



A PODCAST WITH RUSTY STAHL | S7 EP13

Mr. Stahl Goes to Washington *Defend Nonprofits! Defend Democracy! Series*

WITH
Rusty Stahl
Fund the People



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Welcome to the Fund the People podcast everybody and our new biweekly series Defend Nonprofits, Defend Democracy. I'm your host, Rusty Stahl, president and CEO of Fund the People.

This is being published on March 5th, 2025. So welcome to March, only 15 days until the first day of a much needed spring. This is my birthday month, so thank you mom and dad for my life. It's also the month of my father's birthday, Jerry Stahl, and it's a big one this year, so happy birthday, Dad. Thanks for listening to the show and always supporting me and giving me great feedback.

Last Tuesday, February 25th, I spent a day on Capitol Hill meeting with the staff of the U.S. House and Senate offices. I was honored to have a brief opportunity during these meetings to share with Hill staff the value of the nonprofit workforce and the importance of our sector to government, to the economy and jobs, and to our society.

It was all part of the 22nd annual Foundations on the Hill, which is hosted and presented by the United Philanthropy Forum and the Council on Foundations in partnership with Independent Sector. Foundations on the Hill, bills itself as the premier Public Policy and Advocacy Conference, uniting the philanthropic sector to strengthen our collective voice on Capitol Hill. If you want to see what people were writing about it before and during, you can check out the hashtag #foth25, that's hashtag "foth" and the number 25.

I want to offer my thanks to the team at United Philanthropy Forum, the Council on Foundations and Independent Sector for putting together an excellent event. And thanks to Philanthropy New York, which brings together funders in New York City and the New York Funders Alliance, which

brings together funders in the rest of New York State, for allowing me to be part of the meetings that they set up. I learned a lot, or at least I hope I learned a lot from the experience. And I'm really still processing it all. And I'm sure I'll have new thoughts in the coming days and months.

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Today, I want to share with you seven initial reflections and resources related to the experience of going to Washington and talking to folks on Capitol Hill and listening to other philanthropic colleagues as well.

First item I want to share is: We should all be scared, we should all be angry and we should all be sad about what's happening to our country, including the attacks on nonprofits and philanthropy coming from our own government. But we should also be courageous, we should also be hopeful and we should be undaunted in our commitments. Even in this moment of great peril, we have agency, we have personal agency, we have organizational agency, and we have collective agency. We can make choices about what we do, how we respond, what we say, who we engage with. We have choices to make that can and will shape the future.

And that's one of the beautiful and valuable things about the independent sector (lowercase i lowercase s) I don't mean the organization Independent Sector, I mean our nonprofit and philanthropic community, sometimes called civil society, sometimes called the third sector or independent sector, sometimes called philanthropy. It's very confusing all the terms, but the point is, one of the beautiful things about our field is that we can be creative, we can be innovative. We are not using taxpayer dollars to manage our work like government is. We're not beholden to the great dollar, in terms of the bottom line and profit as our main motivation as the business community is. We can try things, we can do things, we can be creative, we can make social change happen even when it's about ourselves.

So I just want to put that out there to get started in this episode, because I think it's really easy to get into the victim mentality and to just feel really upset about what's going on because it's so unbelievable, it's so outrageous. And I myself go through sort of cycles of anger and numbness and sadness but I refuse to let this, I refuse to let them steal my hope, steal whatever bit of courage I may have and to stop me in my tracks. So, America needs us, the world needs us to keep it together. And so, I know I said that on the last Defending Profits, Defend Democracy episode, but I'm repeating it here.

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My second reflection is that everyone listening to this, everyone in our field should understand how our sector is represented and advocated for in Washington, DC and consider joining or getting involved with the groups that represent us or adding to that representation with your own network and community.

So I'm going to be super simplistic. There's two groups that primarily represent philanthropy as in foundations and major donors and that kind of thing, it's really more foundations. And then there's two groups that represent the nonprofit profit sector, broadly speaking. So the Council on

Foundations and the United of Philanthropy Forum are the two major groups that represent philanthropy in Washington.

The Council on Foundations is the most longstanding one and cuts across all the issue areas that foundations cover all the types of foundations, community foundations, private independent foundations, corporate foundations, family foundations, health conversion foundations, all the types of foundations can be members of the Council. And really before there was this splintering into issue based networks and identity based networks, and a lot of the place based networks of funders, the Council of Foundations was the major overarching association of foundations and they still are. And they maintain offices in the Washington area, they have a presence in terms of policy on Capitol Hill in Washington. They track policy. they engage their members in policy work, and they have for many years.

And then, the United Philanthropy Forum is newer. It started out as the forum of regional associations of grantmakers. So, that would be your Northern California grantmakers, your Philanthropy New York, your Philanthropy Southeast, all of these regional funder networks that are place based, they might be a multi-state, they might be one state, they might be a city, and there's a whole bunch of them. There's dozens and dozens of those place based networks. And they came together and created their own kind of network of networks, which was called the Forum of Regional Associations of Grantmakers.

