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## Nonprofit Champion | September 9, 2024

## **Federal**

## **Congress Returns for the September Sprint**

Congress returns for a brief three-week sprint before returning to the campaign trail. On the docket is legislation to fund the federal government past the end of the current fiscal year – September 30 – and potentially a few other must-pass bills, plus lining up many purely political votes. House Speaker Johnson's Plan A is a stopgap funding bill, known as a continuing resolution or "CR," that would essentially maintain current spending levels through March 28, 2025. The <u>draft made public last</u> <u>week</u> includes a provision requiring individuals to prove their citizenship before registering to vote. The measure is considered a poison pill by Democratic leadership because it is already illegal for non-citizens to vote in federal elections. Most commentators expect the spending measure ultimately passed by Congress will last only until December and avoid controversial provisions, but a government shutdown remains a possibility. The House <u>Republicans' schedule for next week</u> includes several "cultural war" votes on diversity, equity, and inclusion policies in governmental agencies and social investing policies at financial institutions.

## New Lawsuit Challenges Nonpartisanship Requirement for Charitable Nonprofits

Late last month, two Texas churches and two advocacy groups <u>filed a lawsuit</u> in federal court in Texas challenging the provision in Section 501(c)(3) of the Internal Revenue Code that prohibits charitable nonprofits from engaging in partisan, election-related activities. The lawsuit alleges that the nonpartisanship provision, sometimes called the "Johnson Amendment," violates the First Amendment of the U.S. Constitution because it prevents churches and other charitable nonprofits from speaking out on partisan political matters, and the Fifth Amendment because it is allegedly unevenly enforced by the Internal Revenue Service. The organizations challenging the law claim they are not asking the court to take any action prior to the 2024 elections.

#### Worth Quoting

 "On behalf of charitable nonprofits everywhere, we are deeply troubled that some would attack the bedrock principle that charitable organizations must remain nonpartisan in law, fact, and purpose in order to serve their missions and communities. This law is clear, well understood, and easily followed. In addition to basic factual and legal errors, the new litigation is misguided because it contributes to the further politicization of the charitable sector and society. It will be opposed vigorously by the National Council of Nonprofits and all who are committed to serving communities rather than ideologues, selfserving politicians, and their political operatives."

 <u>National Council of Nonprofits' statement in opposition to the lawsuit</u>, National Council of Nonprofits, Aug. 30, 2024.

#### The Coming Tax Debate

## Charitable Nonprofits: Nonpartisan in Law, Fact, and Purpose

As Congress reevaluates the tax laws and their relationship to the U.S. economy and society, it is essential policymakers and the public recognize charitable nonprofits – 501(c)(3) organizations that are nonpartisan in law, fact, and purpose – as vital service providers, employers, and economic drivers. Charitable organizations exist to serve the public good – providing essential services on which people depend in every community across the country. The current tax-law mandate of charitable nonprofit nonpartisanship is necessary for enabling and maintaining this nonprofit impact.

#### Read the entire policy paper

Read the Series of Tax Policy Papers

## Federal FastView

- Litigation Pauses Student Debt Relief Programs: Last month, the U.S. Supreme Court maintained a temporary injunction blocking the Biden Administration student loan relief program, <u>Saving on a Valuable Education</u> (SAVE), putting into forbearance about eight million borrowers who previously qualified for the <u>Public Service Loan Forgiveness</u> (PSLF) program. Forbearance means that SAVE participants aren't required to make monthly payments, but they will accrue interest during the time their accounts are in limbo. A larger debt relief plan to <u>cancel interest and certain loans</u> that are at least 20 years old has also been temporarily placed on hold in a separate lawsuit brought by seven state attorneys general. That other plan was not scheduled to go into effect until later this year.
- Employer-Provided Educational Assistance: Nonprofits and other employers can offer educational assistance programs to help their employees make student loan payments through the end of next year, according to the Internal Revenue Service. A pandemic-era benefit allows employers to pay for workers' student loan payments up to \$5,250, including principal and interest, directly to the lender or to the employee, and are generally not taxable to the employee. The benefit expires on Dec. 31, 2025.



#### **Election Tip**

## **Ballot Measures**

Remote video URL

On or before Election Day, voters will not only be weighing in on thousands of candidates for public office, but also on ballot questions, constitutional amendments, and other issues that directly affect their communities. Hear Meg Mikolajczyk, Executive Director at Nebraska Table, explain what ballot measures are and how they are an opportunity for individuals to be heard in making laws.

Watch the Video

#### Worth Studying

 <u>Nonprofit Nonpartisan Voter Engagement Guide</u>, National Council of Nonprofits and Nonprofit VOTE, July 2024. And see the <u>Webinar Recording</u> (48:41) and <u>slides</u> from the July 30 presentation, *Nonpartisan Voter Engagement "How To" for Nonprofits*.

