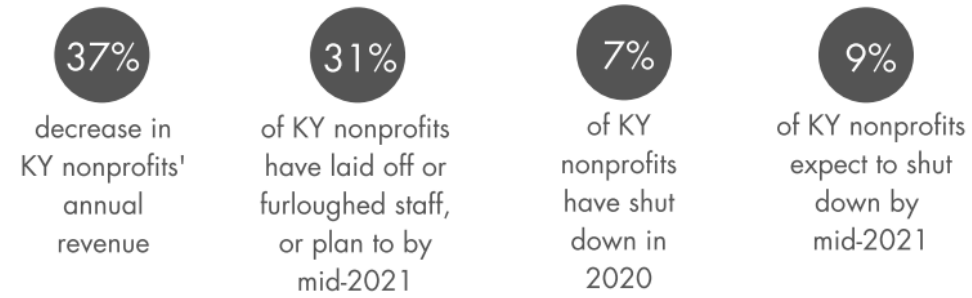
KENTUCKY NONPROFIT NETWORK

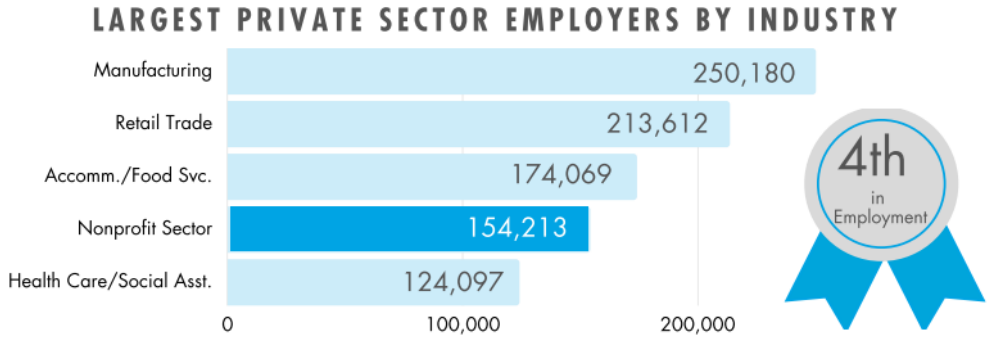
When Nonprofits Suffer, Kentuckians Suffer

Immediate Issues Facing Kentucky's Nonprofit Sector[1]:



- $201 Million: Lost Revenue
- $14 Million: Increased Expenses
- 39%: Have Exhausted or with Less than 3 Months of Cash Reserves

Nonprofits Are Vital to Kentucky's Pandemic Recovery and Our Economic Recovery



#MORETHANCHARITY



[1] Snapshot of the sector from 265 respondents statewide

Urgently Needed Relief for Kentucky's Nonprofits

Protect Services ◆ Protect Jobs ◆ Advance Kentucky

Relief Funds

⇒ Provide a $150 million relief fund available to all 501 (c)3 charitable nonprofits operating in Kentucky.

⇒ All relief from this program is capped at $50,000 per organization.

⇒ Any 501 (c)3 nonprofit is eligible to receive $1000/employee (FT and PT). Eligible nonprofits serving those most impacted by the pandemic (those identified in HB 191's $20 million pool) would be eligible to receive $2000/employee. The grant is determined by the number of employees on payroll at the time of application and again, is capped at $50,000.

⇒ Any organization with fewer than 50 employees would be eligible for funding up to the $50,000 cap if they can demonstrate their largest earned revenue loss or increase in expenses in one quarter (comparing 2019 to 2020).

⇒ Eligibility will be open first to organizations who have not received federal relief, excluding Paycheck Protection Program and Economic Injury Disaster Loans. After a two-week application period, eligibility will be open to any nonprofit.

⇒ Administering funds: Direct relief is needed in the hands of nonprofits as soon as possible. Given the increased demand for services and/or decreased staffing, nonprofits do not have the capacity for lengthy or complex application processes.

Unemployment Insurance

⇒ Include relief specifically for reimbursing, self-insured nonprofit employers in any funds used to replenish the state unemployment insurance trust fund.

Charitable Giving Tax Incentives

⇒ Implement an above-the-line charitable giving tax incentive to stimulate private philanthropic investments in nonprofits' longer-term relief and recovery.

Kentucky Nonprofit Network, the state association of nonprofits, stands ready to help communicate relief opportunities to Kentucky nonprofits. We request that the legislation include language indicating that the PPC shall consult KNN when deciding how to administer and implement relief programs for 501 (c)3 charitable nonprofits.