3-24-2009

Nonprofit Capacity Building Initiative

Max S. Baucus
Senator * or Department*: BAUCUS

Instructions:
Prepare one form for insertion at the beginning of each record series.
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Record Type*: Speeches & Remarks

MONTH/YEAR of Records*: March-2009
(Example: JANUARY-2003)

(1) Subject*: Nonprofit Capacity Building Initiative
(select subject from controlled vocabulary, if your office has one)

(2) Subject* none

DOCUMENT DATE*: 03/24/2009
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* "required information"
Mr. President, I rise today to offer an amendment that will strengthen small charities around our country, especially in places where resources are scarce.

My amendment will create a “Nonprofit Capacity Building” program. I am pleased to have worked with my colleague, Senator Grassley, to develop this program. I have worked with Senator Grassley for several years on oversight of tax-exempt organizations and efforts to strengthen the nonprofit sector.

Our amendment will connect government funds with private-sector funds to provide education and training to small and midsize charities.

Small charities around our country serve people in need of food or clothing, run afterschool
programs, provide housing counseling, and other services that are vital to our communities. But in many cases, these small charities lack access to education opportunities where they might learn how to manage the charity’s finances, fundraise effectively, accurately file tax forms, adopt new computer programs or plan a long-term budget.

In nonprofit circles, folks would say these small nonprofits lack “capacity”, and training in these areas is called “capacity-building”.

Our amendment will add $5 million per year over 5 years to the budget of the Corporation for National and Community Service to make matching grants to larger organizations so they will, in turn, provide training to small and midsize charities throughout their state or region.

These kinds of training opportunities are especially rare for charities located in rural areas.
Folks running a charity in a rural area may never have the chance to attend a grant-writing training or a class on nonprofit budget management. That's why our amendment states that nonprofit training opportunities should be targeted at charities in areas with these resource challenges.

The amendment also requires the grants to be dollar-for-dollar matching grants. The match must come from non-federal sources, such as private foundations or corporate giving programs. It's important that both the federal government and the private sector pitch in to provide this support.

Government and private giving must coordinate better in support of people and communities. The underlying bill, the Serve America Act, supports the development of public-private solutions to problems facing our country. Some of my colleagues believe that the private sector must solve every problem facing our communities.
Many others believe that government is essential to solve the same problems. I believe that we need a combination of the best ideas from both. That’s the spirit behind this amendment.

I hear from folks in my home state of Montana on a weekly basis in support of this idea.

And the National Council of Nonprofits, Independent Sector, and the Alliance for Children and Families have voiced their strong support for this amendment.

I urge my colleagues to vote in favor of the Baucus-Grassley Nonprofit Capacity Building amendment.

Thank you, Mr. President. I yield the floor.