

HOW THE ILLINOIS POLICY LANDSCAPE IS AFFECTING NONPROFITS:

NONPROFIT DAY, JULY 24

DELIA COLEMAN - DIRECTOR, PUBLIC POLICY

DCOLEMAN@DONORSFORUM.ORG

312.327.8946 (OFC)

The Nonprofit Sector

The nonprofit sector has substantial representation across the state and is an economic engine for the state

- IL has 32 counties where nonprofits have assets exceeding \$100 billion
- Nonprofit payroll taxes = \$ 1.5 billion
- Nonprofit net assets = \$121.5 billion
- Nonprofit revenue generated = \$66 billion
- Nonprofit jobs = over half a million (1 in 10 jobs is a nonprofit job)
- 9% of state GDP

Policy Threats

- Late payments and other contracting practices
 - IL #1 for late payments
 - IL #3 for contracts changing in midstream
 - IL #3 for contracts not covering the full cost of service (Urban Institute 2010)
- Thin capacity (both state and nonprofit)
- Reduced state funding
 - IL under invested in human services by \$4.4 billion between FY03-FY10 (not maintaining levels relative to inflation and population growth)
- Regulatory threats
 - Taxes, Fees & PiLOTs
 - Advocacy and lobbying rights
- Shrinking philanthropic dollars
- Federal threats
 - Sequestration
 - Tax Reform
 - Charitable Deduction under scrutiny

Impact of Policy Threats

- Decreasing ability to respond to increased demand (NFF 2013 Survey)
- Weakening of financial sustainability (NFF 2013 Survey)

Donors Forum Nonprofit Policy Agenda

- Protecting (tax policies; giving incentives; public funding; ensuring public trust)
- Promoting (advocacy rights; nonprofit health)
- Partnering (improving collaborations; innovative models & solutions)