

111TH CONGRESS
2D SESSION

H. R. 5533

To strengthen the partnership between nonprofit organizations and the
Federal Government, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 15, 2010

Ms. MCCOLLUM introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committees on Education and Labor and Science and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To strengthen the partnership between 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Nonprofit Sector and Community Solutions Act of
6 2010”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

- Sec. 1. Short title; table of contents.
 Sec. 2. Findings.
 Sec. 3. Purposes.

TITLE I—UNITED STATES COUNCIL ON NONPROFIT
 ORGANIZATIONS AND COMMUNITY SOLUTIONS

- Sec. 101. United States Council on Nonprofit Organizations and Community Solutions.

TITLE II—INTERAGENCY WORKING GROUP ON NONPROFIT
 ORGANIZATIONS AND THE FEDERAL GOVERNMENT

- Sec. 201. Interagency Working Group on Nonprofit Organizations and the Federal Government.

TITLE III—DATA COLLECTION

- Sec. 301. Collection and assembly of Federal data.
 Sec. 302. Economic impact data.
 Sec. 303. Data on Federal funding of nonprofit organizations.
 Sec. 304. Employment data.
 Sec. 305. Census data.
 Sec. 306. Recommendations and assessment.

TITLE IV—RESEARCH

- Sec. 401. Research.

TITLE V—NONPROFIT ORGANIZATION DEFINED

- Sec. 501. Nonprofit organization defined.

1 SEC. 2. FINDINGS.

2 Congress finds the following:

3 (1) Each community in the United States is
 4 benefitted by the work of nonprofit organizations, in-
 5 cluding in the areas of—

6 (A) health and human services;

7 (B) education and worker training;

8 (C) the arts and culture;

9 (D) religion, faith, and spirituality;

10 (E) the environment, natural resources,

11 and recreation;

1 (F) justice and public safety; and

2 (G) civic organizations and social groups.

3 (2) Nonprofit organizations are a significant
4 and highly diverse sector of the economy of the
5 United States that includes 1,500,000 organizations,
6 according to the Internal Revenue Service, and that
7 accounted for as much as 5 percent of the Gross Do-
8 mestic Product of the United States in 2008, ac-
9 cording to the Government Accountability Office.

10 (3) While no Federal agency regularly collects
11 systematic employment data on the nonprofit sector,
12 the Congressional Research Service estimates that
13 nearly 10 percent of the workforce of the United
14 States is employed in the nonprofit sector as a whole
15 and more than 7 percent are employed by 501(c)(3)
16 public charities.

17 (4) Most nonprofit organizations are small em-
18 ployers focused on delivering vital services and cre-
19 ating opportunities in communities and among
20 groups of people and, according to the National Cen-
21 ter for Charitable Statistics, 93.3 percent of the
22 nonprofit organizations in the United States have an
23 annual budget of less than \$1,000,000.

24 (5) Federal agencies, as well as State and local
25 governments, rely on nonprofit organizations to im-

1 plement government-funded initiatives at the com-
2 munity level to accomplish public policy goals.

3 (6) The Federal Government provides signifi-
4 cant support to for-profit businesses through the
5 Small Business Administration and other agencies
6 and programs that are not accessible to or intended
7 for nonprofit organizations.

8 (7) Despite the importance of the nonprofit sec-
9 tor to the United States economy and to the success
10 of many Federal, State, and local policy initiatives,
11 no Federal agency has responsibility for evaluating,
12 building, or maintaining the capacity of the non-
13 profit sector and no congressional committee has ju-
14 risdiction over the sector as a whole.

15 **SEC. 3. PURPOSES.**

16 The purposes of this Act are the following:

17 (1) To enhance the ability of the nonprofit sec-
18 tor to address public challenges and maximize oppor-
19 tunities to improve quality of life in the communities
20 where nonprofit organizations work.

21 (2) To strengthen communities across the
22 United States by making the Federal Government a
23 more productive partner with nonprofit organiza-
24 tions through the establishment of better Federal co-
25 ordination with respect to, enhanced transparency

1 with respect to, and greater support for the work of
2 nonprofit organizations.

3 (3) To collect, assemble, and make available
4 Federal data and research on the nonprofit sector
5 and to generate new data and research where nec-
6 essary to support the development of effective Fed-
7 eral policy.

