



The New Jersey Nonprofit **Policy Landscape**

Presented to



Partners for Health
FOUNDATION

February 7, 2025



New Jersey Nonprofits The Basics & Backdrop



NJ Nonprofits

- **41,000+** 501(c)(3) orgs in NJ
- **340,000** employees
 - **9.5%** of the state's private work force
 - More than construction, transportation, public utilities, finance and insurance industries
- **\$56 billion** in expenditures annually
- **1.9 million** volunteers providing **\$3.7 billion** in service

Sources:
Internal Revenue Service; Datalake LLC, Nonprofit Research; U.S. Bureau of Labor Statistics; Corporation for National and Community Service



Persistent Trends



- **Demands for services** and rising expenses are **still outpacing funding**
- **Individual giving** continues to decrease
- **Workforce shortages** continue to threaten ability to meet community needs.
- Significant opportunities to improve **relationships between nonprofits and funders.**
- Backlash against **diversity equity & inclusion** initiatives



Federal Landscape



Republican Trifecta

- White House (Trump)
- Republicans control U.S. Senate: 53-47*
 - New U.S. Senator from N.J. – Andy Kim
- Republicans control House of Representatives 220** - 215
 - 3 new NJ Representatives - Conaway, Pou (McIver 9/2024)

* Includes 2 independents who generally caucus with Democrats

** Due to vacancies in FL (Gaetz, Waltz resignations), current balance is 218-215. One more likely vacancy (Stefanik-NY) would make it 217-215.



EXECUTIVE ACTION BLITZ

- 50+ Executive Orders
- Birthright Citizenship, DEI, LGBTQ+
- Private sector DEI initiatives targeted, incl. corporate, philanthropy, nonprofits
- Immigration
- Federal workforce/leadership purges
- USAID
- Funding freezes
- Website, comm's purges
- "DOGE"



Executive Orders Affecting Charitable Nonprofits

Updated February 4, 2025

Nonprofits are highlighted in blue.

After his January 2025 inauguration, President Trump signed dozens of Executive Orders (EOs) covering a broad range of issues, including domestic security, and education among others. Some orders directly affect nonprofits, and many are expected to have broader ripple effects on the sector. This chart reviews some of the EO's that may affect nonprofits directly or indirectly.

This document will be updated frequently, so please use this link to see the most up-to-date version: <https://www.councilofnonprofits.org/impacts-recent-executive-orders-nonprofits>

Help us track the impacts of the most Executive Orders on the nonprofit sector by sharing your stories of observed impacts on your work and the people you serve. <https://www.councilofnonprofits.org/impacts-recent-executive-orders-nonprofits>

Background Resources

- The Impact of the Recent Executive Orders on Nonprofits, National Council of Nonprofits
- Presidential Actions, White House
- What is an Executive Order? American Bar Association, Jan. 20, 2021.

Table of Contents

- Executive Orders and Initiatives
- Federal Government
- Immigration
- LGBTQ+
- Education
- Energy and Community Development
- Other

<https://www.councilofnonprofits.org/impacts-recent-executive-orders-nonprofits>

The Washington Post

This time, the anti-Trump resistance is in the courts, not in the streets

As the president issues orders that critics say disregard the law, a haphazard group of opponents is filing lawsuits — and it's starting to work.

- 37 legal challenges as of 2/6/2025, with more to come; most will be appealed
- Funding freeze temporary restraining order (*separate suits led by National Council of Nonprofits, 22 states*)
- Birthright citizenship on hold
- Federal employee “buyout” on temporary hold

<https://www.justsecurity.org/107087/tracker-litigation-legal-challenges-trump-administration/>

Federal Appropriations

- **Mid-March** – 12 Federal Appropriations bills
 - Stopgap extension until March passed December 2024
 - Earmark funding for NPs delayed
- **One massive reconciliation package?**
 - President-elect Trump and House Speaker Johnson are trying for one combined bill to encompass sweeping funding and policy initiatives
 - Budget/tax bills like this reconciliation package only require 51 votes in the Senate (vs. 60 for many other types of bills)



Other Issues to Watch (DC)

- Presidential appointments
- Renewal/renegotiation of tax law provisions expiring 2025 (charitable giving incentives, SALT deduction, etc.)
- Appropriations/budget
- Earmarks eligibility
- Voting rights



Issues to Watch (DC)

- Government grants/contracts
- Nonprofit Nonpartisanship & advocacy rights
- Nonprofit “anti-terrorism” legislation
- Regulatory framework (*Loper Bright* “Chevron doctrine” case)
- DAFs

