

WORK NOW Act

S.740/H.R.1987

The broad charitable nonprofit community is united in support of the WORK NOW Act, a targeted pandemic-recovery bill to help organizations retain their employees, scale their service delivery, and put newly unemployed people back to work serving their communities.

Background

Prior to the pandemic, charitable nonprofits employed more than 12 million people, making them the third-largest industry in the country – larger than the construction, financial services, and manufacturing industries. In normal times, these organizations are on the front lines – providing housing, food aid, mental health and counseling services, childcare, and disability assistance to those who need it most, while also uplifting faith, culture, and quality of life in communities throughout the United States.

The demands for these services are exponentially growing at a time when organizations must decrease their capacity because charitable giving and other revenue streams for nonprofits have declined precipitously as a result of COVID-19. Since COVID-19 hit, organizations are being forced to make difficult staffing and resource decisions over how to advance their missions while struggling to remain financially viable. As of May 2021, well more than 700,000 nonprofit jobs have been lost due to the pandemic, creating undue challenges particularly for women and communities of color disproportionately pushed out of the workforce due to no fault of their own as a result of the pandemic.

The sector needs a major infusion of resources to enable organizations to bring back staff and hire additional employees so they can deliver essential services for millions of Americans.

How the WORK NOW Act Works

The “Work Opportunities and Resources to Keep Nonprofit Organizations Well Act,” or [WORK NOW Act](#) (S. 740/H.R. 1987), would infuse \$50 billion into the nonprofit community across the country to get people back to work and make sure nonprofits are able to meet the needs of the populations they serve.

- Funding will cover salaries and wages up to \$50,000 for each employee, plus benefits. Some portion of grant funding may be used to cover operating costs (such as rent, utilities, insurance policies, and maintenance) and programmatic costs.
- 80% of WORK NOW grants will be distributed to state, local, and Tribal governments for grants provided to local nonprofits. 20% of grants will be allocated to intermediary nonprofit organizations for allocation to entities.
- Priority for grants by governments or intermediaries shall be given to organizations serving public needs that have increased during the pandemic, including housing and emergency shelter, public health, arts and cultural, food insecurity, supplemental educational services, direct services to help individuals stabilize their lives and fund self-sufficiency, and services in rural areas.

Funding Distribution to State, Local, and Tribal Governments

- The Treasury Department will distribute block grants to state and local governments pursuant to a modified version of the Community Development Block Grant (CDBG) program.
- Using the CDBG formula will automatically distribute funding to over one thousand state and local governments for immediate distribution to nonprofits. To counteract the CDBG formula’s tendency to benefit urban areas that lack affordable housing, the program appropriation will also include a plus-up for rural areas that do not receive adequate funding under the CDBG formula.

Funding Distribution through Intermediaries

- The WORK NOW Act establishes an Intermediary Distribution Account in the Treasury Department.
- Nationwide and regional nonprofit organizations may apply for grants made from this account both on their own behalf and on behalf of their national network of chapters.
- Intermediaries include organizations with more than 500 employees operating in multiple locations and organizations that operate through networks of affiliates, members, or branches in multiple locations.

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The following organizations have expressed support for the WORK NOW Act and urge its inclusion in any infrastructure legislation adopted in 2021.

After-School All-Stars	Lutheran Services in America
Alliance for Strong Families and Communities	March of Dimes
Alternate ROOTS	Meals on Wheels America
American Alliance of Museums	Mental Health America
American Cancer Society Cancer Action Network	MENTOR National
American Heart Association	National Assembly of State Arts Agencies
American Lung Association	National Council of Nonprofits
Americans for the Arts	National Health Council
Arts Alliance Illinois	National Recreation and Park Association
Association of Art Museum Directors	National Summer Learning Association (NSLA)
Boys & Girls Clubs of America	Network of Jewish Human Service Agencies
Cancer Support Community	New York Foundation for the Arts
Catholic Charities USA	OPERA America
Chamber Music America	Performing Arts Alliance
Communities In Schools National Office	Recording Academy
Council on Foundations	The International Association of Blacks in Dance, Inc.
Covenant House International	The Jewish Federations of North America
Dance/USA	The Nonprofit Alliance
Future of Music Coalition	Theatre Communications Group
Futures Without Violence	Union of Orthodox Jewish Congregations of America
Girl Scouts of the USA	United Philanthropy Forum
Girls Inc.	United Way Worldwide
Goodwill Industries International, Inc.	VisionServe Alliance
Habitat for Humanity International	Volunteers of America
Horizons National	YMCA of the USA
Independent Sector	YWCA USA
Leadership 18	
League of American Orchestras	
Local Learning: The National Network for Folk Arts in Education	

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