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And then a whole other set of funder networks started evolving, I believe, in the seventies that are more identity based and issue based and functional based. So the first of these was the Association of Black Foundation Executives, or ABFE, and then a number of others like Asian-American Pacific Islanders and Philanthropy, Hispanics and Philanthropy, Native Americans in Philanthropy, and others like that. And then all these issue networks have evolved like Grantmakers in Health, Grantmakers for Education, Human Rights Funders Network and there's just dozens and dozens. And that's a very dynamic set of organizations.

And those used to be kind of referred to as affinity groups and actually the Council on Foundations held them together loosely as a network. When I helped start Emerging Practitioners in Philanthropy, we became an official affinity group within or connected to the Council on Foundations. But at a certain point, under a previous leadership, the Council sort of ended that formal support for in connection to the affinity groups and they moved over to that group that had been called the Forum of Regional Associations of Grantmakers, which changed its name to the United Philanthropy Forum.

And so now we have all these different networks of funders, both place based, identity based, issue based and function based. Like there are networks for grants managers or communications (communications people within foundations have the communications network). So all of those networks are part of the United Philanthropy Forum, which also has policy staff and tracks policy and engages folks in their membership in policy. So now they host

this Foundations on the Hill event. Fund the People is a member of the United Philanthropy Forum and proud to be so, as is Emerging Practitioners in Philanthropy, my former organization.

So those are the two major groups representing the philanthropy world in Washington. And then we have for the nonprofit side, Independent Sector and the National Council of Nonprofits. Independent Sector is kind of like the Council on Foundations. It started in the early eighties, actually right around when Ronald Reagan was elected president and began to threaten to make huge cuts to the federal budget and said, you know, philanthropy can fill the gap that we're going to leave. And so Independent Sector has traditionally mostly been national organizations or national federations, ones with lots of local affiliates.

And I used to go to their conferences a lot. It was a great place to network and connect with nonprofit colleagues from across a whole swath of issues and kinds of work. I should say, Independent Sector also has a whole public policy piece of work that it does, as well as research, polling and other things. They have a great quarterly report on the health of the sector that aggregates research and data from across different sources to give us a snapshot of the health of our sector every quarter, I believe.

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And then you've got the National Council of Nonprofits, which is more of a federation. So its members are primarily the state nonprofit associations. So in that sense, it's a little more like the United Philanthropy Forum. It's a network of networks. In this case, I believe, fully place based networks. So, your CalNonprofits, your New York Council of Nonprofits, your Michigan Nonprofit Association. Those groups are members of the National Council of Nonprofits and so if your nonprofit joins your state association, you actually also become a member of the National Council of Nonprofits as well.

And so, those are the two major groups that represent the sector in Washington. And the National Council Nonprofits also does a lot of work on policy as well. And they have played an important role in making sure that nonprofits were eligible as employers to get PPP loans from the government during the pandemic. And they sued the Trump administration almost immediately when the memo went out from the OMB office of the White House, calling for a freeze on all federal funding. And so the National Council of Nonprofits, working with a group called Democracy Forward, sued and through the courts stopped that freeze from going into effect.

So that's a little bit about the four major groups that represent our sector in Washington with a policy lens. There are certainly other groups in Washington that represent sub sectors of the nonprofit sector. So, for example, the National Human Services Assembly, which is a 100 year old association for human services nonprofits. Of course, there are, you know, civil rights groups and other sort of issue focused associations. There's even the American Society of Association Executives, which represents associations in Washington, which are a form of nonprofits.

And then you have groups like Board Source, which focus on governance. In terms of ideologies you've got Philanthropy Roundtable, which represents more conservative donors and foundations, and the National Committee for Responsive Philanthropy, which represents more progressive nonprofits and funders. So there's a whole variety of other groups. But in terms of as broad as possible representing us, the four I would highlight are the Council on Foundations, United Philanthropy Forum, Independent Sector and the National Council of Nonprofits.

Now, I went into all of that because a lot of people in the sector just don't know about these groups. They're not always readily accessible out there. It's not clear how all of this works or who does what. People listening may have different points of view on those groups, they may think I've left something out, so please feel free to share feedback. I'm not saying in any way that this is comprehensive, just wanted to share that in case you didn't know those groups are there and they're an important force representing all of us and they need engagement from the field to be as effective as possible.

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Okay. So my third piece of reflection to share is that we need to educate many of our policymakers about this nonprofit sector. The large majority of the people who create laws for the United States barely know that nonprofits and philanthropy exist. And they certainly don't know how nonprofits and philanthropy work or what we do. They don't know how many people work for nonprofits and make a living and pay Social Security taxes and pay payroll taxes through nonprofit employment.

