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February 2, 2021

Assemblymember Wendy Carrillo
Chair, Assembly Budget Subcommittee 4
P.O. Box 942849,
Sacramento, CA 94249-0051

RE: Nonprofit Experience with Relief Grant Program; Need for CalOSBA Nonprofit Liaison

Dear Chair Carrillo,

Below are the public comments the California Association of Nonprofits (CalNonprofits) will present in today's hearing of the Assembly Subcommittee 4 on State Administration.

Thank you, Chair Carrillo and members of the subcommittee. I am Lucy Salcido Carter, public policy director at the California Association of Nonprofits or CalNonprofits, for short. We are a policy alliance of more than 10,000 nonprofits and the voice of the nonprofit community in California.

We are also a contracted application partner for the current CA Relief Program, guiding nonprofits through a grant application process designed for small businesses, and have supported California's nonprofits through the challenging federal Paycheck Protection Program application process. Through webinars and one-on-one assistance, we've worked with thousands of nonprofits on accessing these grant programs.

We are grateful that nonprofits are included in the CA Relief Program. Nonprofits are vital to the state's services supply chain, job market, and economy. One in fourteen jobs in California is at a nonprofit, and the sector generates 15% of the Gross State Product.

The nonprofit community has been deeply impacted by the pandemic and need relief funds to continue to serve their communities, provide jobs, and support local economies. Nonprofits are struggling in a variety of ways. Many are stepping up to respond to increased needs in their communities without an increase in funds for those services, while others, like afterschool programs, have remained closed yet provide an important services infrastructure that we can't afford to lose.

Current relief programs are not designed to adequately assess the needs and contributions of nonprofits. Grant application processes indirectly exclude nonprofits by framing questions and criteria solely around the needs of small business.

Relief programs and application procedures for them must be tailored to reflect the contributions and needs of California's nonprofits. So that these programs provide a real avenue of relief for us and the communities we serve.

And it is clear, from the 334,000 applications received in just the first round of the CA Relief Program, that current program allocations are not adequate.

We support the proposal in the Governor's January budget for increased funds in the amount of \$575M to provide relief for nonprofits and small businesses, including the \$25M set-aside for cultural institutions. But those amounts are not enough. For this reason, we are also supporting proposals like SB 74 that include a funding amount closer to what is needed.

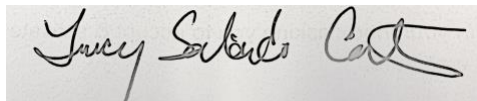
In addition, with regard to the GO-Biz budget change proposal for Cal OSBA to have six new and ongoing positions (0509-005-BCP-2021-GB), we ask that at least one of those positions be a designated liaison for the nonprofit community. If CalOSBA is going to continue to oversee grant programs that include nonprofits, the agency must have in-house nonprofit experts who understand nonprofit operations and finances and can help shape relief programs that take the unique needs of nonprofits into account.

Thank you.

We welcome opportunities to work with you and your subcommittee to bring more relief funds to California's nonprofits, to create an application process that ensures access by nonprofits to these much-needed funds, and to support a nonprofit liaison at CalOSBA.

Please do not hesitate to contact me at lucyc@calnonprofits.org or our Sacramento Advocate Jennifer Fearing at jennifer@fearlessadvocacy.com with any questions you may have.

Sincerely,

A handwritten signature in black ink on a light-colored background. The signature reads "Lucy Salcido Carter" in a cursive script.

Lucy Salcido Carter, MA, JD
Public Policy Director, CalNonprofits

Attachment:

[A Thriving Nonprofit Sector is Critical to California's Economic Recovery](#)