| (Original Signature of Member)  |
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| 117TH CONGRESS 2D SESSION H. R.   |
| To strengthen the partnership between the nonprofit organizations and the Federal Government, and for other purposes. |
| IN THE HOUSE OF REPRESENTATIVES   |
| Ms. McCollum introduced the following bill; which was referred to the Committee on                                    |
| A BILL  |
| To strengthen the partnership between the nonprofit organizations and the Federal Government, and for other purposes. |
| 1 Be it enacted by the Senate and House of Representa   |
| 2 tives of the United States of America in Congress assembled   |
| 3 SECTION 1. SHORT TITLE.   |
| 4 This Act may be cited as the "Nonprofit Sector  |
| 5 Strength and Partnership Act of 2022".  |

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The Congress finds that:

6 SEC. 2. FINDINGS.

| 1  | (1) The nonprofit sector is a trusted partner in        |
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| 2  | working with American communities, strengthening        |
| 3  | civil society, and ensuring that all people living in   |
| 4  | the United States have the opportunity to thrive.       |
| 5  | (2) The Nation relies on the nonprofit sector on        |
| 6  | its ability to harness and direct the generosity, serv- |
| 7  | ice, and volunteerism of the American people.           |
| 8  | (3) Nonprofit organizations are a significant           |
| 9  | and highly diverse sector of the United States econ-    |
| 10 | omy that includes 1,800,000 organizations as of         |
| 11 | 2020, according to the Internal Revenue Service.        |
| 12 | United States nonprofit organizations contributed       |
| 13 | \$1.2 trillion to the economy in 2020 and accounted     |
| 14 | for 5.9 percent of the Gross Domestic Product of the    |
| 15 | United States, according to Bureau of Economic          |
| 16 | Analysis data interpreted by Independent Sector.        |
| 17 | (4) Collectively, the nonprofit sector engages          |
| 18 | through and is supported by more than 12 million        |
| 19 | workers, 20 million board members, 63 million vol-      |
| 20 | unteers, and 170 million donors. In 2017, United        |
| 21 | States nonprofits employed 12.5 million paid work-      |
| 22 | ers and paid over \$670 billion in wages.               |
| 23 | (5) 92 percent of the 501(c)(3) public charities        |
| 24 | in the United States have an annual budget of less      |

1 than \$1,000,000 according to data provided by the 2 Internal Revenue Service. (6) While no Federal agency regularly collects 3 4 systematic employment data on the nonprofit sector, 5 at the local level, nonprofits are a time-tested mech-6 anism for delivering critical community services. 7 (7) In order to maximize the nonprofit sector's 8 ability to utilize Federal investments to respond to 9 community need, the Federal Government should 10 take steps to encourage, support, and promote vol-11 unteerism and charitable giving. 12 (8) National service programs provide an essen-13 tial vehicle for Americans of all ages anxious to 14 serve their communities and transform their own 15 lives in the process. Service programs also provide a 16 critical pipeline of emerging leaders into the work-17 force, including the nonprofit workforce. 18 (9) Like for-profit entities, the nonprofit sector 19 is challenged during times of economic downturns. 20 As employers and providers of services to countless 21 Americans, the sustainability of this sector is of 22 great national importance, yet the Federal Govern-23 ment provides significant support to for-profit busi-

nesses through the Small Business Administration

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| 1  | and other agencies and programs that are not acces-    |
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| 2  | sible to nonprofit organizations.                      |
| 3  | (10) Despite the importance of the nonprofit           |
| 4  | sector to the United States economy and to the suc-    |
| 5  | cess of many Federal, State, and local policy initia-  |
| 6  | tives, no Federal agency or office has responsibility  |
| 7  | for evaluating, building, or maintaining the capacity  |
| 8  | of the nonprofit sector.                               |
| 9  | SEC. 3. PURPOSES.                                      |
| 10 | The purposes of this Act are the following:            |
| 11 | (1) To enhance the ability of the nonprofit sec-       |
| 12 | tor to address public challenges and maximize oppor-   |
| 13 | tunities to improve quality of life in the communities |
| 14 | where nonprofit organizations work.                    |
| 15 | (2) To strengthen communities across the               |
| 16 | United States by making the Federal Government a       |
| 17 | more productive partner with nonprofit organiza-       |
| 18 | tions through the establishment of better Federal co-  |
| 19 | ordination with respect to, enhanced transparency      |
| 20 | with respect to, and greater support for the work of   |
| 21 | nonprofit organizations.                               |
| 22 | (3) Collect, assemble, and make available Fed-         |
| 23 | eral data and research on the nonprofit sector and     |
| 24 | to generate new data and research where necessary      |

