



State Legislators Can Help Nonprofits with Hurricane Helene Relief and Recovery

The North Carolina Center for Nonprofits urges legislators to support nonprofits affected by Hurricane Helene. More than 2,100 charitable nonprofits provide services in the 25 counties in western North Carolina that suffered the worst effects of the hurricane, and many of these organizations have incurred significant damage to their facilities, supplies, and infrastructure. This greatly limits their ability to provide critical services to their communities.

Lawmakers can help by:

1. **Ensuring eligibility.** Include nonprofits in all state relief programs available to businesses. Nonprofits need regulatory and economic relief, including extended filing deadlines with state agencies and access to capital, to restore operations and serve their communities.
2. **Establishing a nonprofit relief and recovery fund.** Establish a dedicated state fund to provide immediate and long-term financial support to nonprofits impacted by the hurricane. This would complement private philanthropy and ensure that essential service providers, not typically seen as emergency responders, receive the help they need to recover quickly.
3. **Creating a tax credit for charitable contributions.** Encourage North Carolinians to contribute to relief efforts by creating a temporary state tax credit for charitable donations directed at hurricane recovery. This would increase individual contributions to nonprofits on the front lines of disaster recovery.
4. **Exempting nonprofits from sales tax.** Nonprofits that suffered damage to their facilities will soon be spending significant capital on rebuilding materials and supplies. The current sales tax refund process delays recovery by reducing nonprofits' immediate purchasing power, forcing them to pay 6.75%–7% in sales tax up front.
5. **Holding nonprofits harmless for unemployment liability.** Many 501(c)(3) nonprofits opt to self-insure for unemployment rather than pay state unemployment taxes. Nonprofits that suffered significant hurricane damage may need to furlough staff as they rebuild and recover, and the cost of reimbursing the state for UI expenses could be prohibitive.
6. **Listening to local nonprofits.** Engage with nonprofits in affected parts of the state to identify unmet needs in their communities. As first responders address urgent issues like housing and basic necessities, community-based nonprofits can provide critical insights into the longer-term needs that may be overlooked by policymakers.

The Center will continue to be in touch with nonprofits in western NC, so we may have more suggestions soon. The Center is available to assist with more details about specifics for any of these solutions.

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