8 (4) To raise awareness of the nonprofit sector
9 and the vital civic, social, and economic contribu-
10 tions nonprofit organizations make to the United
11 States.

12 **TITLE I—UNITED STATES COUN-**
13 **CIL ON NONPROFIT ORGANI-**
14 **ZATIONS AND COMMUNITY**
15 **SOLUTIONS**

16 **SEC. 101. UNITED STATES COUNCIL ON NONPROFIT ORGA-**
17 **NIZATIONS AND COMMUNITY SOLUTIONS.**

18 (a) ESTABLISHMENT.—There is established a council
19 to be known as the “United States Council on Nonprofit
20 Organizations and Community Solutions” (in this section
21 referred to as the “Council”).

22 (b) MEMBERSHIP.—

23 (1) NUMBER AND APPOINTMENT.—The Council
24 shall be composed of 16 members as follows:

1 (A) Five members shall be appointed by
2 the President.

3 (B) Three members shall be appointed by
4 the majority leader of the House of Representa-
5 tives.

6 (C) Two members shall be appointed by
7 the minority leader of the House of Representa-
8 tives.

9 (D) Three members shall be appointed by
10 the majority leader of the Senate.

11 (E) Two members shall be appointed by
12 the minority leader of the Senate.

13 (F) The Chairperson of the Interagency
14 Working Group on Nonprofit Organizations and
15 the Federal Government (established under sec-
16 tion 201) shall be a member without voting
17 rights.

18 (2) QUALIFICATIONS.—

19 (A) EXPERIENCE AND EXPERTISE.—Each
20 individual appointed to the Council shall pos-
21 sess extensive experience or expertise with re-
22 spect to one or more of the following areas:

23 (i) The management, operation, or
24 support of nonprofit organizations, includ-
25 ing small and midsize nonprofit organiza-

tions and volunteer and national service nonprofit organizations.

(ii) Social entrepreneurship and innovation.

(iii) Philanthropy, including the philanthropic challenges of areas and groups underserved by donors and government programs.

(iv) Qualitative and quantitative research.

(v) The management and operation of businesses, including business partnerships with nonprofit organizations and philanthropic organizations.

(B) OTHER QUALIFICATIONS.—Individuals appointing members to the Council shall ensure that the individuals appointed, as a group, possess experience or expertise in each of the areas specified in subparagraph (A) and that, to the extent practicable, the membership of the Council includes individuals from geographic areas and ethnic and racial backgrounds that represent the diversity of the United States.

(3) TIMING OF INITIAL APPOINTMENTS.—Appointment of the initial members of the Council shall

1 be completed not later than 60 days after the date
2 of enactment of this Act.

3 (4) TERMS.—

4 (A) IN GENERAL.—Except as provided
5 under subparagraph (B), members of the Coun-
6 cil appointed under subparagraphs (A) through
7 (E) of paragraph (1) shall be appointed for a
8 term of 3 years.

9 (B) INITIAL MEMBERS.—The individual
10 making appointments—

11 (i) under paragraph (1)(A) shall des-
12 ignate 3 of the initial members appointed
13 by that individual to serve a term of 4
14 years;

15 (ii) under paragraph (1)(B) shall des-
16 ignate 2 of the initial members appointed
17 by that individual to serve a term of 4
18 years;

19 (iii) under paragraph (1)(C) shall des-
20 ignate one of the initial members ap-
21 pointed by that individual to serve a term
22 of 4 years;

23 (iv) under paragraph (1)(D) shall des-
24 ignate 2 of the initial members appointed

1 by that individual to serve a term of 4
2 years; and

3 (v) under paragraph (1)(E) shall des-
4 ignate one of the initial members ap-
5 pointed by that individual to serve a term
6 of 4 years.

7 (5) VACANCIES.—A vacancy in the Council
8 shall be filled in the manner in which the original
9 appointment was made.

10 (6) BASIC PAY AND TRAVEL EXPENSES.—The
11 members of the Council shall serve without pay. The
12 members of the Council shall receive travel expenses,
13 including per diem in lieu of subsistence, at rates
14 authorized for employees of agencies under sub-
15 chapter I of chapter 57 of title 5, United States
16 Code, while away from their homes or regular places
17 of business in the performance of services for the
18 Council.

