



## 2022 Public Policy Priorities

### Introduction

Philanthropy New York believes that achieving impact requires strategic investments and work to create the conditions in which those investments can thrive. PNY's public policy work engages diverse stakeholders to create the policy conditions that allow our members and their grantees to create a stronger and more equitable New York. PNY believes that through participation in public policy and collaboration with the government, the sector can maximize its impact and foster an environment aimed at improving conditions for the region's foundations and nonprofits.

Philanthropy New York's public policy efforts are guided by the belief that local, state, and federal laws and policies should:

- Promote a just and equitable society
- Strengthen nonprofits and
- Support a healthy and sustainable philanthropic sector.

Philanthropy New York's public policy efforts focus on three main areas of interest to the philanthropic sector. Through this work, PNY:

- Advocates for **tax and fiscal policies** that support philanthropic giving
- Supports policies and practices that create and sustain a **thriving nonprofit sector** and
- Champions public policies that have **systemic effects** on issues and marginalized communities our members serve

As we evaluate positions, PNY's values inform and guide decision making processes. They are:

- **Community** - PNY fosters an interdependent community that respects diverse voices, contributions and participation. We are a community that learns from each other and actively contributes to one another's learning. We believe that our missions are best achieved by leveraging our collective strengths.
- **Leadership** - PNY believes philanthropic leadership is nurtured through community and in relationship with others. We break down barriers and provide pathways for individual members, member institutions, and PNY to exercise influence and become agents of change.
- **Learning** - PNY embraces learning as an exploration of different perspectives, inclusive of a full range of expertise *and* experience. We test assumptions and



challenge the sector's conventional wisdom in order to adapt and evolve practice over time.

- **Equity** - PNY embeds equity in all of our work. We acknowledge that institutional philanthropy stems from systems rooted in inequity. We have both the opportunity and responsibility to engage the sector's power and privilege to dismantle these systems.

## About this Document

This document identifies and summarizes current public policy issues and updates for PNY's collective membership and the Public Policy Committee of the Board. This document is not intended to deliver comprehensive analyses of the issues affecting the sector, rather it identifies potential issues that may require PNY's voice or advocacy in the coming year. We rely on and often work in partnership with national and local organizations in the sector.

These partners include:

- Council on Foundations
- Human Services Council
- Independent Sector
- National Council of Nonprofits
- Nonprofit New York
- United Philanthropy Forum

## Our Public Policy Approach

Over the past decade, Philanthropy New York has built a public policy approach that leverages the organization's strong convening power around the issues members care most about. Philanthropy New York hosts regular meetings among funders concerned with Education/Youth, Health Policy, Arts and Culture, Justice Reform and the Environment. These funders have built relationships that allow them to collaborate, convene, educate and inform their peers.

Alongside this collaborative convening work, PNY has hosted policy forums, programs and roundtables with elected officials to discuss, debate, and collaborate around key structural changes and policies that will impact the strategies they fund. New York City's Deputy Mayors and Commissioners, (as well as federal administration officials) have regularly been invited to speak with PNY members to both provide updates on policy issues and administration programs and to hear from our membership about lessons learned in the field, innovations that should be taken to scale and nonprofit voices that should be engaged on policy reforms. With our members, we have built connections across NYC's departments,



from HRA to ACS, from DYCD to the DOE so that the flow of information and the ability to connect on timely issues is strong. PNY's Policy staff frequently collaborate and serve as thought partners to New York City's nonprofit associations, including HSC, FPWA and Nonprofit New York on policy issues that affect a majority of PNY funders' grantees.

In addition to local policy and collaborative work, Philanthropy New York engages in education and relationship building at the federal level on an annual and ongoing basis. Through Foundations on the Hill, Philanthropy New York connects members of our funding community with elected officials representing New York City neighborhoods as well as our state Senators.

Finally, Philanthropy New York takes official stands on nonpartisan public policy issues directly affecting the philanthropic sector or the broadest array of nonprofit organizations. This document serves to outline those issues we will be tracking as possible areas of engagement in the 2022 year.

