



Nonprofit Association of Washington

Learn. Advocate. Collaborate.

Nonprofits are Washington's Community Infrastructure

The nonprofit sector is crucial to Washington State's economy and well-being. Over 25,000 charitable nonprofits provide critical community services such as healthcare, housing, education, childcare, recreation, environmental conservation, arts and culture, and care for older adults and people with disabilities. The nonprofit sector is Washington's 4th largest industry.



297,096

NONPROFIT EMPLOYEES

NONPROFITS ARE WA'S 4th
LARGEST INDUSTRY



NONPROFITS AFFECT EVERY WASHINGTON COMMUNITY

FROM FARMER'S MARKETS TO
SUMMER CAMPS & COMMUNITY
HEALTH CENTERS TO PET
SHELTERS



VOLUNTEERS ADDED \$4 BILLION IN VALUE

NONPROFITS LEVERAGED
VOLUNTEER LABOR TO ADD \$4
BILLION IN VALUE TO OUR STATE

2025 State Legislative Priorities

A healthy nonprofit sector is fundamental to a thriving Washington. We must act to strengthen the nonprofits that serve our communities. We urge you to support the following policies:

Strengthen Nonprofit Government Partnerships



Nonprofits perform work on the government's behalf, but some contracting practices undermine nonprofit sustainability and equitable distribution of resources. Government and nonprofits can work together to improve contracting regulations, including no or low-cost solutions. Without these changes, many nonprofits and the critical services they provide are at risk due to chronic underinvestment and escalating costs.

- **Support proposals to improve nonprofit government contracting**
 - Adopt federal standards of a draw-down account, where expenses can be quickly reimbursed
 - Multiyear contracts will be executed prior to the start of service
 - Build strong collaboration with representatives from fiscal, program, contracting, and the nonprofit participating in joint meetings throughout the contract

Keep Insurance Affordable for Nonprofits



Nonprofit insurance rates continue to rise year after year, while nonprofits are asked to do more with less money. Increasing insurance premiums threaten nonprofits' financial stability and ability to take on future government contracts.

- **SB 5059/HB 1649** We oppose Pre-Judgement Interest which will increase nonprofit liability, and significantly increase nonprofit insurance rates, resulting in program closures.
- **Support proposals to share risk and/or underwrite true insurance costs** when nonprofits are providing services to vulnerable populations on behalf of state government, such as child welfare agencies and agencies providing permanent supported housing.

Allow Nonprofits to Raise Crucial Funding

Nonprofits use games of chance and raffles to increase their fundraising capabilities. Some of these laws haven't been updated since the 1970s – it's time for an update!



- **Support improvements and modernization of Washington raffle laws for nonprofits.** This bill will allow nonprofits to raise more revenue by keeping fundraising limits up with inflation and extend the opportunity for enhanced raffles to all nonprofits.

Give Small Nonprofits the Opportunity to Catch Up to Wage Increases

Seasonal aspects essential to nonprofit work require flexibility, and overtime-exempt status has provided that flexibility. The exempt salary threshold is up 93% from 2020 and is making exempt employment status untenable for many smaller and rural nonprofits.



- **Support a pause of the overtime-exempt increase for two years.** The overtime exempt threshold will rise from 2x minimum wage in 2025 to 2.25x minimum wage in 2026. Pausing at a multiplier of 2x minimum wage assures that employees are earning fair wages, while giving nonprofits time to adjust to the significant increases we've already seen.