

2021 Public Policy Priorities

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Introduction

Philanthropy New York's public policy efforts are guided by the belief that local, state, and federal laws and policies should 1) promote a just and equitable society, 2) strengthen nonprofits and 3) support a healthy and sustainable philanthropic sector.

Philanthropy New York will:

1. Advocate for tax and fiscal policies that support philanthropic giving.
2. Support policies and practices that create and sustain a thriving nonprofit sector.
3. Champion public policies that have systemic effects on issues and communities our members serve.

About this Document

This document identifies and summarizes current public policy issues and updates for PNY's collective membership. It's not intended to deliver comprehensive analyses of the issues affecting the sector. It does reference studies from Philanthropy New York's [past library of policy work](#). We also rely on the work of our national and local partners in the sector. These partners include:

- **Alliance for Charitable Reform**
- **Council on Foundations**
- **Human Services Council**
- **National Council of Nonprofits**
- **Nonprofit New York**
- **Philanthropy Roundtable**
- **United Philanthropy Forum**

A Look Back

2020 was defined by the country's struggle to respond to the impact of the COVID-19 pandemic and the racial justice uprisings that begged for a reckoning with the country's past and present racial inequities. We lost family members, friends, colleagues and entire ways of being. We also gained moments of reflection, the opportunity to act differently and the push to collectively grapple with the power and impact of our sector. COVID-19 exposed once again the systemic inequities of our system with people of color dying and their health and livelihoods impacted at much greater rates than others. In addition to the pandemic, we also witnessed the continued murder of unarmed black men by police and the ongoing impact of systemic racism and white supremacy in all of our institutions.

In response, the philanthropic sector took action. We collaborated and mobilized to demonstrate our values of equity, leadership and community building. Our members took immediate action to provide emergency funding and fill critical gaps left by government deficits. Within philanthropy we began to more deeply interrogate the inequities that exist in the systems we work on and in the institutions that we represent.

It was a year when we rose to the moment by building trust, providing flexibility, and collaborating to enhance the impact of our collective work. It was also a year where we faced unexpected new challenges and had to find new ways of organizing and connecting with our community. Throughout it all we remained committed to our vision and to the values of equity, learning, leadership and community that we believe will guide our pathway into the future.

Policy Updates

CARES Act

Throughout the year PNY collaborated with partners at all levels to ensure an effective collective response to the COVID 19 pandemic. In March, the Public Policy Committee and Executive Committee rapidly approved an official policy position on supporting the inclusion of nonprofits in COVID-19 legislation. Once approved, the policy team sent letters and emails to elected and appointed officials at the City and federal level. These actions focused on inclusion of the non-profit sector for economic relief afforded by the CARES Act and ongoing support to our members on how to utilize these resources to achieve our missions. In addition we supported our members and their partners as they increased and expedited their funding to meet the critical needs faced by the country and our communities. Going forward we will advocate for policies that ensure the COVID 19 response is equitable and centers the needs of marginalised and other communities of color.

Census 2020

Our values of equity and a democratic society led us to support the Census 2020 efforts to achieve a complete count. In collaboration with our partners we worked to make sure that communities and organizations had the resources and messaging to achieve a complete count of all residents as prescribed in the Constitution. We amended our 2018 official policy position on a fair and accurate 2020 Census to respond to the Trump Administration's move to shorten the time table in which the Census could be completed. The Public Policy Committee and Executive Committee voted to approve the amendment, which stated: Philanthropy New York discourages any action that will impair or prevent the Census Bureau's ability to conduct a full and fair count of every person living in the United States. This swift action allowed us to sign onto a national advocacy letter. Looking forward we must work to make sure that the redistricting process that builds on the Census is also an accurate reflection of our community residents and democratic values.

A Look Forward

The year ahead is set to be one of multiple transitions. At the federal level the Biden/Harris administration will ascend to office with the urgent mandate of controlling the spread of the virus and stabilizing the economy. Controlling both the Congress and White House, the Democratic Party is positioned to push forward progressive policies reflective of the multiracial coalition that was critical to their success. The administration has already named response and recovery to the COVID-19 pandemic as its top priority.

Similarly, at the local level the City will see the election of a new mayor and the appointment of at least 36 new city council members. The City's strategy for responding to and recovering from the impact of the COVID-19 pandemic will be key issues in those races. Another key issue will be coordination of efforts between the City and State levels. We therefore will work with our partners to monitor and advocate at both levels to ensure that non-profits in the state are represented.

Given the transitions ahead, PNY will focus on the following policy priorities.

Federal

Economic Stimulus and Recovery

Work with our national partners to advocate for a strong 3rd stimulus bill that prioritizes

- Inclusion of non-profits as eligible for economic recovery funding.
- Economic relief funding for states and localities.

Tax Policy

Support of tax policies that strengthen charitable giving incentives.

City & State

Redistricting

- Building on our work with the 2020 Census, PNY will work to ensure a fair redistricting process that is representative of all New York residents. A nonpartisan redistricting process is integral to promoting fair and equitable representation.

Indirect Costs Rates

- Reform of the Indirect Cost Rates for non-profit services to make sure that our human services non-profit are funded for the services they provide and the infrastructure that is needed to provide those services to the residents of our communities.

COVID Recovery

PNY will engage all candidates for Mayor and City Council to make sure that the non-profit and philanthropic sectors have a voice in shaping the next Administration's priorities and strategies for its COVID response and recovery. This will include

- Mayoral forums that elevate issues critical to the nonprofit and philanthropic sectors

- Advocacy at the City and State level to increase the reporting threshold of non-profit organizations engaged in advocacy. This would incentivize more organizations to engage in advocacy on behalf of their communities.

Nonprofit Advocacy

PNY will also work with partners to strengthen New York City's non-profit infrastructure which will serve as a key partner in the City's economic recovery.

- Contract reform at the city and state level to ensure the adequate funding of social services organizations
- Support of contracting reforms that allow for pay parity of nonprofit human services workers and allows access to recovery resources available to essential workers.

A Look Beyond

These are issues PNY is monitoring because of current or pending legislative activity as well as issues that matter to the communities and causes our membership support. This list is subject to change given the nature of a dynamic political environment.

Donor-Advised Funds

In 2017, charitable assets in [donor-advised funds](#) (DAFs) crossed the \$100B line for the first time. They have gained popularity and have also been facing public scrutiny lately. The criticism and debate about DAFs include issues related to distribution requirements, donor anonymity, perpetuity and sponsorship and administrative costs. Even if community foundations already self-regulate and follow rigorous self imposed standards, many are wary of imposing rules that limit this important mechanism for charitable giving. Others fear that Congress will hastily create regulations with incomplete information that will not only limit DAFs but may create unintended consequences for private foundations. There is a recent proposal for DAF sponsors to increase their payout rates, proposed by a coalition of researchers and donors.

April 15 Charitable Donation Extension

There is strong evidence that extending the deadline for charitable deductions to "Tax Day" can increase giving, especially with middle-class taxpayers. Nonprofits have expressed concern about unintended effects on the flow of end of year contributions.

PNY's Formal Positions

- **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.