I think part of the problem here is that we live in a society that has a worldview that is public/private. We have the public sector, which is government, and we have the private sector, which is business, the market, the for profits. And those are the two things you're either one or you're the other. I kind of analogize it to the black and white worldview that was and sometimes remains dominant in the American South, right? So in this public/private worldview, private means for profit business. But nonprofits are private, but they're not for profit. So they don't fit into this public/private dichotomy. It's just like people who hold the black and white worldview don't know where Asian-Americans, Latin X people or Native Americans fit because they don't fit into one of these two categories. And so they either have to be treated as part of one group or the other, or they kind of get ignored. Well, that's how nonprofits are. We have to either be treated like, oh well, that's kind of like government or oh, nonprofits are like a business, they just have a different tax status or we get ignored.

And I think mostly we just get ignored and we get invisibilized. So, just look around at your bookstore, what are the main categories of bookshelves? Look at your library, look at your newspaper, what are the sections of the paper? Look at colleges and universities, at the schools, the departments, the majors, the courses. Look at the professions in those pulled down menus on web forms, you know, where they ask like, what is your profession, what is your job? In all of those places nonprofits, at least nonprofits as an overall category, are pretty much invisible. We don't get our own bookshelves, we don't get our own section of the newspaper, we don't get onto those pulled down menus.

Now, thankfully, there are more and more nonprofit academic centers, nonprofit management schools within universities and majors. And so, that's one place where I'd say we are more visible now. There's at least a couple hundred of those schools and academic centers. But in government nonprofits are largely invisible or ignored. When we are dealt with it's basically as vendors that can be engaged through contracts or grants to execute, deliver some kind of service that the government wants done. But we're not treated as a sector, an industry worthy of its own merits like the business world is.

And so this is a real problem because when you're invisible and ignored, it's hard to get the laws passed that make sense to support our workforce and our industry. And the fewer the laws that recognize and support us, the more invisible and ignored we are. And I think it's been that way for many, many, many years. So even though we helped make the country and nonprofits have been here since before the Constitution, as I talked about in the last Defend Nonprofits Defend Democracy episode, nonprofits made America but we're so ubiquitous that we're invisible and ignored. At a certain point, we have to take responsibility for changing this. And I think now is as good a time as any.

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So I want to assert the notion that our sector needs to create more opportunities for itself, like Foundations on the Hill, and more unified approaches that include nonprofits, funders, intermediary organizations that support the field, academic centers that study philanthropy and nonprofits, and even the constituents and end users of nonprofits. We should all be going on Capitol Hill together, but we don't. Traditionally, we have Foundations on the Hill, which happens around now -late winter, early spring- and the National Council of Nonprofits has a confab, a conference in Washington for all of those state nonprofit associations. And they do a lobby day in the fall.

They happen at different times of year, they're run by different conveners, they advance different legislative agendas or bills. And this may be necessary, I think there's a reasonable argument to say private foundations have different lobbying rights, more limited than nonprofits. Private foundations are only supposed to lobby in their own self-defense. They can't really lobby on other issues. So for that reason alone, it makes sense that there have been separate events for this presence on the Hill.

But in the present day, in our new normal, I just don't think it's adequate. I think together we could offer a more united front and offer our elected officials and representatives a more compelling and cohesive education about our sector, because we may have different tax structures and lobbying capabilities and roles in the field as funders on one hand and nonprofits on the other. But we are all part of the nonprofit sector together, and we need solidarity and coordination between our nonprofit infrastructure groups, between funders and nonprofits, between nonprofits and government leaders who are aligned around shared values of freedom, of justice, of service, of the public good. We need more solidarity among us, and we need to be

present together in the Capitol. So that's my plea and if folks listening are interested in that, please get in touch with me, because I think it's possible and necessary.

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Okay. My fourth observation it's not my observation, but something I found out during this trip is that voters, American voters, actually want policies that support nonprofits. So, you know, I've been talking about how nonprofits are invisible and ignored by policymakers. But on the flip side of that coin, one of the event partners of the Foundations on the Hill event, Independent Sector, last week released new polling data showing that voters want policymakers to support nonprofits in these uncertain times.

According to the poll, registered voters overwhelmingly want to see nonprofits better resourced through charitable giving and federal tax credits, a strong nonprofit workforce and nonprofit engagement in policy work to address community needs. Now, within this rather comprehensive poll, there was some data about the nonprofit workforce and how voters view it.