## **State and Local**

On the 2024 Ballots

## **State Ballot Measures**

More than 150 statewide ballot measures have qualified for the ballots in 42 states this year. Issues range from abortion and immigration, to bonds, minimum wage, LGBTQIA+ rights, and healthcare, many of which could affect voter turnout on election day. Here is a sampling:

Elections: Eight states (Idaho, Iowa, Kentucky, Missouri, North Carolina, Oklahoma, South Carolina, and Wisconsin) have referred <u>constitutional</u> <u>amendments to prohibit noncitizens</u> from voting. Voters in four states (
 Colorado, Idaho, Nevada, and Oregon) will consider whether to <u>adopt</u>

ranked choice voting while voters in **Alaska** and **Missouri** will consider whether to repeal or preempt it, respectively. Ballot measures in another three states (<u>Arizona</u>, <u>Idaho</u>, and <u>Montana</u>) would change primary or caucus procedures. Issues up for voters in <u>Florida</u> and <u>Maine</u> would also change campaign finance laws, and one in <u>Illinois</u> would advise state officials to establish civil penalties for interfering with an election worker's official duties.

- Employment: Voters in Alaska, California, Massachusetts, and Missouri will decide whether to increase the state minimum wage. Half a dozen states are also considering increasing the minimum wage for workers who earn tips.
  Nebraska voters will consider requiring paid sick leave for all employees.
- Ballot Measure Processes: Two propositions in Arizona would permit challenges to certain ballot measures and amendments after filing and create signature distribution requirements for citizen-initiated ballot measures, respectively. A Colorado initiative would change the deadlines for filing ballot measures. A constitutional amendment in North Dakota would require that initiatives only cover a single subject and would have to be approved in two elections. Utah legislators would have the power to amend or repeal a citizen initiative under a proposed constitutional amendment.

#### Worth Reading

• <u>Ballot Measures Database</u>, National Conference of State Legislatures, provides all statewide ballot measures categorized by state, topic, type, status, and description.

## American Rescue Plan Act Funding for Nonprofits

State, local, Tribal, and territorial governments have until December 31, 2024, to obligate their remaining <u>State and Local Fiscal Recovery Funds</u>; unobligated funds will have to be returned to the federal government. A few governments continue to include nonprofits in their recovery plans or share updates on how they have partnered with nonprofits to advance solutions in communities.

 New York: Charitable nonprofits in Monroe County have until Friday, September 13 to apply for the <u>Grants for Nonprofits Operating in certain</u> <u>Qualified Census Tracts</u>. In the announcement for the \$6 million fund, the County Executive stated, "As our community continues to recover from the pandemic, many of our nonprofits need support in meeting the increasing demand for essential services. Direct operating aid for these organizations is vital and will provide increased financial stability as they continue serving the needs of our residents."

• **Texas**: The San Antonio City Council will vote September 19 on a plan to spend its remaining \$5.8 million in <u>unobligated funds</u>. Some priorities include using part of the dollars for senior centers and dedicating some for arts and culture, more pickup locations for senior centers, and a new medical center. Charitable nonprofits operating in the area are encouraged to reach out to their City Council members and share their priorities for the remaining funds.

**Reminder**: Advocacy is key to contacting local leaders, sharing the eligibility and potential programs to fund, and 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, <u>Accessing Remaining Covid Funds Before It's Too Late</u>, and <u>Accessing State and Local Fiscal Recovery Funds page</u>.

#### Worth Reading

On State Finances

• <u>The key to Maryland's growth is not austerity</u>, Heather Iliff, President and CEO of **Maryland Nonprofits**, *Maryland Matters*, Sept. 3, 2024.

On workforce burnout

• <u>CT housing case workers report significant burnout as the state's housing crisis</u> <u>worsens</u>, Abigail Brone, *CT Mirror*, Sept. 5, 2024.

#### Worth Listening

 <u>It's all about Nonprofits!</u> (36:58), Voices of Montana, Sept. 4, 2024, featuring Tylyn Newcomb, Membership Manager at the **Montana Nonprofit** Association.

## **Numbers in the News**

#### 5,807

The number of state legislative seats up for election on Nov. 5, 2024 across 44 states.

**Source**: Contested state legislative primaries, 2024, Ballotpedia, updated Aug. 22, 2024.

#### 24

The total number of election fraud cases involving voting by noncitizens between 2003 and 2023.

**Source**: Election Fraud Cases, The Heritage Foundation database, cited in Four Things to Know about Noncitizen Voting, Bipartisan Policy Center, updated July. 2, 2024.

## September is

- Hispanic Heritage Month (9/15 10/15)
- <u>National Recovery Month</u>
- <u>National Suicide Prevention Month</u>

## **Nonprofit Events**

- Sept. 16-17, <u>Conference for Louisiana's Nonprofits</u>, Louisiana Alliance for Nonprofits
- Sep. 18-19, Nonprofit Leadership Summit, West Virginia Nonprofit Association
- Sept. 19, Nonprofit Advocacy Hour, Nonprofit Association of Washington

## **Advocacy in Action**

# How to Win Friends and Influence Attendees at a Conference

by: Tiffany Gourley Carter



In August, the <u>National Conference of State Legislatures (NCSL) Annual Summit</u> in Louisville, Kentucky was the place to be. More than 5,000 state legislators, city and county councilmembers, staff, exhibitors, lobbyists, and advocates converged to talk about civility in partisan politics, AI in the public sector, distinguishing biases from fact, how to beat stupidity, and much more. The experience showcased how a short period of time with so many people discussing so many topics can cause a person to feel overwhelmed and get lost in the noise.

So, how do you break through to make your own impact when there's so much going on?

Read the entire article

## Stay in the Loop

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