19 (c) CHAIRPERSON AND VICE CHAIRPERSON.—The
20 President shall select, from among the voting members of
21 the Council, a Chairperson of the Council and a Vice
22 Chairperson of the Council, who may not be members of
23 the same political party.

24 (d) MEETINGS.—

1 (1) IN GENERAL.—The Council shall meet at
2 the call of the Chairperson at least 5 times each
3 year. One meeting of the Council each year shall be
4 a joint meeting with the Interagency Working Group
5 on Nonprofit Organizations and the Federal Govern-
6 ment (established under section 201).

7 (2) INITIAL MEETING.—Not later than 60 days
8 after the first date on which 11 of the initial mem-
9 bers of the Council have been appointed, the first
10 meeting of the Council shall take place.

11 (e) QUORUM.—A majority of the members of the
12 Council shall constitute a quorum, but a lesser number
13 may hold hearings.

14 (f) DUTIES.—

15 (1) STUDY ACTIVITIES.—

16 (A) IN GENERAL.—The Council shall study
17 how the Federal Government can work more ef-
18 ficiently and effectively with nonprofit organiza-
19 tions to achieve better outcomes in addressing
20 national and community challenges.

21 (B) MATTERS STUDIED.—The matters
22 studied by the Council under this paragraph
23 shall include—

24 (i) the role of nonprofit organizations
25 in the United States economy and the role

1 of nonprofit organizations in addressing
2 challenges of national interest and other-
3 wise strengthening communities, including
4 with respect to—

5 (I) health and human services;

6 (II) education and worker train-
7 ing;

8 (III) the arts and culture;

9 (IV) religion, faith, and spiritu-
10 ality;

11 (V) the environment, natural re-
12 sources, and recreation;

13 (VI) justice and public safety;
14 and

15 (VII) civic associations and com-
16 munity development organizations;

17 (ii) how the Federal Government
18 interacts with nonprofit organizations and,
19 where applicable, how the Federal Govern-
20 ment interacts with nonprofit organizations
21 in partnership with State and local govern-
22 ments, philanthropic organizations, or
23 businesses to address national and commu-
24 nity challenges;

1 (iii) how the Federal Government can
2 support and build the capacity of nonprofit
3 organizations, including nonprofit organi-
4 zations assisting the implementation of
5 programs funded by a government and
6 nonprofit organizations attempting to ex-
7 pand programs that have proven effective
8 in addressing national and community
9 challenges;

10 (iv) how the process for nonprofit or-
11 ganizations, including small and midsize
12 nonprofit organizations, to obtain Federal
13 grants and contracts can be streamlined to
14 eliminate unnecessary, inconsistent, or con-
15 tradictory requirements to increase the ef-
16 fectiveness of Federal programs and en-
17 hance the accountability of nonprofit orga-
18 nizations;

19 (v) how Federal Government policies
20 and procedures relating to contracting with
21 nonprofit organizations can be improved,
22 including by expanding eligibility for small
23 nonprofit organizations, streamlining pro-
24 curement processes to promote efficacy
25 and fairness, eliminating wasteful oversight

1 requirements to enhance accountability for
2 the use of Federal funds, increasing trans-
3 parency by establishing a searchable online
4 database of Federal contracts held by non-
5 profit organizations, and mandating full
6 and prompt payment for direct and indi-
7 rect costs incurred by nonprofit organiza-
8 tions to manage and administer Federal
9 grants and contracts;

10 (vi) how to reduce barriers that
11 hinder the participation of small and
12 midsize nonprofit organizations in Federal
13 programs;

14 (vii) how to reduce barriers that
15 hinder the expansion of effective strategies
16 implemented by nonprofit organizations to
17 address national and community chal-
18 lenges;

19 (viii) how and how often innovative
20 nonprofit organizations share effective
21 strategies for addressing national and com-
22 munity challenges with other nonprofit or-
23 ganizations, Federal, State, and local gov-
24 ernments, and philanthropic organizations;

1 (ix) the potential for creating an on-
2 line database for use by nonprofit organi-
3 zations and governments throughout the
4 United States to facilitate the sharing of
5 effective strategies and for other purposes;

6 (x) how the Federal Government sup-
7 ports research on nonprofit organizations
8 and the opportunities for and benefits of
9 increasing such support;