| 1  | to support the development of effective Federal pol-        |
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| 2  | icy.  |
| 3  | (4) Raise awareness of the nonprofit sector and             |
| 4  | the vital civic, social, and economic contributions         |
| 5  | nonprofit organizations make to the United States.          |
| 6  | SEC. 4. WHITE HOUSE OFFICE ON NONPROFIT SECTOR              |
| 7  | PARTNERSHIP.  |
| 8  | (a) Establishment.—There is established in the              |
| 9  | Executive Office of the President an Office on Nonprofit    |
| 10 | Sector Partnership (in this section referred to as the "Of- |
| 11 | fice"). The Office will be led by a Nonprofit Advisor.      |
| 12 | (b) Functions.—The Office shall—                            |
| 13 | (1) strengthen and develop policies and actions             |
| 14 | which enhance the sector's ability to address na-           |
| 15 | tional and community priorities;                            |
| 16 | (2) identify and promote policies that increase             |
| 17 | and sustain charitable giving, volunteerism, and na-        |
| 18 | tional service to support the capacity of the non-          |
| 19 | profit sector;  |
| 20 | (3) publish, based upon regular consultation                |
| 21 | with the nonprofit sector, policy options and rec-          |
| 22 | ommendations for leveraging the unique partnership          |
| 23 | between the Federal Government and the nonprofit            |
| 24 | sector to accelerate repair and rebuilding across           |

| 1  | America, particularly with respect to underserved       |
|----|---|
| 2  | and marginalized communities;                           |
| 3  | (4) identify barriers and policies that hinder,         |
| 4  | increase, or sustain opportunities for nonprofits to    |
| 5  | operate internationally both on their own or in part-   |
| 6  | nership with the Federal Government;                    |
| 7  | (5) coordinate, across relevant Federal agen-           |
| 8  | cies, the task of compiling, producing and making       |
| 9  | publicly available key Federal data sources of rel-     |
| 10 | evance to the nonprofit sector. This will include data  |
| 11 | on the economic health and impact of the nonprofit      |
| 12 | sector (including employment and wage data), data       |
| 13 | on Federal funding of the nonprofit sector (including   |
| 14 | grants and contracts), Census data, and data on         |
| 15 | philanthropic contributions, volunteering and civic     |
| 16 | engagement and be published publicly annually;          |
| 17 | (6) direct a Federal agency, to be determined           |
| 18 | by the Nonprofit Advisor within 180 days, to ini-       |
| 19 | tiate, in consultation with States, a competitive       |
| 20 | grant process to build a single online portal, such     |
| 21 | that charities can fulfill State registration and re-   |
| 22 | porting requirements for States that choose to par-     |
| 23 | ticipate through a single filing. An eligible grant re- |
| 24 | cipient must be a nonprofit organization with rep-      |

resentation from State charities regulators on its

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| 1  | governing board. In evaluating applications for this  |
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| 2  | portal, the Federal agency shall consider whether the |
| 3  | application will—                                     |
| 4  | (A) enable smaller charities to respond to            |
| 5  | disasters in their communities by raising funds       |
| 6  | from multiple States;                                 |
| 7  | (B) empower the public to make respon-                |
| 8  | sible donations, especially to help those in need     |
| 9  | during natural disasters or other crises of na-       |
| 10 | tional significance;                                  |
| 11 | (C) eliminate costly inefficiencies for char-         |
| 12 | ities operating or fundraising in multiple            |
| 13 | States;   |
| 14 | (D) support State oversight of charitable             |
| 15 | assets, monitoring of fundraising campaigns, in-      |
| 16 | formation sharing among State regulators, and         |
| 17 | preventing and addressing fraud;                      |
| 18 | (E) ensure appropriate cybersecurity                  |
| 19 | standards are being met or exceeded;                  |
| 20 | (F) preserve the public's trust in non-               |
| 21 | profits; and  |
| 22 | (G) establish a sustainable funding mecha-            |
| 23 | nism that is not reliant on Federal funding for       |
| 24 | ongoing costs; and                                    |