## Looking Back: 2020 and 2021

The COVID-19 pandemic's devastating impact has required both immediate and long-term structural policy to stabilize the economy and ensure the sustainability of the nonprofit safety net. The federal government reacted quickly in 2020 to stabilize the economy. Philanthropy New York also acted quickly, advocating for the immediate inclusion of nonprofits in the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#). As the pandemic raged, New York State agencies began refusing to register contracts (preventing nonprofits from receiving payment), pay bills, or provide advances for services. Governor Cuomo enacted a July 6th Executive Order that suspended New York's prompt payment regulations. Responding with urgency, PNY partnered with Human Services Council, New York Council of Nonprofits and numerous other statewide organizations to craft a letter for Governor Cuomo requesting an end to this damaging executive order. Furthering our advocacy efforts, PNY signed a letter written by the Independent Sector requesting banks respond more rapidly to nonprofit applications for loans.

In early 2021, as nonprofits continued to sound the alarms for the increasingly alarming effects of the pandemic and the disproportionate health and economic outcomes within marginalized communities, PNY partnered with Nonprofit New York to advance policies designed to give nonprofits greater freedom to lobby on behalf of their clients and communities. City Councilmember Fernando Cabrera introduced [Int.2148-2020](#), which would raise the City's "lobbying threshold" to \$10,000. Philanthropy New York approved a



policy statement allowing us to join the Place at the Table campaign. We continue to work with Nonprofit New York to see this threshold raised at both the City and State.

In August of 2021, New York state experienced a transition in leadership with the departure of former Governor Andrew Cuomo and the appointment of Lieutenant Governor Kathy Hochul to the Governor's office. Gov. Hochul dedicated her administration to uplifting transparency and restoring the trust of New York residents. This change of leadership provides an opportunity for the nonprofit and philanthropic sectors, as evidenced by the appointment of former PNY member, Karen Persichilli Keogh as Secretary to the Governor. Persichilli Keogh arrives in the Governor's office most recently having run JPMorgan Chase Global Philanthropy.

Throughout 2021, Philanthropy New York has sought to support efforts to bridge understanding between the nonprofit and philanthropic sectors. This has included:

- **FPWA Annual Meeting** - PNY staff participated on panels to help highlight the philanthropic sectors response efforts to the COVID pandemic. [More info here.](#)
- **Independent Sector Upwell Conference** - PNY Staff participated in this panel discussion as part of Independent Sector's Annual conference to help better understand the issues and policy related to the ACE act. [More info here.](#)
- **Non-Profit New York Philanthropic Reform Series** - PNY staff helped to shape this series of discussions for non-profit leaders to help increase understanding around Philanthropic Reform initiatives and policies such as the ACE Act. [More info here.](#)

## Looking Ahead: 2022 Policy Priorities

In 2022, New York City has the opportunity to rebuild and recover from the COVID pandemic in more equitable and innovative ways. This opportunity is even more profound as New York City undertakes a Mayoral administration transition and the election of 38 new City Council members. Leadership at all levels will be new to City government. Philanthropy can play a crucial role in making the most of this moment, moving quickly with funding, insights and fostering increased civic engagement within the sector to create a stronger and more equitable New York. Over the coming year, this will require a redefinition and re-alignment of the government's partnership with the philanthropic and non-profit sectors.

In addition to Philanthropy New York's traditional work of convening and collaborating with new administration officials, we will also be working to build our members' capacity to engage with and educate incoming elected officials at all levels through special initiative designed and funded by a collaboration of members. This collaboration represents a



meaningful opportunity to grow PNY's capacity to partner with New York City's new leadership.

In 2022, PNY will focus on the following nonpartisan policy priorities.

## City & State

### **Full Payment to Nonprofits**

In New York City, vendors cannot receive payment until the contract is registered. Due to ineffective city [practices](#), this process can sometimes take months. This lack of efficiency is a barrier for Nonprofits as organizations cannot receive payment until the contract is registered. Nonprofits, especially grassroots and BIPOC led, often do not have the financial capacity to wait. This delay forces organizations to consider applying for loans, undergo budget cuts, or even shutting down. Recently, the city has made efforts to improve its procurement process with their new system [PASSport](#) and invoke the practice of providing an advance of 25% on human service contracts. While this is progress, PNY believes timely payments are critical to an organization's success. Sporadic funds are a barrier to our members' grantees. Prioritizing sufficient payments will benefit not only nonprofits, but the communities they serve.

**2022 Actions:** PNY will continue mobilizing our members and partner organizations to advocate around this important issue by partnering with our colleagues at the Human Services Council and Non-profit New York to provide information on the impact of the current policies to the next Mayoral administration. This work will include education campaigns and active engagement to support these efforts.