10 (xi) how the Federal Government
11 can—

12 (I) improve the quantity, quality,
13 and timeliness of data on nonprofit
14 organizations, including data with re-
15 spect to nonprofit organizations as
16 employers, the impact of nonprofit or-
17 ganizations on the economy, and Fed-
18 eral direct and indirect contracting
19 with and grants made to nonprofit or-
20 ganizations;

21 (II) address gaps in data and
22 data in need of enhancement with re-
23 spect to nonprofit organizations;

1 (III) make use of and supple-
2 ment State and local data on non-
3 profit organizations; and

4 (IV) improve the public accessi-
5 bility and usefulness of data on non-
6 profit organizations; and

7 (xii) the staffing and leadership chal-
8 lenges of nonprofit organizations, including
9 the causes of the challenges and how non-
10 profit organizations and governments can
11 address the challenges together.

12 (2) ADVICE ON GRANTS.—The Council shall
13 provide advice to the President and Congress on the
14 establishment of new grant programs and the en-
15 hancement of existing grant programs—

16 (A) to build the capacity of nonprofit orga-
17 nizations;

18 (B) to support research and the reporting
19 of data on nonprofit organizations; and

20 (C) to assist the Federal Government to
21 effectively address national and community
22 challenges by supporting nonprofit organiza-
23 tions, encouraging social innovation, and ena-
24 bling nonprofit organizations to replicate and

1 expand the use of effective strategies for ad-
2 dressing such challenges.

3 (3) ADVICE ON SOCIAL INNOVATION.—The
4 Council shall provide advice to the President and
5 Congress on how innovation can enhance the impact
6 of nonprofit organizations.

7 (g) PERSONNEL.—

8 (1) EXECUTIVE DIRECTOR.—The Chairperson
9 of the Council shall appoint an individual to serve as
10 the Executive Director of the Council and that indi-
11 vidual shall be paid at a rate equivalent to the rate
12 provided for level III of the Executive Schedule
13 under section 5314 of title 5, United States Code.

14 (2) STAFF.—The Executive Director may ap-
15 point and fix the pay of additional personnel to ad-
16 minister the Council and provide staff support to the
17 Interagency Working Group. Such employees may be
18 appointed without regard to the provisions of title 5,
19 United States Code, governing appointments in the
20 competitive service and may be paid without regard
21 to the provisions of chapter 51 and subchapter III
22 of chapter 53 of that title relating to classification
23 and General Schedule pay rates.

24 (3) EXPERTS AND CONSULTANTS.—The Execu-
25 tive Director may procure the temporary and inter-

1 mittent services of experts and consultants in the
2 same manner as an agency under section 3109(b) of
3 title 5, United States Code.

4 (4) STAFF OF FEDERAL AGENCIES.—The head
5 of any Federal department or agency may detail to
6 the Council on a reimbursable basis, or on a nonre-
7 imbursable basis for a period not to exceed 180 days
8 during any fiscal year, as agreed upon by the Execu-
9 tive Director and the head of the department or
10 agency, any of the personnel of the department or
11 agency to assist the Council in carrying out the du-
12 ties of the Council under this section. Any such de-
13 tail shall not interrupt or otherwise affect the civil
14 service status or privileges of the Federal employee.

15 (h) POWERS OF THE COUNCIL.—

16 (1) HEARINGS.—The Council may hold hear-
17 ings, sit and act at times and places, take testimony,
18 and receive evidence as the Council considers appro-
19 priate to carry out this section, including holding
20 hearings throughout the United States.

21 (2) OBTAINING DATA.—

22 (A) IN GENERAL.—Except as otherwise
23 prohibited by law, the Council may secure di-
24 rectly from any Federal department or agency

1 information the Council considers necessary to
2 carry out this section.

3 (B) AGENCY COOPERATION.—Upon the re-
4 quest of the Chairperson of the Council, the
5 head of any Federal agency shall furnish infor-
6 mation requested under this paragraph to the
7 Council.

8 (3) MAILS.—The Council may use the United
9 States mails in the same manner and under the
10 same conditions as other agencies of the Federal
11 Government.

12 (i) CONTRACTING FOR RESEARCH.—The Council
13 may enter into contracts for research to inform the delib-
14 erations of the Council.