| 1  | (7) convene a commission on Federal grant re-           |
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| 2  | form composed of individuals representing Federal       |
| 3  | grantmaking agencies, pass-through entities, and        |
| 4  | nonprofit grantees and subgrantees to offer rec-        |
| 5  | ommendations to streamline and improve the oper-        |
| 6  | ational relationship between all levels of government   |
| 7  | and the nonprofit sector. In addition, the sector's ac- |
| 8  | cess to, participation in and performance in Federal,   |
| 9  | State, and local government contracting and funding     |
| 10 | shall be assessed—                                      |
| 11 | (A) the commission members shall be ap-                 |
| 12 | pointed by the President and be drawn from the          |
| 13 | nonprofit sector to include designees with sub-         |
| 14 | stantial and diverse experience in Federal,             |
| 15 | State, and local governmental grantmaking               |
| 16 | processes, and shall include proportional rep-          |
| 17 | resentation from small, medium, and large non-          |
| 18 | profit organizations as determined by annual            |
| 19 | revenue, and include meaningful racial, gender,         |
| 20 | ethnic and geographic diversity;                        |
| 21 | (B) the report of the commission shall in-              |
| 22 | clude recommendations on—                               |
| 23 | (i) improving provisions of the Uni-                    |
| 24 | form Administrative Requirements, Cost                  |
| 25 | Principles, and Audit Requirements for                  |

| 1  | Federal Awards (OMB Uniform Guid-             |
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| 2  | ance), (2 C.F.R. 200), related to racial,     |
| 3  | gender, ethnic inclusion in grantmaking       |
| 4  | processes, and to negotiation of indirect     |
| 5  | costs, including a de minimis indirect cost   |
| 6  | rate;   |
| 7  | (ii) improving enforcement of the             |
| 8  | OMB Uniform Guidance to strengthen the        |
| 9  | integrity of Federal programs while allow-    |
| 10 | ing nonprofit organizations streamlined ac-   |
| 11 | cess to Federal funding opportunities, ex-    |
| 12 | pressly in the areas of payment by pass-      |
| 13 | through entities and others of indirect cost  |
| 14 | rates and establishment of a clearinghouse    |
| 15 | of agency decisions or other means for        |
| 16 | maintaining consistent interpretation of      |
| 17 | the OMB Uniform Guidance;                     |
| 18 | (iii) reviewing Federal statutes and          |
| 19 | regulations to identify inconsistent require- |
| 20 | ments and restrictions on payment of "ad-     |
| 21 | ministrative costs" and other terms and       |
| 22 | definitions, and consider the impact of in-   |
| 23 | consistent or conflicting rules on organiza-  |
| 24 | tions seeking Federal and State pass-         |

| 1  | through grants on their operations and             |
|----|--|
| 2  | sustainability;                                    |
| 3  | (iv) assessing how grant agreements                |
| 4  | and reimbursements can be modified to en-          |
| 5  | able and incentivize nonprofits to utilize         |
| 6  | government grant funds to provide living           |
| 7  | wages and relevant professional develop-           |
| 8  | ment to employees working on those                 |
| 9  | grants, and to ensure that interns and             |
| 10 | those in apprenticeships working on gov-           |
| 11 | ernment grants or contracts are paid rath-         |
| 12 | er than unpaid; and                                |
| 13 | (v) reporting its recommendations on               |
| 14 | the foregoing to the President and Con-            |
| 15 | gress, no later than 18 months after enact-        |
| 16 | ment, and addressing how grant and con-            |
| 17 | tract agreements and reimbursements                |
| 18 | should be modified to enable nonprofit             |
| 19 | grant recipients to respond to issues of na-       |
| 20 | tional significance; and                           |
| 21 | (C) at the direction of the President, but         |
| 22 | no later than 5 years after the release of the re- |
| 23 | port described in subparagraph (B) of this         |
| 24 | paragraph, the commission shall reconvene to       |
| 25 | further review the operational relationship be-    |

