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Federal

Senate Passes Continuing Resolution, Avoids Government Shutdown

On the last possible day, Congress passed a [Continuing Resolution](#) (CR) to [avoid a government shutdown](#) that was slated to begin at midnight on March 14. President Trump quickly signed the CR, which funds the government through Sept. 30. Funding levels remain mostly the same, with exceptions for an increase in military spending and elimination of earmarks. Congress has failed to pass a full budget for more than a year, creating challenges for many programs requiring inflationary increases just to continue services at the same level.

Litigation Update

NCN Joins Second Lawsuit to Restore Infrastructure and Investment Funds:

On March 13, Woonasquatucket River Watershed Council, National Council of Nonprofits, Eastern Rhode Island Conservation District and Green Infrastructure

Center filed a [lawsuit](#) challenging the Administration's freeze on funding from the Inflation Reduction Act and the Infrastructure Investment and Jobs Act, also known also as the Bipartisan Infrastructure Law. The freeze, ordered through the [Unleashing American Energy](#) executive order, left vital community projects in limbo. Read the [press release](#) and follow updates to both NCN lawsuits on [the NCN webpage](#).

Remote video URL

Want to learn more about the legal landscape related to executive orders and actions by the Trump administration? Watch [The Legal Landscape and Path Ahead for Nonprofits and Philanthropy](#).

[Read about Chart of Executive Orders](#)

Chart of Executive Orders

In an effort to aid the swift analysis of the recent executive orders, we have crafted a chart of the most pertinent executive orders, expected impacts, and related actions that we will be updating regularly.

[Read about General FAQs on Executive Actions Impacting Nonprofits](#)

General FAQs on Executive Actions Impacting Nonprofits

To answer some of the pressing questions on the minds of nonprofits, we compiled a document with frequently asked questions.

[Read about A Nonprofit Checklist: What to Do When Your Federal Grant or Contract is Terminated](#)

A Nonprofit Checklist: What to Do When Your Federal Grant or Contract is Terminated

Initial steps that nonprofits should engage in when they learn that their federal grant or contract is terminated by a federal agency.

Worth Reading

- [Nevada's mental health nonprofits warn of 'devastating' potential federal funding cuts](#), Eric Neugeboren, *The Nevada Independent*, Mar. 18, 2025.
 - [Fed funding: more questions than answers](#), Chris Flood, *Cape Gazette*, Mar. 11, 2025.
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Help Us Amplify the Positive Impacts of Nonprofits



Policymakers need to hear how nonprofits change lives for the better every day. Help us combat false narratives and tell the story of the true value and tremendous positive impacts of nonprofits.

[Share your nonprofit's story](#)

Federal FastView

- **Income-Driven Repayment Plan (IDR) Litigation:** On March 19, the American Federation of Teachers [filed a lawsuit](#) against the U.S. Department of Education (DoEd) in response to the Department's removal of online IDR applications. Because borrowers cannot access IDR plans, they cannot meet the requirements for [Public Service Loan Forgiveness](#), a priority for charitable nonprofits. DoEd claimed the [decision was due to the litigation](#) regarding other IDR plans. Related, late last week the president signed an [executive order](#) to dismantle DoEd and [moved administration of student loans](#) under the purview

of the Small Business Administration.

- **Food Assistance Programs Frozen:** Recently, the Administration has [frozen several food assistance programs](#) run by nonprofits, including more than \$500 million under the [Emergency Food Assistance Program](#) and \$130 million under the [Emergency Food and Shelter Program](#), despite Congressional appropriations for this year. Schools, food banks, homeless shelters, and local farmers use the funding to store and distribute the purchased food. The programs are a “food lifeline for rural America,” according to Vince Hall, Chief of Government Relations for Feeding America.
 - **Higher Ed Disclosures:** Earlier this month, Reps. Baumgartner (R-WI) and Messmer (R-IN) introduced the Deterrent Act ([H.R. 1048](#)) to require higher education institutions to create searchable public databases disclosing certain large foreign gifts and contracts. The disclosures would apply to any gifts or contracts from, or investments in, foreign countries or foreign entities “of concern” with an aggregate value of more than \$50,000. Nonpublic information would be shared across a variety of law enforcement and national security agencies. Penalties vary but could result in fines of up to 20 percent of all federal Higher Education Act funds.
 - **Executive Order Eliminating Independent Agencies:** Last week, President Trump signed an executive order [Continuing the Reduction of the Federal Bureaucracy](#) to eliminate non-statutory components and functions of certain federal independent agencies, including the Institute of Museum and Library Services (IMLS), the United States Interagency Council on Homelessness, the Community Development Financial Institutions Fund, and the Minority Business Development Agency. The new Acting Director of IMLS, the primary source of federal support for museums and libraries across the country, [stated](#) that the agency will now “focus on patriotism.”
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Worth Watching

- [‘We cannot lose that’: Multiple Greater Cincinnati museums impacted by federal cuts](#), (1:50), Paige Barnes, *WKRC*, Mar. 18, 2025.
- [How uncertain federal funds impact local governments and nonprofits](#) (24:46), Madilyn Rose, *Alaska Public Media*, Mar. 7, 2025, featuring Laurie Wolf, President & CEO of **Foraker Group**.