15 (j) REPORTING.—

16 (1) IN GENERAL.—Not later than one year
17 after the first meeting of the Council, and annually
18 thereafter, the Council shall submit to the President
19 and Congress, including the majority leader and the
20 minority leader of the House of Representatives and
21 the majority leader and the minority leader of the
22 Senate, a report that includes the results of study
23 activities under subsection (f), advice provided under
24 subsection (f), and recommendations of the Council
25 relating to such activities.

1 (2) ADVICE ON IMPLEMENTATION.—At the re-
2 quest of Congress or the head of any Federal de-
3 partment or agency, the Council shall provide advice
4 on the implementation of any recommendation in-
5 cluded in a report under paragraph (1).

6 (k) ANNUAL SUMMIT.—

7 (1) IN GENERAL.—Not later than 6 months
8 after the submission to Congress of the first report
9 of the Council under subsection (j), and annually
10 thereafter, the Council shall organize and carry out
11 a national summit on nonprofit organizations to in-
12 form the public and the Members of Congress of the
13 results of study activities of the Council under sub-
14 section (f).

15 (2) TESTIMONY.—In carrying out a summit
16 under paragraph (1), the Council shall invite testi-
17 mony from experts on nonprofit organization effec-
18 tiveness and innovation.

19 (3) REPORT.—Not later than 60 days after a
20 summit under paragraph (1), the Council shall sub-
21 mit to the President, Congress, and the chief execu-
22 tive of each State a report describing the activities
23 and findings of the summit.

1 (l) FEDERAL ADVISORY COMMITTEE ACT.—Section
2 14(a)(2) of the Federal Advisory Committee Act (5 U.S.C.
3 App.) shall not apply to the Council.

4 (m) AUTHORIZATION OF APPROPRIATIONS.—There
5 are authorized to be appropriated to carry out this section
6 such sums as may be necessary.

7 **TITLE II—INTERAGENCY WORK-**
8 **ING GROUP ON NONPROFIT**
9 **ORGANIZATIONS AND THE**
10 **FEDERAL GOVERNMENT**

11 **SEC. 201. INTERAGENCY WORKING GROUP ON NONPROFIT**
12 **ORGANIZATIONS AND THE FEDERAL GOV-**
13 **ERNMENT.**

14 (a) ESTABLISHMENT.—The President shall establish
15 an Interagency Working Group on Nonprofit Organiza-
16 tions and the Federal Government (in this section referred
17 to as the “Interagency Working Group”).

18 (b) MEMBERSHIP.—The Interagency Working Group
19 shall be composed of the following members:

20 (1) The head of each Federal department speci-
21 fied in section 101 of title 5, United States Codes.

22 (2) The Assistant to the President for Domestic
23 Policy.

1 (3) The Executive Director of the United States
2 Council on Nonprofit Organizations and Community
3 Solutions (established under section 101).

4 (4) The head of the Office of Faith-Based and
5 Neighborhood Partnerships.

6 (5) The head of the Office of Social Innovation
7 and Civic Participation.

8 (6) The Chief Executive Officer of the Corpora-
9 tion for National and Community Service.

10 (7) The Director of the Office of Management
11 and Budget.

12 (8) The Commissioner of Internal Revenue.

13 (9) The Director of the Census.

14 (10) The Chairperson of the National Endow-
15 ment for the Humanities.

16 (11) The Chairperson of the National Endow-
17 ment for the Arts.

18 (c) CHAIRPERSON.—The Assistant to the President
19 for Domestic Policy shall be the Chairperson of the Inter-
20 agency Working Group.

21 (d) DUTIES.—The Interagency Working Group
22 shall—

23 (1) consult and develop recommendations on
24 Federal policies relating to—

1 (A) contracting with nonprofit organiza-
2 tions;

3 (B) making grants to nonprofit organiza-
4 tions; and

5 (C) the availability to nonprofit organiza-
6 tions of Federal funding provided to State and
7 local governments, including as a result of vary-
8 ing State and local interpretations of Federal
9 law;

10 (2) consult and develop recommendations on
11 enhancing the effectiveness of Federal support for
12 organizational development assistance for building
13 the capacity of nonprofit organizations;

14 (3) identify effective strategies for managing re-
15 lationships with nonprofit organizations;

16 (4) provide, including upon request, to the Ex-
17 ecutive Director of the United States Council on
18 Nonprofit Organizations and Community Solutions
19 (established under section 101) information on the
20 operations of the Federal Government, including rec-
21 ommendations for issues to be addressed by the
22 Council; and

23 (5) coordinate and assist the implementation of
24 recommendations of the United States Council on
25 Nonprofit Organizations and Community Solutions

1 specified in a report of the Council under section
2 101(j).