| 1   | tween all levels of government and the nonprofit  |
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| 2   | sector and evaluate it for improvement.   |
| 3   | (c) Administration.—The President shall appoint   |
| 4   | a Nonprofit Advisor within 90 days of enactment of this   |
| 5   | legislation. The Nonprofit Advisor shall, in addition to  |
| 6   | being Director of the Office, serve as the head of the Inter-   |
| 7   | agency Council, co-chair of the Advisory Council, and re-   |
| 8   | sponsible to carry out the provisions of this section and   |
| 9   | coordinate with executive departments as appropriate with   |
| 10  | respect to the mission of the Office and related govern-  |
| 11  | mental entities.  |
| 12  | SEC. 5. INTERAGENCY COUNCIL ON NONPROFIT SECTOR   |
|   |   |
| 13  | PARTNERSHIP.  |
| 13<br>14  | PARTNERSHIP.  (a) ESTABLISHMENT.—There is established in the ex-  |
|   |   |
| 14  | (a) Establishment.—There is established in the ex-  |
| 14<br>15  | (a) ESTABLISHMENT.—There is established in the executive branch an independent entity to be known as the  |
| <ul><li>14</li><li>15</li><li>16</li><li>17</li></ul>                       | (a) ESTABLISHMENT.—There is established in the executive branch an independent entity to be known as the Interagency Council on Nonprofit Sector Partnership.   |
| <ul><li>14</li><li>15</li><li>16</li><li>17</li></ul>                       | <ul><li>(a) ESTABLISHMENT.—There is established in the executive branch an independent entity to be known as the Interagency Council on Nonprofit Sector Partnership.</li><li>(b) MEMBERSHIP.—The Council shall be composed of</li></ul>  |
| 14<br>15<br>16<br>17<br>18  | <ul> <li>(a) ESTABLISHMENT.—There is established in the executive branch an independent entity to be known as the Interagency Council on Nonprofit Sector Partnership.</li> <li>(b) MEMBERSHIP.—The Council shall be composed of the head of each cabinet agency, or their designee in addi-</li> </ul>   |
| <ul><li>14</li><li>15</li><li>16</li><li>17</li><li>18</li><li>19</li></ul> | <ul> <li>(a) ESTABLISHMENT.—There is established in the executive branch an independent entity to be known as the Interagency Council on Nonprofit Sector Partnership.</li> <li>(b) MEMBERSHIP.—The Council shall be composed of the head of each cabinet agency, or their designee in addition to the—</li> </ul>  |
| 14<br>15<br>16<br>17<br>18<br>19<br>20                                      | <ul> <li>(a) ESTABLISHMENT.—There is established in the executive branch an independent entity to be known as the Interagency Council on Nonprofit Sector Partnership.</li> <li>(b) MEMBERSHIP.—The Council shall be composed of the head of each cabinet agency, or their designee in addition to the—</li> <li>(1) Corporation for National and Community</li> </ul>                      |
| 14<br>15<br>16<br>17<br>18<br>19<br>20<br>21                                | <ul> <li>(a) ESTABLISHMENT.—There is established in the executive branch an independent entity to be known as the Interagency Council on Nonprofit Sector Partnership.</li> <li>(b) MEMBERSHIP.—The Council shall be composed of the head of each cabinet agency, or their designee in addition to the— <ul> <li>(1) Corporation for National and Community Service;</li> </ul> </li> </ul> |

| 1  | (5) Institute of Museum and Library Services;               |
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| 2  | and   |
| 3  | (6) other agencies as determined by the Presi-              |
| 4  | dent.   |
| 5  | (c) Responsibilities.—The Interagency Council,              |
| 6  | shall issue biennial reports providing specific recommenda- |
| 7  | tions on how the nonprofit sector can best leverage and     |
| 8  | accelerate Federal investments to rebuild American com-     |
| 9  | munities and to offer specific recommendations for          |
| 10 | strengthening, promoting, and improving the overall abil-   |
| 11 | ity of the nonprofit sector to address issues of national   |
| 12 | significance. These recommendations shall include consid-   |
| 13 | eration of—   |
| 14 | (1) improving Federal research and data access              |
| 15 | and transparency, including by collecting and dis-          |
| 16 | seminating disaggregated data and research relevant         |
| 17 | to the ability of the nonprofit sector to respond to        |
| 18 | societal need;  |
| 19 | (2) consulting and partnering with nonprofits               |
| 20 | as an engine of employment, preparing Americans             |
| 21 | for their first jobs or new jobs, deploying national        |
| 22 | service members to rebuild communities while ac-            |
| 23 | quiring valuable professional and civic skills and ca-      |
| 24 | reer guidance, and employing millions of people of          |

