



## 2026 Public Policy and Legislative Priorities

- ✓ **Public-private partnerships for the public good:** Promote and support executive action and/or legislation that strengthens communities through a strong nonprofit sector and workforce, including addressing systemic problems with nonprofit-government contracting and grants.
  - ⇒ Advocate for legislation that addresses granting and contracting practices, including advanced payments, timely execution of agreements, prompt payment and interest penalties for late payments, as well as streamlined application and reporting processes.
  - ⇒ Advocate for the General Assembly to establish a budgetary policy that requires the commonwealth to sufficiently fund their partnerships with the nonprofits the state has chosen to contract with for the provision of statutorily required services, as well intervention and prevention services – ensuring that effective, quality, uninterrupted services exist for the residents of the commonwealth and that nonprofits can maximize the full impact of taxpayer dollars.
  - ⇒ Advocate for spending decisions that promote fiscal stability and growth, while also ensuring the work of nonprofits to serve Kentuckians and meet community needs is sustained and protected.
- ✓ **Tax policy that empowers community solutions through nonprofits:**
  - ⇒ Support expanded, enhanced and new tax and other incentives for individuals and businesses, including a universal non-itemizer charitable giving tax deduction, at the federal and state level to encourage individuals to give generously to the work of charitable nonprofits. Actively oppose floors, caps or limits on existing incentives that would harm the sector’s ability to leverage philanthropic support.
  - ⇒ Support measures to clarify the tax code and relieve charitable nonprofits from collecting and remitting sales and use taxes from those receiving services.
  - ⇒ Oppose the imposition of taxes, fees, or payments in lieu of taxes (PILOTS) on tax-exempt nonprofits.
- ✓ **Nonprofit advocacy rights and civic engagement:**
  - ⇒ Preserve the integrity of charitable nonprofits by supporting the tax-law ban on electioneering and partisan political activities.
  - ⇒ Oppose legislation or actions that restrict the advocacy rights of charitable nonprofits or adversely impact or threaten the effectiveness of nonprofits and sector independence.
  - ⇒ Oppose legislation, policies, and practices that prevent citizens from voting.
- ✓ **Nonprofit tax-exempt status, independence and public accountability:** Support reasonable and non-burdensome regulations and policies that allow nonprofits to earn and maintain public trust through appropriate transparency while also ensuring that government agencies regulating and providing oversight of 501 (c)(3) charitable nonprofits and other exempt organizations have access to the information they need to protect the public and the integrity of the nonprofit sector. Oppose policies or legislation that impose increased costs, burdens, barriers, limitations, or liabilities on nonprofits – negatively impacting their ability to effectively accomplish their core mission.
  - ⇒ Support measures that defend charitable 501 (c)(3) tax-exempt status as is outlined in federal law and/or in Kentucky Revised Statutes. Oppose measures that attempt to revoke status or benefits of status based on ideological grounds.
  - ⇒ Safeguard lawful revenue-generating and fundraising activities that help fund essential community programs, ensuring nonprofits can sustainably deliver vital services across the Commonwealth.
  - ⇒ Support the establishment of a clear, timely, and fair process for transferring donor-designated assets to nonprofit beneficiaries, preventing unnecessary delays and burdens imposed by financial institutions so organizations can reliably receive the resources intended to fuel their community-serving missions.



## Public Policy Agenda

*Kentucky Nonprofit Network's public policy agenda provides clear principles common to all nonprofits regarding policy priorities at the federal, state, and local levels. The following agenda represents our annual framework for addressing public policy that impacts and strengthens nonprofits in Kentucky.*

**Nonprofit Sector Public Awareness** – Educate policy makers and the general public on the breadth, scope and economic importance of the nonprofit sector in Kentucky and in the United States.

**Nonprofit Exempt Status Protection** – Support actions to preserve and protect the tax-exempt status of nonprofits and promote policies that strengthen the nonprofit economy.

**Charitable Giving and Volunteerism** – Preserve and enact policies that effectively incentivize citizens to donate and volunteer to support the work of Kentucky's charitable organizations.

**Nonprofit-Government Relations** – Improve and strengthen the nonprofit-government relationship through reforms to the contracting and grant making processes. Advocate for government's payment of the full cost of services provided on its behalf by nonprofits. Encourage all nonprofits to be meaningful participants in the state and local budget processes.

**Advocacy and Lobbying Rights, Civic Participation** – Protect the rights of all 501 (c)(3) organizations to advocate for their respective missions and strengthen the ability of Kentucky nonprofits to engage in the public policy arena. Protect nonprofits' right to promote democracy and civic participation, including voting, on a non-partisan basis.

**Best Practices and Accountability** – Support actions which provide fair and reasonable expectations of accountability within the nonprofit sector. Enhance the ability of Kentucky nonprofits to function at the highest levels of governance, integrity, efficiency, and transparency and be accountable to the public they serve, while working to ensure that registration and disclosure requirements are necessary, reasonable, and non-burdensome.

**Economic and Workforce Development** – Support actions that enhance and strengthen the nonprofit sector's vital role in Kentucky's economy. Actively engage in advancing policies that support diverse, equitable and inclusive workplaces and communities that will help all Kentuckians thrive, including policies and legislation that address systemic inequities. Oppose legislation or actions that adversely impact or threaten the effectiveness of nonprofits, including employment laws and rules, alternative funding mechanisms, and sector independence.