3 (e) MEETINGS.—The Interagency Working Group
4 shall meet at the call of the Chairperson at least 5 times
5 each year. One meeting of the Interagency Working Group
6 each year shall be a joint meeting with the United States
7 Council on Nonprofit Organizations and Community Solu-
8 tions (established under section 101).

9 (f) REPORTING.—Not later than 18 months after the
10 date of enactment of this Act, and annually thereafter,
11 the Interagency Working Group shall submit to the Presi-
12 dent and Congress a report describing actions taken by
13 Federal agencies in response to recommendations of the
14 United States Council on Nonprofit Organizations and
15 Community Solutions specified in a report of the Council
16 under section 101(j).

17 (g) FEDERAL ADVISORY COMMITTEE ACT.—Section
18 14(a)(2) of the Federal Advisory Committee Act (5 U.S.C.
19 App.) shall not apply to the Interagency Working Group.

20 (h) AUTHORIZATION OF APPROPRIATIONS.—There
21 are authorized to be appropriated to carry out this section
22 such sums as may be necessary.

1 **TITLE III—DATA COLLECTION**

2 **SEC. 301. COLLECTION AND ASSEMBLY OF FEDERAL DATA.**

3 (a) IN GENERAL.—The Secretary of Commerce shall
4 collect and assemble all data in the possession of a Federal
5 department or agency relating to nonprofit organizations.

6 (b) REPORT.—Not later than one year after the date
7 of enactment of this Act, and annually thereafter, the Sec-
8 retary of Commerce shall make publicly available and sub-
9 mit to Congress, the United States Council on Nonprofit
10 Organizations and Community Solutions (established
11 under section 101), and the Interagency Working Group
12 on Nonprofit Organizations and the Federal Government
13 (established under section 201) a report including and
14 summarizing the information collected and assembled
15 under subsection (a).

16 **SEC. 302. ECONOMIC IMPACT DATA.**

17 Not later than 18 months after the date of enactment
18 of this Act, the Secretary of Commerce, acting through
19 the Bureau of Economic Analysis, shall submit to Con-
20 gress, the United States Council on Nonprofit Organiza-
21 tions and Community Solutions (established under section
22 101), and the Interagency Working Group on Nonprofit
23 Organizations and the Federal Government (established
24 under section 201) a report that includes recommenda-
25 tions for the establishment of measures to assess and

1 track the economic impact of nonprofit organizations in
2 the United States, including the scope and size of such
3 organizations.

4 **SEC. 303. DATA ON FEDERAL FUNDING OF NONPROFIT OR-**
5 **GANIZATIONS.**

6 The Director of the Office of Management and Budg-
7 et shall ensure accurate and timely data on direct and in-
8 direct funding provided to nonprofit organizations by the
9 Federal Government, including through contracts and
10 grants.

11 **SEC. 304. EMPLOYMENT DATA.**

12 The Secretary of Labor shall take steps to ensure
13 that employment data provided by the Bureau of Labor
14 Statistics includes nonprofit organizations as a distinct
15 category of employer.

16 **SEC. 305. CENSUS DATA.**

17 Not later than one year after the date of enactment
18 of this Act, and annually thereafter, the Director of the
19 Census shall submit to the President and Congress a com-
20 prehensive report on nonprofit organizations, including
21 subcategories of nonprofit organizations.

22 **SEC. 306. RECOMMENDATIONS AND ASSESSMENT.**

23 (a) RECOMMENDATIONS.—Not later than one year
24 after the date of enactment of this Act, the Executive Di-
25 rector of the United States Council on Nonprofit Organi-

1 zations and Community Solutions (established under sec-
2 tion 101), in cooperation with the Chairperson of the
3 Interagency Working Group on Nonprofit Organizations
4 and the Federal Government (established under section
5 201), shall submit to the President and Congress rec-
6 ommendations for the assembly of improved and timely
7 Federal data with respect to the following:

8 (1) The types of clients served by nonprofit or-
9 ganizations, including data on the race, gender, age,
10 income level, and geographic location of such clients.