| 1  | all backgrounds in good jobs to do the work of            |
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| 2  | change;   |
| 3  | (3) necessary legislation, regulation, and other          |
| 4  | action toward these goals, including changes to the       |
| 5  | structure of the Interagency Council;                     |
| 6  | (4) Federal efforts that could have an impact             |
| 7  | on charitable giving, volunteerism, and national serv-    |
| 8  | ice;  |
| 9  | (5) Federal investments that could bolster the            |
| 10 | civic infrastructure of the United States, which in       |
| 11 | includes its workforce, volunteer force, capacity of      |
| 12 | nonprofit institutions, and the norms and practices       |
| 13 | that help communities solve problems; and                 |
| 14 | (6) how Federal technology policies and funding           |
| 15 | might be more effectively aligned with the nonprofit      |
| 16 | sector and the communities it serves.                     |
| 17 | (d) Administration.—The Interagency Council               |
| 18 | shall be chaired by the Nonprofit Advisor and may accept  |
| 19 | staff detailed from Federal agencies to support coordina- |
| 20 | tion and implementation efforts. The Interagency Council  |
| 21 | shall meet no fewer than four times per year.             |
| 22 | SEC. 6. ADVISORY BOARD ON THE NONPROFIT SECTOR.           |
| 23 | (a) Establishment.—There is hereby established            |
| 24 | under the Federal Advisory Committee Act, (Public Law     |
| 25 | 92–463), an Advisory Board on the Nonprofit Sector, co-   |

| 1  | chaired by the Nonprofit Advisor and a designee from the  |
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| 2  | nonprofit sector, as appointed by the President and Con-  |
| 3  | gress as described below, except for subsection (b)(2)(B) |
| 4  | of this section.  |
| 5  | (b) Membership.—  |
| 6  | (1) Number and appointment.—The Advi-                     |
| 7  | sory Board shall be composed of 16 members as fol-        |
| 8  | lows:   |
| 9  | (A) The Nonprofit Advisor and seven addi-                 |
| 10 | tional members shall be appointed by the Presi-           |
| 11 | dent.   |
| 12 | (B) Two members shall be appointed by                     |
| 13 | the Speaker of the House of Representatives.              |
| 14 | (C) Two members shall be appointed by                     |
| 15 | the minority leader of the House of Representa-           |
| 16 | tives.  |
| 17 | (D) Two members shall be appointed by                     |
| 18 | the majority leader of the Senate.                        |
| 19 | (E) Two members shall be appointed by                     |
| 20 | the minority leader of the Senate.                        |
| 21 | (2) With the exception of the Nonprofit Advi-             |
| 22 | sor, membership of the Advisory Board shall be            |
| 23 | drawn from the nonprofit sector to include designees      |
| 24 | with substantial and diverse experience and points of     |
| 25 | view in the issues facing the nonprofit sector. This      |

| 1  | shall include leading national organizations that rep- |
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| 2  | resent the interests of the broad sector, as well as   |
| 3  | proportional representation to the extent possible     |
| 4  | from representatives of large, medium and small        |
| 5  | nonprofit and philanthropic organizations and in-      |
| 6  | clude meaningful racial, gender, ethnic and geo-       |
| 7  | graphic diversity. The terms of members to the Ad-     |
| 8  | visory Board shall be staggered between three and      |
| 9  | four years and renewable for one term.                 |
| 10 | (A) VACANCIES.—A vacancy on the Board                  |
| 11 | shall be filled in the manner in which the origi-      |
| 12 | nal appointment was made.                              |
| 13 | (B) Basic pay and travel expenses.—                    |
| 14 | With the exception of the Nonprofit Advisor, all       |
| 15 | Voting Board members shall, and nonvoting              |
| 16 | members may, be appointed as special Govern-           |
| 17 | ment employees and receive a consultant fee            |
| 18 | and be reimbursed for travel expenses, includ-         |
| 19 | ing per diem in lieu of subsistence, in the same       |
| 20 | manner as provided under the Federal Advisory          |
| 21 | Committee Act, unless such compensation and            |
| 22 | reimbursement are waived.                              |
| 23 | (C) Co-chairs.—The President shall des-                |
| 24 | ignate the Nonprofit Advisor as a co-chair of          |
| 25 | the Advisory Board and select and additional           |

