**Nonprofit organizations are social and economic drivers in Pennsylvania. Nonprofits have a workforce of over807,000 employees, generate $116.7 billion in annual revenue, and serve millions of Pennsylvania residents.**

COVID-19 Relief for Nonprofits

**DESIGNATED NONPROFIT SUPPORT**

Pennsylvania’s nonprofits need targeted support from the Commonwealth in response to the COVID-19 pandemic. Nonprofits partner with government to meet mandated, basic needs for our most vulnerable citizens.

**And yet, the Commonwealth has not designated funding or other relief to these critical partners, unlike other states.**

**Funding Proposals**

PANO asks you to support/co-sponsor the following funding proposals:

1. **Nonprofit Economic Emergency Delivery System (NEEDS) Grants Program ($200 M)**
   1. To be introduced by [Senator Judy Ward](https://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20210&cosponId=34297)
   2. [HB 1116](https://www.legis.state.pa.us/cfdocs/billInfo/BillInfo.cfm?syear=2021&sind=0&body=H&type=B&bn=1116): Introduced by Representative Natalie Mihalek
2. **Establishing the COVID-19 Nonprofit Assistance Grant Program ($100 M)**
   1. [HB 347](https://www.legis.state.pa.us/cfdocs/billinfo/billinfo.cfm?syear=2021&sind=0&body=H&type=B&bn=347) introduced by Representatives Leanne Krueger and Melissa Shusterman

**Funding Need**

* **87%** of nonprofits experienced a negative financial impact resulting from COVID-19.
* In August 2020, 808 nonprofits reported a **-$708 Million total impact**, and this report reflects only 2% of Pennsylvania nonprofits.
* Of note, **88%** of nonprofits have budgets of **<$500,000**,with the smaller organizations experiencing the most negative impact as seen in Table 1 below.

**Table 1: COVID-19 Impact on Nonprofits by Budget Size**

|  |  |  |
| --- | --- | --- |
| Budget Size | Average Loss & Expenses | Impact as % of Total Revenue |
| **Under $100,00** | -$16,000 | **-47%** |
| **$101,000- $500,000** | -$100,000 | **-37%** |
| **$501,000-$2.5 M** | -$317,000 | **-26%** |
| **$2.5-$10 M** | -$1.3 M | **-24%** |
| **More than $10 M** | -$3.9 M | **-7%** |

**Unemployment Proposal**

PANO asks you to support the following proposal:

* Amend state law to provide for 100% reimbursement of COVID-19 related unemployment claims of nonprofit reimbursable employers.

**Need for Relief for Unemployment Claims**

* As of December 2020, **60,000** nonprofit workers in Pennsylvania remained unemployed due to the pandemic.
* In a March 2021 survey, 41 reimbursable Pennsylvania nonprofits reported a **1,876%** **increase in unemployment** between Mar 1, 2020 – Feb 28, 2021 compared to Mar 1, 2019 – Feb 28, 2020. The **associated unemployment claims increased by** **442% ($10.9 M)** during the same period. This is only a snapshot of those impacted.

**About the Pennsylvania Association of Nonprofit Organizations (PANO)**

PANO amplifies the impact of the community benefit sector through advocacy, collaboration, learning and support. PANO, a statewide membership organization serving over 1,000 nonprofits, walks alongside organizations and individuals working to improve the quality of life in communities throughout Pennsylvania. To learn more about PANO, please visit: [**www.pano.org**](https://sppano.netrepid.net/Shared%20Documents/PANO/PANO%20Templates/www.pano.org).