- *Senate filibuster (60-vote cloture) still applies for many bills – but not all (budget/tax, presidential nominees)*



Stop Terror-Financing and Tax Penalties on American Hostages Act

- Section 4 of H.R. 9495 would have empowered the Secretary of Treasury to designate 501(c) organizations as “terrorist supporting organizations” and revoke their tax-exempt status with minimal due process.
- Bill **also** included **uncontroversial** provisions to extend tax deadlines for those unlawfully or wrongfully detained or held hostage abroad.
- H.R. 9495 passed House November 21, 2024 (after failed vote 11/12); Senate did not consider.
- Bill could resurface in new session, though there would be practical and procedural obstacles to advancement.



New Jersey

Budget tightening

NJ Spotlight News [MORE ISSUES](#) [ROUNDTABLES](#) [THE CHANGE PROJECT](#) [SUPPORT](#) [ABOUT](#)

Murphy orders reduced spending, limits on hiring

BRIANA VANNOZZI, ANCHOR | NOVEMBER 26, 2024 | [BUDGET](#)

State departments also directed to freeze some pay raises, cut budgets by 5%



- Governor's budget address 2/25/25
- \$27 billion from federal government

Select NJ Issues

- "Trump-proof" or shift to right?
- Workforce issues
- Affordability (housing, child care, etc.)
- Immigration
- Other equity issues

- Promoting nonpartisan engagement & voting rights; protecting democracy
- Fundraising framework (legalized games of chance, charities registration)
- Strengthen nonprofit advocacy

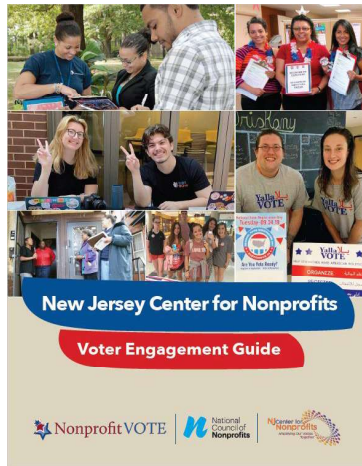


NJ Government Grants/Contract Reform




Legislative package - A-4692/A-4695 (Lopez) | S-3785/S-3786 (McKnight)

- State-level ombudsperson
- Contract reform
 - central repository for frequently-filed documents
 - requiring the government to pay interest when payments to nonprofits are more than 30 days late;
 - Inflationary adjustments to grants and contracts;
 - inclusion of at least 15 percent in indirect costs in grants and contracts with nonprofits;
 - directing government agencies to develop procedures to reduce redundant monitoring, and standardizing and integrating reporting procedures across government departments and agencies
 - A-4692 has been referred to the Assembly State and Local Government Committee, and A-4695 is in the Assembly Community Development and Women's Affairs Committee. S-3785 and S-3786 are both in the Senate State Government, Wagering, Tourism & Historic Preservation Committee.



NOVEMBER 2025

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29	30					

Let's keep forging a NEW narrative.

- Investment in nonprofits for our communities
- Economic impact
- Compensation, benefits & workplace flexibility
- Diversity, Equity, Inclusion and BELONGING
- Lead with our values



What can funders do?

- Check in with nonprofit partners
- Flexible funding
- Simplify application and reporting processes
- Connect nonprofits to information/guidance
- Fund advocacy
- If possible, please increase your payout!

Upcoming Events



Friday, February 7, 3pm ET

Executive Actions and Their Impact on Charitable Nonprofits

Presented by the National Council of Nonprofits

Wednesday, February 12, 12:30 PM ET

POLICY WORLD WEDNESDAYS

Hosted with the Council of New Jersey Grantmakers

Wednesday, February 19, 12-1:30 ET

Immigration Enforcement: What Nonprofits Need to Know

Presented by Pro Bono Partnership, cosponsored by NJ Center for Nonprofits and others

Friday, February 28, 3pm ET

Navigating the DEI Backlash

Details TBA

njnonprofits.org/events

Coming in 2025

- **Policy World Wednesdays** – Second Wednesdays of the month on Zoom
- **Second Joint Public Policy Forum** – August 5
 - Presented by NJ Center for Nonprofits, CNJG
- **2025 NJ Nonprofits Conference** – December 3
- **More Center/nonprofit events:** njnonprofits.org/events/





Thank You



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njnonprofits.org