Diversity, Equity, and Inclusion in the States

Recently governors have vetoed, and lawmakers have failed to move, several bills attempting to restrict diversity, equity, and inclusion within their states.

- **Kentucky:** Last week, Governor Beshear vetoed legislation ([H.B. 4](#)) that would have prohibited public universities from “expending any resources on diversity, equity, and inclusion,” among other DEI initiatives. It would have also required public universities to submit reports on policies and programs “designed or implemented to promote or provide differential treatment or benefits to individuals on the basis of religion, race, sex, color, or national origin.” The legislature is expected to override the veto.
- **Montana:** The [Montana Individual Freedom Act](#) is not expected to move further this session. It would have amended the definition of DEI in any program or initiative of a state or local government agency and allowed the attorney general to investigate violations.
- **Wyoming:** Governor Gordon vetoed a bill ([S.F. 103](#)) that would have amended the state’s definition of DEI. If enacted, it would have prohibited entities from expending appropriated funds to establish or maintain a DEI office program, hire or assign an employee or contractor to perform duties associated with DEI, or require participation in a DEI training, among other activities. The Governor’s [veto notice](#) states, “Without clear guidance, institutions will struggle to interpret and comply with the law, potentially leading to unnecessary legal challenges and disruptions to academic programming.”

Worth Quoting

On supporting nonprofits

- “Nonprofit leaders are subject-matter experts who understand the complexities of the challenges they address. Just as businesses innovate to meet customer needs, nonprofits develop solutions tailored to the evolving needs of Idaho communities. Trusting them to allocate resources effectively — rather than

restricting funding to specific programs — allows them to remain responsive and results-driven.”

— [Why supporting Idaho’s nonprofit sector is a smart investment](#), *Idaho Business Review*, Mar. 14, 2025, featuring Kevin Bailey, Vice President of Impact of the **Idaho Nonprofit Center** and member of NCN’s Board of Directors.

- “Rhetoric and actions that strip support for nonprofits undermine your community and the local nonprofits dedicated to it. If you are a board member, donor, patron or client of a local nonprofit organization, it’s impacting you! Take a moment today to appreciate what nonprofits do in your community.”

— Adam Jespersen, Executive Director of the **Montana Nonprofit Association**, in [Opinion | Montana's nonprofits: The backbone of our communities](#), *Billings Gazette*, Mar. 12, 2025.

Legislation on Nonprofit Regulations

Lawmakers are advancing measures to change nonprofit fundraising, disclosure, and oversight.

- **New Hampshire:** Two bills affecting fundraising via historic horse racing in the state failed this session. One bill ([H.B. 588](#)) would have removed historic horse racing revenues for charitable organizations and required all revenues to be paid instead to the lottery commission. Another ([H.B. 531](#)) would have capped payouts at \$50,000 per charitable organization per licensee.
- **North Carolina:** Recently introduced companion bills ([H.72](#)/ [S.58](#)) would prohibit the Attorney General from participating in litigation challenging a presidential Executive Order.
- **Rhode Island:** A [concerning bill](#) that would have required nonprofits to submit and post employee salaries as a condition for requesting state funds from the general assembly was withdrawn before being heard in committee. Each nonprofit seeking a government grant or contract would have been required to list the salaries and benefits of the 10 highest paid directors, officers, or

employees and disclosure of any other sources of funding.

- **Utah:** Lawmakers passed a bill [authorizing the attorney general](#) to bring action or dissolve a nonprofit that has been convicted for illegally committing, or attempting, soliciting, or conspiring to commit, an offense under federal law pertaining to the prevention of “unauthorized landing of aliens or human smuggling.” The bill now awaits the governor’s signature.
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Worth Reading

- [Empowering Our Community Through Legislative Education](#), Mariane Doyle, Executive Director of the **Center for Nonprofit Excellence**, Virginia Funders Network, Mar. 18, 2025.
 - [Massachusetts nonprofits brace for impact of proposed cap on charitable deductions](#), Maren Halpin, *Boston Globe*, Mar. 16, 2025.
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Numbers in the News

820,000

The number of new or updated voter registrations on National Voter Registration 2024.

Source: [Biennial Report](#), Nonprofit Vote, 2023-2024.

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