| 1  | Co-chair from among the members of the                       |
|----|--|
| 2  | Board, who may not be members of the same                    |
| 3  | political party.   |
| 4  | (c) Functions.—The Advisory Board shall issue bi-            |
| 5  | ennial reports to Congress, as well as advise the President  |
| 6  | and the Interagency Council on matters involving policy      |
| 7  | affecting nonprofit sector, volunteerism, service, and other |
| 8  | related topics. The Advisory Board shall meet regularly,     |
| 9  | upon the call of the co-chairs, and shall—                   |
| 10 | (1) respond to requests from the President or                |
| 11 | the President's designee for information, analysis,          |
| 12 | evaluation, or advice;                                       |
| 13 | (2) solicit information and ideas from a broad               |
| 14 | range of stakeholders;                                       |
| 15 | (3) in its biennial report, provide information              |
| 16 | on the state of the nonprofit sector, volunteerism,          |
| 17 | charitable giving and national service, as well as           |
| 18 | feedback on the effect of Federal policies on each;          |
| 19 | (4) in its biennial report, provide recommenda-              |
| 20 | tions on legislative, regulatory, and executive actions      |
| 21 | to improve and support the nonprofit sector and its          |
| 22 | partnerships with the Federal Government;                    |
| 23 | (5) in its biennial report, provide recommenda-              |
| 24 | tions on long-term opportunities to strengthen the           |

| 1  | nonprofit sector, volunteerism, and national service       |
|----|--|
| 2  | through Federal actions and policy; and                    |
| 3  | (6) in its biennial report, include a statement            |
| 4  | analyzing how any recommendations would impact             |
| 5  | the disparities between members of different racial        |
| 6  | and ethnic groups.   |
| 7  | (d) Administration.—The heads of executive de-             |
| 8  | partments and agencies shall provide the Advisory Board    |
| 9  | with information concerning appropriate matters when re-   |
| 10 | quested by the Advisory Board Co-Chairs and as required    |
| 11 | for the purpose of carrying out the Advisory Board's func- |
| 12 | tions, unless otherwise prohibited by law.                 |
| 13 | SEC. 7. VOLUNTEERISM AND CHARITABLE GIVING.                |
| 14 | (a) Treasury Department.—The Secretary of the              |
| 15 | Department of the Treasury shall—                          |
| 16 | (1) analyze and publicly release the impact of             |
| 17 | relevant statutes, regulations, and other actions on       |
| 18 | charitable giving specifically and the nonprofit sector    |
| 19 | generally, including analysis disaggregated by demo-       |
| 20 | graphic factors whenever possible; and                     |
| 21 | (2) examine the reconstitution of the Advisory             |
| 22 | Committee on Tax Exempt and Government Enti-               |
| 23 | ties.  |
| 24 | (b) Department of Labor, Bureau of Labor                   |
| 25 | STATISTICS.—The Bureau of Labor Statistics shall within    |

| 1  | two years of enactment, issue a biennial report on trends |
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| 2  | in the non-stipended volunteer force.                     |
| 3  | (e) Corporation for National and Community                |
| 4  | SERVICE.—The Corporation for National and Community       |
| 5  | Service shall—  |
| 6  | (1) issue a comprehensive report assessing how            |
| 7  | CNCS can best be structured and resourced to sup-         |
| 8  | port the unique needs and potential of both the non-      |
| 9  | stipended volunteer force and the national service        |
| 10 | community. This assessment shall also consider how        |
| 11 | underserved and marginalized communities can ac-          |
| 12 | cess service programs. CNCS shall share that report       |
| 13 | with Congress within six months of enactment and          |
| 14 | issue updates every two years, thereafter;                |
| 15 | (2) review existing programs such as the Volun-           |
| 16 | teer Generation Fund and the Nonprofit Capacity           |
| 17 | Building Program to determine how these programs          |
| 18 | might be strengthened and/or expanded to ensure,          |
| 19 | among other critical functions, they will support a       |
| 20 | wide diversity of nonprofits to build capacity to en-     |
| 21 | gage, sustain, and support the volunteer force, and       |
| 22 | to share such recommendations with Congress within        |
| 23 | six months of enactment;                                  |
| 24 | (3) within 90 days of enactment, solicit input            |
| 25 | from the nonprofit sector and the public about en-        |

