
- [New to Volunteering? A how-to guide to finding the right fit.](#), Thalia Beaty, *Associated Press and Washington Post*, Apr. 18, 2023.

On investing ARPA funds

- [‘With open arms’: How local nonprofits are spending thousands in city ARPA funds](#), Jackie Smith, *Port Huron (MI) Times Herald*, Apr. 22, 2023.

On food insecurity

- [Alaska food banks still ‘inundated’ as state works to fix food stamp backlog](#), Claire Stremple, *Alaska Beacon*, Apr. 19, 2023.

On social justice

- [Churches fear Florida immigration bill would ‘criminalize’ charity](#), Juan Carlos Chavez, *Tampa Bay Times*, Apr. 17, 2023.
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Numbers in the News

36%

The percentage of CEOs in the **New York City** area who are Black, indigenous, and people of color (BIPOC), compared to the BIPOC population of 61% in the region. Research also found that a “disproportionately high percentage of nonprofit CEOs are white (64%) as compared to the general white population (39%).”

Source: [In Every County, Across All Budget Sizes: White Overrepresentation in the New York City Area’s Nonprofit Leadership](#), Nonprofit New York, April 2023.

85%

Share of U.S. Representatives who have requested Community Project Funding (earmarks), i.e., directed funding for government and/or nonprofit projects in their communities, in the Fiscal Year 2024 appropriations process.

Source: [Letter to House Appropriations Committee Members](#), Committee Chair Kay Granger (R-TX), Apr. 27, 2023.

May is

[Asian American, Native Hawaiian, and Pacific Islander Heritage Month](#)

[Jewish American Heritage Month](#)

[Mental Health Month](#)

[Older Americans Month](#)

Nonprofit Events

- May 11-12, [Leadership Summit](#), The Foraker Group
- May 16, [Annual Caring Force State House Rally](#), Providers' Council (Massachusetts)
- May 17-19, [Washington State Nonprofit Conference](#), Nonprofit Association of Washington
- May 19, [State Legislative Briefing](#), Nonprofit Association of Oregon

Advocacy in Action

Bringing Visibility to Vibrant Communities

Data collection and statistical analysis by the federal government are often viewed as some of the most mundane and boring acts by bureaucracy. Yet, information can drive critical policy decisions that directly affect our day-to-day affairs, ranging from education to health care to housing. Billions of dollars and millions of lives can be affected.

Time has shown that the way that the government collects data is flawed and has serious consequences for underserved communities. When individuals go uncoun­ted or miscounted, people are unseen and forgotten in everything from urban planning to the number of books and desks at public schools to food preparation and mental health services. Nonprofit advocacy is working to change that.

[Read More](#)

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