### **Increase Lobbying Threshold**

The threshold for [nonprofits](#) to participate in lobbying currently stands at \$5,000. Even though nonprofits know and have a deep understanding of issues facing their communities, only 3% conduct legislative advocacy. The rules surrounding legislative advocacy in the nonprofit field are complicated, burdensome, and strictly regulated. The fees alone are enough to deter a nonprofit from conducting this type of impactful work. Through the A Place at the Table Campaign, nonprofits are advocating to increase the lobbying threshold to \$10,000. This higher threshold will provide nonprofits the ability to participate in political advocacy and bring the voices of the community to the table. In 2020, the campaign gained momentum with Int.2148-2020 - a piece of legislation [introduced](#) in City Council that would raise the threshold to \$10,000.

**2022 Actions:** PNY endorsed a policy statement in March of 2021 in support of the campaign and the goal of increasing the threshold. We will continue to use this policy



statement in 2022 to sign on to letters of support and campaigns designed to engage both City and State legislators in removing this restrictive barrier for nonprofits.

**New York State Voting Rights:** Philanthropy New York's vision is one of philanthropic institutions working together to build an equitable, sustainable, and democratic society. Fundamental to a democratic society is the full ability of every citizen to exercise the right to vote. We seek to support a participatory democracy at all levels of government. New York State is favorable to increasing access to voting, but there is still progress to be made. During the 2021 election cycle, a provision to [remove](#) the requirement that residents must register to vote 10 days before an election was placed on the ballot. Passing this proposal would open the door to same day voter registration, legislation that multiple states have already enacted. An additional provision on the ballot would have removed the need for an "excuse" to exercise mail-in voting. This would remove the barrier of illness or disability required to access a mail-in ballot. The provisions were ultimately [rejected](#). Despite this failure, PNY will continue to endorse efforts that secure equitable and accessible voting rights for all.

**2022 Actions:**

PNY will continue to follow legislation or proposals designed to ease the voting experience and secure the right to vote for all. The organization may take a public policy position on future efforts to expand voting access at the State level.

**Just Pay Campaign**

The government is not just the predominant funder of human services and is also the main driver of human services salaries. Current New York City and State contracts have resulted in the essential human services workforce being some of the lowest paid workers in New York's economy. It is unacceptable that human services workers are given inadequate pay, inadequate benefits and inadequate opportunities for career advancements. PNY supports the Just Pay Campaign which seeks to implement changes around inequitable pay among human services workers with emphasis on these core reforms:

- Establish, fund, and enforce an automatic annual cost-of-living adjustment (COLA) on all human services contracts.
- Set a living wage floor of no less than \$21 an hour for all City and State funded human services workers.
- Create, fund, and incorporate a comprehensive wage and benefit schedule for government contracted human services workers comparable to the salaries made by City and State employees in the same field.

**2022 Actions:** PNY will support the Just Pay Campaign and additional efforts to reduce poverty wages in the human services sector. This may include actively participating in



supporting and amplifying this campaign, a public policy statement endorsing these efforts and other sign-ons or efforts to persuade government to create a more equitable pay structure within government contracts.

## Federal

### **The ACE Act**

The Accelerate Charitable Efforts ("ACE") Act was introduced in June 2021. This legislation seeks to create new categories of DAFs, incentivize foundation giving, and restrict the qualifying distributions that private foundations can make toward their 5% mandated payout.

The legislation also seeks to alter the rule around the excise tax. PNY released statements in 2012 and 2017 in support of simplifying the excise tax and other tax reforms in an effort to increase charitable giving. PNY will continue supporting reforms designed to incentivize giving by utilizing various tax codes. For more information ACE please review our [analysis here](#).

**2022 Actions:** Philanthropy New York has remained neutral on the ACE Act. Our members vary widely in their support. The legislation could create administrative burdens that would significantly curtail charitable giving. However, some Philanthropy New York members are in favor of the incentive to increase payouts in private foundations. As currently written, the legislation may not achieve the overall aim of increasing philanthropic giving nor does it include any mechanism to ensure greater equity in how funds are spent. The Public Policy Committee has asked that Philanthropy New York engage in educational efforts designed to support a nuanced understanding of both the use of Donor Advised Funds and the impact of the legislation.