11 (2) The financial health of nonprofit organiza-
12 tions.

13 (3) Philanthropic contributions to nonprofit or-
14 ganizations made by foundations, corporations, and
15 individuals.

16 (4) The volunteer hours contributed to non-
17 profit organizations by individuals in the United
18 States.

19 (b) ASSESSMENT.—Not later than 2 years after the
20 date of enactment of this Act, the Executive Director of
21 the United States Council on Nonprofit Organizations and
22 Community Solutions (established under section 101)
23 shall submit to the President and Congress a report as-
24 sessing the availability, quality, and timeliness of Federal
25 data on nonprofit organizations, which shall include an as-

1 assessment of any actions Federal departments and agencies
2 have taken to improve such data.

3 **TITLE IV—RESEARCH**

4 **SEC. 401. RESEARCH.**

5 (a) ESTABLISHMENT.—Not later than one year after
6 the date of enactment of this Act, the Director of the Na-
7 tional Science Foundation shall establish a program to im-
8 prove information and knowledge with respect to nonprofit
9 organizations.

10 (b) GRANT AUTHORITY.—In carrying out the pro-
11 gram under subsection (a), the Director is authorized to
12 make grants to entities carrying out—

13 (1) research on issues of importance to non-
14 profit organizations;

15 (2) doctoral training with respect to research on
16 nonprofit organizations and the activities of non-
17 profit organizations;

18 (3) the dissemination, to government officials,
19 leaders of nonprofit organizations, leaders of philan-
20 thropic organizations, and others with an interest in
21 nonprofit organizations and the activities of non-
22 profit organizations, of research findings with re-
23 spect to nonprofit organizations and activities of
24 nonprofit organizations; and

1 (4) other activities determined by the Director
2 to strengthen research on nonprofit organizations.

3 (c) RESEARCH PRIORITIES.—A grant under sub-
4 section (b)(1) may support research relating to nonprofit
5 organizations and the activities of nonprofit organizations,
6 including research with respect to one or more of the fol-
7 lowing:

8 (1) How the Federal Government can strength-
9 en partnerships with nonprofit organizations.

10 (2) How all levels of government can enhance
11 the effectiveness and accountability of nonprofit or-
12 ganizations, including by streamlining or standard-
13 izing, where appropriate, the processes by which
14 nonprofit organizations apply for and report on Fed-
15 eral contracts and grants.

16 (3) The operation of nonprofit organizations
17 and the role of nonprofit organizations in the United
18 States.

19 (4) How the Federal Government can improve
20 the quality and timeliness of data on nonprofit orga-
21 nizations.

22 (5) How the Federal Government can more ef-
23 fectively partner with nonprofit organizations after
24 an emergency or disaster to address the needs of af-
25 fected communities.

1 (6) How to expand the participation of small
2 nonprofit organizations in government programs.

3 (7) The effectiveness of Federal Government
4 support for building the capacity of nonprofit orga-
5 nizations and recommendations on additional pro-
6 grams or policies to enhance that effectiveness.

7 (8) The effective strategies for addressing com-
8 munity challenges utilized by innovative nonprofit
9 organizations.

10 (9) How nonprofit organizations can respond to
11 anticipated staffing and leadership shortages.

12 (d) MATCHING REQUIREMENT.—The federal share of
13 the cost of an activity carried out with the assistance of
14 a grant under subsection (b) shall not exceed 70 percent.

15 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
16 authorized to be appropriated to carry out this section
17 \$5,000,000 for fiscal year 2011 and such sums as may
18 be necessary for subsequent fiscal years.

19 **TITLE V—NONPROFIT** 20 **ORGANIZATION DEFINED**

21 **SEC. 501. NONPROFIT ORGANIZATION DEFINED.**

22 In this Act, the term “nonprofit organization” means
23 an organization that is described in section 501(c)(3) of
24 the Internal Revenue Code of 1986 and is exempt from
25 taxation under section 501(a) of such Code, including reli-

- 1 gious organizations and philanthropic organizations that
- 2 meet such requirements.