| 1  | hancing and revising the Current Population Survey   |
|----|--|
| 2  | with supplements on—                                 |
| 3  | (A) volunteerism;                                    |
| 4  | (B) charitable giving; and                           |
| 5  | (C) civic engagement; and                            |
| 6  | (4) within six months of enactment, present the      |
| 7  | findings of the input described in paragraph (3) to  |
| 8  | Congress and the Office on the Nonprofit Sector.     |
| 9  | SEC. 8. NATIONAL SERVICE.                            |
| 10 | The Corporation for National and Community Serv-     |
| 11 | ice shall—   |
| 12 | (1) by no later than one year from the date of       |
| 13 | enactment, make recommendations to Congress on       |
| 14 | updating Service Year Fellowships to broaden access  |
| 15 | to national service to underserved and marginalized  |
| 16 | communities and provide increased capacity for all   |
| 17 | section 501(c)(3) nonprofits in moments of increased |
| 18 | need; and  |
| 19 | (2) by no later than two years from the date of      |
| 20 | enactment, redesign and relaunch the eGrants sys-    |
| 21 | tem, including user testing that engages organiza-   |
| 22 | tions who are not current grantees and that rep-     |
| 23 | resent or reach underserved and marginalized com-    |
| 24 | munities to test barriers to submitting for a grant. |

## 1 SEC. 9. GOVERNMENT RESEARCH AND DATA.

| 2  | (a) Treasury Department.—The Secretary of the          |
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| 3  | Department of the Treasury shall—                      |
| 4  | (1) in consultation with the Advisory Com-             |
| 5  | mittee, make recommendations to Congress on how        |
| 6  | to formulate the way data is recorded concerning       |
| 7  | government grants, contracts, and reimbursements       |
| 8  | to nonprofit organizations on Form 990, Return of      |
| 9  | Organization Exempt from Income Tax, to increase       |
| 10 | the utility and clarity of Form 990 information. The   |
| 11 | IRS will also take steps to improve public access to   |
| 12 | 990 e-filed data, providing the schema and metadata    |
| 13 | necessary to facilitate public use;                    |
| 14 | (2) revoke the use of form 1023–EZ for non-            |
| 15 | profit filing status and initiate a process to replace |
| 16 | it, based upon recommendations from the Advisory       |
| 17 | Board, the nonprofit sector, State charities officials |
| 18 | and government examinations; and                       |
| 19 | (3) in consultation with stakeholders in the           |
| 20 | nonprofit sector, consider, and publicly release rec-  |
| 21 | ommendations, funding needs, and activities to im-     |
| 22 | prove appropriate oversight of the nonprofit sector    |
| 23 | to ensure integrity within the sector and on behalf    |
| 24 | of the general public.                                 |
| 25 | (b) Department of Labor, Bureau of Labor               |
| 26 | STATISTICS.—The Bureau of Labor Statistics shall in-   |

| 1  | clude nonprofit organizations as a distinct category of em- |
|----|---|
| 2  | ployer in quarterly reports from its Quarterly Census of    |
| 3  | Employment and Wages. Within 90 days of enactment,          |
| 4  | the Bureau of Labor Statistics shall transmit a plan to     |
| 5  | Congress that will accomplish this goal.                    |
| 6  | (c) Department of Commerce, Bureau of Eco-                  |
| 7  | NOMIC ANALYSIS.—The Bureau of Economic Analysis             |
| 8  | shall in consultation with the Advisory Committee, create   |
| 9  | a Satellite Account on Nonprofit and Related Institutions   |
| 10 | and Volunteer Work within its national accounts program.    |
| 11 | This account shall be published no less frequently than     |
| 12 | on a biennial basis.  |
| 13 | (d) White House, Office of Management and                   |
| 14 | BUDGET.—The Office of Management and Budget shall—          |
| 15 | (1) solicit information from all relevant Federal           |
| 16 | agencies that collect data on the charitable and non-       |
| 17 | profit sectors in all published reports and publicly        |
| 18 | available tables and datasets and direct these agen-        |
| 19 | cies to include data disaggregated by the following         |
| 20 | factors without imposing significant administrative         |
| 21 | burden on impacted nonprofit organizations—                 |
| 22 | (A) the types of clients served by nonprofit                |
| 23 | organizations, including data on the race, gen-             |
| 24 | der, age, income level, language and geographic             |
| 25 | location of such clients;                                   |