So in terms of support for the nonprofit workforce, the poll found that at least seven in ten voters supported key policies to strengthen the nonprofit workforce, including 82% of respondents support increasing the volunteer mileage reimbursement rate, 81% support more regular federal data on the nonprofit workforce because many of us are frustrated that the government only releases data about nonprofit employment every five years. 78% of people supported funding for national service programs like AmeriCorps, 74% support extending federal business tax credits to nonprofit employers. There's a bunch of tax credits that businesses are eligible for that nonprofits are not eligible for at this point, but 74% of voters believe that those ought to be extended to nonprofits. And finally, 70% support preserving the Public Service Loan Forgiveness program.

So I was really heartened to see this and I think we should be using this polling data to tell our story, to shape a vision of a healthy relationship between government and nonprofits and working toward a more comprehensive legislative agenda that can bring about that vision in the coming decade. You can read about the poll and its results at independentsector.org and we'll put a link in the episode show notes.

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My fifth observation is that we should all be learning about and supporting a bill called the Charitable Act. This is one of those positive, concrete proposals for things we want and need, and it could happen. The [Charitable Act 2025](#) is a bipartisan bill to incentivize individual charitable giving for all Americans and this was one of the major messages we brought to members of Congress during Foundations on the Hill was to co-sponsor this bill. It's been introduced by Senators James Lankford, Republican of Oklahoma, and Chris Coons, Democrat of Delaware.

So I want to encourage you to learn about this bill in a really terrific press release, which includes statements from many, many key nonprofit sector leaders. It's on Senator Lankford's

website, which is www.lankford.senate.gov. It's under the news section but we'll put the link in the show notes. I encourage you to take a look at it and learn more. Basically it would extend tax deductions to middle class and working class people who are giving smaller amounts of money to nonprofits and are currently not incentivized to give those amounts because they don't get a tax deduction for those gifts.

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Okay, my sixth item. We need to carefully share stories about the harm being done to nonprofits by the administration's actions with our elected officials. Your Senators and House members need to hear from nonprofits and funders in their districts or states how these recent executive orders, the efforts to freeze federal funding, the shuttering of USAID and other policy events are impacting nonprofits, impacting nonprofit workers, and impacting the people and communities that both nonprofits and government try to serve.

So if you contact your senator or representative, their office may be able to help address a specific issue that you're facing, such as the unavailability of funds that have been committed to your organization by the government. They can at least advocate for you since you serve their constituents and maybe if they don't realize that already, they'll see that these executive actions are not creating efficiencies in our system, they're hurting regular Americans, some of the most vulnerable Americans in their state or congressional district.

Alternatively or in addition to contacting your elected officials, I would encourage groups that are experiencing harm to share their story with the National Council of Nonprofits through a web form which was carefully designed to protect your security. The URL is bit.ly/3ptacvo and we'll put that link in the show notes. Here's what the National Council of Nonprofits says about the form:

The more information you can share, the more helpful it can be in helping us understand the scope of the ongoing impacts. The National Council of Nonprofits stores information securely but we also understand many people are very nervous right now. Please only share information that you're comfortable sharing. All fields on the form are optional, so you can choose to share as much or as little information as you are comfortable with.

So that means you can remain completely anonymous if you prefer to. So that's an important way to give the National Council of Nonprofits a real sense of what's happening in the sector in terms of harms, and they can pass along that information to representatives who are asking for it and they can also use it in their own advocacy. So please consider that or let others know who are facing challenges like furloughs and layoffs and shutting down or other problems, let them know that this is a fast and potentially impactful thing they can do, a step they can take to hopefully mitigate those problems that they're having.

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The seventh and final item I want to share is that this is a great moment to donate to groups that are actively standing up for the sector. I just made a donation to the [National Council of](#)

[Nonprofit](#), a [recurring monthly donation](#) for the next year because I want to support them as they stand for our sector. And while they are in the midst of this lawsuit with the administration to try to keep this funding freeze from happening.

You could also donate to the [Lawyers Committee for Civil Rights Under Law](#), which just announced that it's suing the Trump administration on behalf of the nonprofit over the DEA by executive orders. I'll be making a donation to them and would encourage you to consider doing so as well or find the group that makes sense to you and your family and support it as much as you can. These groups who are standing up for civil society and for the nonprofit sector deserve our support and they need it. So I'll put links in the show notes to [donate](#) to both of those two groups.

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So to recap my seven items I've shared.

- One: Be scared, but be courageous and undaunted.
- Two: Get to know the groups that represent the sector in Washington and try to engage with them if possible.
- Three: Help educate lawmakers about the existence and value of the sector and, I would add, of the nonprofit workforce.
- Four: Leverage the fact that voters support nonprofits and policies that support nonprofits.
- Five: Help to Advance the Charitable Act.
- Six: Share stories of harm being done to nonprofits with the National Council of Nonprofits.
- And seven: Donate to groups that are actively standing up for the sector.

So that's all I've got for this episode of the Fun the People podcast and our special series Defend Nonprofits, Defend Democracy. This is Rusty Stahl saying take care of yourself, take care of one another, and I'll talk to you soon.