

## BUDGET ADVOCACY FOR WYOMING'S COVID-19 EMERGENCY FUNDING

*As a part of our Democracy Lens tools, for each state in our region, we report a data snapshot and case studies (called Bright Spots) about philanthropy's role in democracy. You can access all these data and Bright Spots on the [Democracy Northwest webpage](#).*

The charitable sector in Wyoming, home to over 3,000 public charities and 300 private foundations,<sup>1</sup> operates in a region where it can sometimes be a two-hour drive from one small town to the next. The low population density means that communities tend to operate in isolation as distinct territories within the state. As a result of this isolation, nonprofits and funders may engage in local policy issues but rarely advocate at the state level, and only a small percentage of the few statewide foundations do public policy advocacy, according to Samin Dadelahi, chief operating officer of the [Wyoming Community Foundation](#). There are also no [healthcare conversion foundations](#), which are more likely than the typical funder to conduct advocacy work.<sup>2</sup> Jody Shields, executive director of the [Wyoming Nonprofit Network](#), noted that the sector's diversity of focus areas means organizations often only coalesce around tax issues.<sup>3</sup> However, during the COVID-19 outbreak in 2020, advocacy around the state government's pandemic relief funding was a critical issue to many charities across Wyoming.



### Pandemic Relief Funding at Stake

To mitigate the impacts of COVID-19, Wyoming received \$1.25 billion from federal legislation passed in March 2020, known as the [CARES Act](#).<sup>4</sup> To discuss how to use the funding, including potentially \$325 million in business relief grants (originally \$275 million), the Wyoming Legislature met in mid-May for a special session.<sup>5</sup> However, the legislative language did not specify if nonprofits could get any of this relief, or if the inclusion of only “independently owned and operated” businesses removed them from the equation. To ensure access, Shields determined there must be a provision that included 501(c)3 organizations.<sup>6</sup>



## Wyoming Business COVID-19 Grants<sup>7</sup>

Phase 1: Wyoming Business Interruption Stipend	\$50 million in grants up to \$50,000 for small businesses that did not get funding from the CARES Act's Paycheck Protection Program
Phase 2: Coronavirus Business Relief Stipend	\$225 million in grants up to \$300,000 for small to mid-sized businesses, prioritizing \$50 million to those that closed due to health orders
Phase 3: Coronavirus Mitigation Fund	\$50 million in grants up to \$500,000 to reimburse organizations for pandemic-related expenses like cleaning and safety costs

### Budget Advocacy

With only one day between the introduction of the initial bill and the committee meeting covering it, Shields mobilized the Wyoming Nonprofit Network's membership to contact the state legislature.<sup>8</sup> This was also how the Wyoming Community Foundation learned about the budget issue. They and a small group of funders spoke to representatives with whom they had relationships, voicing a single message tailored to their legislators about including the charitable sector. Nonprofits and funders that conduct advocacy sent legislators' technical questions to the Wyoming Nonprofit Network for additional guidance.<sup>9</sup>

Shields and the Wyoming Nonprofit Network's board chair also provided public comments to the committee with jurisdiction, requesting the inclusion of nonprofits in the funding.<sup>10</sup> This led to an amendment that barely failed a committee vote.<sup>11</sup>

Concerns from policymakers varied. Some felt that the language was already inclusive of nonprofits, so an amendment would not be needed. Others thought nonprofits should not be considered anyway because they, unlike for-profits, could fare better in the pandemic due to their tax-exempt status.<sup>12</sup> However, nonprofit advocates noted that their sector was in the same position as other businesses during the pandemic, with many cancelling programs and anticipating reduced staffing or other major business disruptions.<sup>13</sup> Additionally, the charitable sector is tax-exempt because it provides essential public services on which communities rely. Excluding the sector from funding would not make sense while there were not nearly enough private grants to preserve the sector on its own, especially considering that nonprofits fail at the same rate as other businesses.<sup>14</sup>

### Funding Outcomes

Initial outcomes of this advocacy showed progress. Several legislators mentioned in later hearings that they heard quite a lot from nonprofits. During the third reading of the bill, nonprofits received more discussion than any other topic. An amendment to exclude nonprofits from funding also failed before the bill passed, which suggested that nonprofits were included already.<sup>15</sup> This made it even more unexpected when the Wyoming Business Council, which is in charge of implementation of the business provisions, ruled out nonprofits from the first phase

of stipends.<sup>16</sup> However, the governor’s office and the Wyoming Business Council agreed to work with nonprofits on rulemaking for the other two business relief programs in the law.<sup>17</sup> Most nonprofits became eligible for the remaining programs, and as of August 2020, the governor shifted an extra \$10 million into the second phase of grants.<sup>18</sup>