| 1  | (B) the financial health of nonprofit orga-             |
|----|---|
| 2  | nizations;  |
| 3  | (C) philanthropic contributions to non-                 |
| 4  | profit organizations made by foundations, cor-          |
| 5  | porations, and individuals;                             |
| 6  | (D) the volunteer hours contributed to                  |
| 7  | nonprofit organizations by individuals in the           |
| 8  | United States; and                                      |
| 9  | (E) other factors as determined in con-                 |
| 10 | sultation with the Advisory Board; and                  |
| 11 | (2) conduct an impact assessment of how gov-            |
| 12 | ernment data collection, algorithm use and accuracy     |
| 13 | may have a discriminatory or disparate impact on        |
| 14 | nonprofit issues or communities they serve, particu-    |
| 15 | larly underserved and marginalized communities.         |
| 16 | SEC. 10. NONPARTISAN CIVIC ENGAGEMENT AND ADVO-         |
| 17 | CACY.   |
| 18 | The Secretary of the Department of the Treasury         |
| 19 | shall, within 1 year of enactment and after gathering   |
| 20 | input from the Advisory Board and the broader nonprofit |
| 21 | sector, issue a report to Congress on—                  |
| 22 | (1) recommendations for clarifying the dif-             |
| 23 | ference between nonpartisan civic engagement and        |
| 24 | the current prohibition on political campaign inter-    |

| 1  | vention for organizations organized under section     |
|----|---|
| 2  | 501(c)(3) of title 26, United States Code; and        |
| 3  | (2) the role of the current "facts and cir-           |
| 4  | cumstances" standard for tax-exempt entities orga-    |
| 5  | nized under provisions of the Internal Revenue Code   |
| 6  | other than section 501(c)(3) of title 26, United      |
| 7  | States Code.  |
| 8  | SEC. 11. DEFINITIONS.                                 |
| 9  | In this Act:  |
| 10 | (1) Nonprofit.—The term "nonprofit" or                |
| 11 | "nonprofit organization" shall include the definition |
| 12 | included in section 501(c)(3) of title 26, United     |
| 13 | States Code, and in addition shall mean a group or    |
| 14 | ganized for purposes other than generating profit     |
| 15 | and in which no part of the organization's income is  |
| 16 | distributed to its members, directors, or officers.   |
| 17 | (2) Pass-through entity.—The term "pass-              |
| 18 | through entity" shall include the definition included |
| 19 | in section 200.1 of title 2, Code of Federal Regula-  |
| 20 | tions, a non-Federal entity that provides a subaward  |
| 21 | to a subrecipient to carry out part of a Federal pro- |
| 22 | gram.   |
| 23 | (3) Nonprofit advisor.—The term "Non-                 |
| 24 | profit Advisor' means an individual who is—           |

| 1  | (A) designated as an Assistant to the           |
|----|---|
| 2  | President;                                      |
| 3  | (B) has experience working in the non-          |
| 4  | profit sector and government; and               |
| 5  | (C) is deeply committed to strengthening        |
| 6  | the partnership between the Federal Govern-     |
| 7  | ment and the nonprofit sector.                  |
| 8  | (4) Current population survey.—The term         |
| 9  | "Current Population Survey" means the jointly   |
| 10 | sponsored survey administered by the Census Bu- |
| 11 | reau and the Bureau of Labor Statistics and ap- |
| 12 | proved by the Office of Management and Budget   |
| 13 | (OMB Number 0607–0049).                         |
| 14 | (5) Underserved and marginalized com-           |
| 15 | MUNITIES.—The term "underserved and             |
| 16 | marginalized communities" means individuals who |
| 17 | are—  |
| 18 | (A) Black, Indigenous, and People of            |
| 19 | Color, including Asian American, Latino, Amer-  |
| 20 | ican Indian, Alaska Native, and Native Hawai-   |
| 21 | ian;  |
| 22 | (B) rural populations;                          |
| 23 | (C) individuals with disabilities;              |
| 24 | (D) low-income or homeless individuals:         |

| 1  | (E) individuals with mental health or sub-                      |
|----|---|
| 2  | stance related disorders;                                       |
| 3  | (F) victims of abuse or trauma;                                 |
| 4  | (G) lesbian, gay, bisexual, and transgender                     |
| 5  | individuals; or   |
| 6  | (H) refugees.   |
| 7  | SEC. 12. AUTHORIZATION OF APPROPRIATIONS.                       |
| 8  | There is authorized to be appropriated to carry out             |
| 9  | the provisions of this Act $$50,000,000$ for fiscal year $2023$ |
| 10 | and such sums as necessary for each of fiscal years 2024        |
| 11 | through 2027.   |