### **Voting Rights**

As noted above, Philanthropy New York's vision is one of philanthropic institutions working together to build an equitable, sustainable, and democratic society. Fundamental to a democratic society is the full ability of every citizen to exercise the right to vote. Voting rights legislation is being proposed at both the State and the Federal level. In 2021, multiple attempts to create barriers to voting which would disproportionately affect communities of color in large cities as well as rural and tribal communities were introduced across the nation. In response, federal legislators introduced two [federal](#) bills that promote democracy in the United States: the John Lewis Voting Rights Act and the For the People Act.

The John Lewis Voting Rights Act provides a path for citizens or the federal government to challenge new voter laws in courts, particularly laws that impede the voting rights of Black, Indigenous and People of Color (BIPOC) communities. The bill also includes provisions such



as public notice to changes in voting laws and the requirement of federal preclearance for voting procedures. The For the People Act outlines a set of provisions to simplify voting, including automatic voter registration, and the federal enforcement of standards related to mail-in/absentee voting. We will continue to monitor these bills as part of our commitment to strengthening a democratic society.

**2022 Actions:** We will be monitoring both bills, though there currently seems to be very little activity suggesting that either will move forward. The United Philanthropy Forum has signed on to support the John Lewis Voting Rights Act. Should there be indications that either piece of legislation may move forward, Philanthropy New York staff will bring an analysis to the Public Policy Committee for review.



## **PNY's Formal Positions as of 11/1/2021**

**March 3, 2021** -Philanthropy New York's affirms that non-profit organizations and their constituents must build community power through effective advocacy and lobbying

**July 1, 2020** - Philanthropy New York urges state and local government to ensure full, on-time payment and contracting with the nonprofit sector to ensure the health and safety of New York's most vulnerable residents

**March 14, 2020** - Philanthropy New York Supports Inclusion of Nonprofits in COVID-19 Legislation

**October 30, 2018** - Philanthropy New York endorses the recommendations of the HSC Commission on Value-Based Care and its conclusion that New York State government should exert leadership in implementing those recommendations.

**March 28, 2018** - Philanthropy New York urges Congress and the Administration to devote sufficient resources to the 2020 Census now, to put planning and preparations back on track and resist calls for untested, unnecessary new questions that would decrease participation and increase the inaccuracy of the count.

**November 15, 2017** - Philanthropy New York opposes the elimination of the estate tax, and opposes any future increases in the exemption level beyond the current inflation-indexed rate.

**November 15, 2017** - Philanthropy New York supports efforts to revise the tax code in ways that will further incentivize charitable giving and opposes efforts that would reduce charitable giving.

**March 15, 2017** - Philanthropy New York opposes the repeal of the Johnson Amendment.

**August 3, 2016** - Philanthropy New York urges New York State and New York City to immediately act in compliance with OMB Guidance on Indirect Costs.

**August 3, 2016** - Philanthropy New York encourages New York State and New York City to integrate contracting procedures that will consistently reimburse nonprofits for their full federally-negotiated indirect cost rate or, for nonprofits that don't have one, a negotiated rate in accordance with federal cost principles or a minimum rate of 10 percent of total direct costs.



**June 11, 2015** - Philanthropy New York endorses Independent Sector's Principles for Good Governance and Ethical Practice

**August 7, 2014** - Philanthropy New York supports the passage of the America Gives More Act.

**September 17, 2013** - Philanthropy New York supports maintaining full deductibility of itemized charitable deductions.

**September 21, 2012** - Philanthropy New York supports simplifying the federal excise tax on private foundations.

## **Policy Engagement Activities**

**PNY uses a mix of strategies to engage in public policy guided by the board of directors and public policy committee. Policy engagement activities include:**

1. Communicating with lawmakers and elected officials through in-person meetings, phone calls, and written correspondence.
2. Collaboration with partner networks and associations that can include many actions (e.g., signing on to public statements or promoting mission-aligned policy efforts as examples).
3. Creating opportunities to convene groups leading and pursuing advocacy that align with PNY's policy priorities.
4. Monitoring litigation and legislation in significant sector related issues.
5. Publishing information, editorials, and official positions about the issues.
6. Providing members education about permissible policy engagement.
7. Implementing long term campaigns to engage PNY's membership focused on a single issue or theme.