



## FOR IMMEDIATE RELEASE

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Contact: Danielle Clore

859-963-3203 x3

c: 859-396-7024

danielle@kynonprofits.org

## Critical Issues Important to Nonprofits Missing in Federal Legislation

*Kentucky's fourth largest industry requires relief*

(LEXINGTON, Ky.—) A recent [survey conducted by Kentucky Nonprofit Network \(KNN\) and Grantmakers of Kentucky](#) highlights the critical relief needed by Kentucky's fourth largest industry in the next federal relief legislation. The U.S. House of Representatives passed the HEROES Act and Senate leadership recently introduced the HEALS Act, yet the survey results indicate that several key issues essential to nonprofits' ability to continuing to meet community needs are being overlooked.

The issues highlighted in the survey that need attention include ensuring that nonprofits are equally eligible for all relief programs; an expanded universal charitable giving tax deduction to encourage more donations; relief funding for state and local governments to ensure nonprofits can continue to meet community needs through partnerships with these entities; and full coverage of unemployment insurance for self-insured nonprofit employers.

"The CARES Act provided important lifelines to Kentuckians and thousands of nonprofits who serve them and our communities. Those lifelines were short-term, and more relief is essential," said Danielle Clore, CEO of Kentucky Nonprofit Network, the state association of nonprofits. "The issues facing the very organizations critical to meeting the needs of Kentuckians as we continue to fight COVID-19 must not be overlooked by Congress - it's the difference in them closing their doors and keeping those doors, even their virtual doors, open to serve us and our neighbors in need."

The survey also quantifies the toll COVID-19 is taking on organizations across Kentucky. Of the nonprofits responding, 57 percent report at least 608,000 Kentuckians are being impacted by their reduction in services. Yet other nonprofits are facing an increased demand with 43 percent of organizations reporting an increase of over 130,000 Kentuckians seeking services.

"Nonprofits are doing the work on the ground - we understand the needs of our communities and are assisting them," said Mary Shearer, Executive Director of Kentucky Habitat for Humanity. "Without nonprofits, Americans would not have access to critical services. Nonprofits need funding."

The nonprofit sector, just as many of their for-profit counterparts, is experiencing significant financial losses, increased expenses, and significant uncertainty. 93 percent of responding nonprofits report that they are rethinking their mission delivery. 63 percent report uncertainty about their future. 25 percent report having to lay off or furlough staff and 4 percent have closed their doors. 5 percent of the responding nonprofits report that they expect to close their doors by the end of 2020.

Forgivable Paycheck Protection Program loans, a hallmark of the CARES Act, have been a large boost for many nonprofits. Yet 58 percent of responding nonprofits report that they do not expect forgiveness of their loan, an issue Clore hopes Congress will consider as they debate this next round of relief legislation.

"Congress must listen to the needs of the nonprofit sector," said Clore. "Not only are many [nonprofit sector jobs that generate over \\$7.5 billion in annual wages](#) at risk, the more important issue is that the lives of many Kentuckians also depend on the survival of these organizations."

Interested members of the media can contact KNN to connect with specific nonprofits.

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**About Kentucky Nonprofit Network:** KNN is the state association of nonprofits, existing to strengthen and advance Kentucky's nonprofit community. Celebrating 18 years of service to the sector and over 798 members strong, KNN provides nonprofit organizations with a unified public policy voice, professional development opportunities and resources, and member benefits. For more information, visit <http://www.kynonprofits.org>.