The exclusion of charities from the first phase of Wyoming’s COVID-19 relief funding showed there is still room to educate people about what the nonprofit sector in Wyoming is really like, as well as its impact on the economy and communities, said both Shields and Dadelahi. On a broader level, funders in any state can collaborate on this type of effort in coordination with their own state nonprofit association.<sup>19</sup> Specific to budget advocacy around critical issues like this one, Dadelahi advises funders to become increasingly educated about how government budgets work to better understand what is available and what the rules are, including bringing in knowledgeable people to help deliver advocacy messages. This will especially help when talking with legislators, who do not want to only hear concerns but also solutions<sup>20</sup> – like how the charitable sector in Wyoming advocated for specific bill language around 501(c)3 organizations. With these things in mind, nonprofits and funders in Wyoming continue to push for emergency funding to assist the sector during the pandemic.

## Key Takeaways

- Collaborative budget advocacy can make an immediate positive difference on the stability of the charitable sector and the communities served.
- During rapid public policy changes in an emergency, nonprofits and funders can act as knowledgeable voices on economic needs.

## Endnotes

1. *Wyoming’s Nonprofit Sector* (Cheyenne, WY: Wyoming Nonprofit Network, 2016), 3, <https://wynonprofit.org/resources/Documents/WNN%20NP%20Sector%20Report%20Electronic%20Version%20Resized.pdf>.
2. Samin Dadelahi, telephone interview with author, June 4, 2020.
3. Jody Shields, telephone interview with author, May 28, 2020.
4. Section 1(a)(viii) of “HB1004 - COVID-19 business relief programs.,” State of Wyoming 65th Legislature, accessed June 9, 2020, <https://www.wyoleg.gov/Legislation/2020/HB1004?specialSessionValue=1>.
5. “Governor Gordon calls Special Session of Wyoming Legislature to help respond to COVID-19 pandemic,” *State of Wyoming Office of Governor Mark Gordon*, May 7, 2020, <https://governor.wyo.gov/media/news-releases/2020-news-releases/governor-gordon-calls-special-session-of-wyoming-legislature-to-help-respon>.
6. Shields, interview.
7. “Business Relief Programs FAQ,” Wyoming Business Council, accessed June 9, 2020, <https://wyomingbusiness.org/grantFAQ>; See “HB1004 - COVID-19 business relief programs.,” State of Wyoming 65th Legislature, accessed June 9, 2020, <https://www.wyoleg.gov/Legislation/2020/HB1004?specialSessionValue=1>.

8. Shields, interview.
9. Dadelahi, interview; Shields, interview.
10. “Public Comment,” State of Wyoming Legislature: Joint Minerals, Business & Economic Development Committee, 8, 12-13, May 7, 2020, <https://wyoleg.gov/InterimCommittee/2020/09-20200507PublicComment-Participation.pdf>.
11. Tom Coulter, “Legislature’s special session set for May 15 as lawmakers prepare bill to help businesses,” *The Torrington Telegram* (originally published in the *Wyoming Tribune Eagle*), May 8, 2020, <https://torringtontelegram.com/article/legislatures-special-session-set-for-may-15-as-lawmakers-prepare-bill-to-help-businesses>.
12. Dadelahi, interview; Shields, interview.
13. See COVID-19 and its Impact on Wyoming Nonprofits (Cheyenne, WY: Wyoming Nonprofit Network, 2020), <https://wynonprofit.org/resources/Documents/WNN%20COVID-19%20April%20Survey%20Final%20Report.pdf>.
14. Dadelahi, interview.
15. Shields, interview.
16. “Wyoming Business Relief Programs,” Wyoming Business Council, accessed June 9, 2020, <https://wyomingbusiness.org/wyobizrelief>.
17. Dadelahi, interview; Shields, interview.
18. “Coronavirus (COVID-19) - Information and Resources for Nonprofits,” Wyoming Nonprofit Network, accessed August 10, 2020, <https://wynonprofit.org/COVID-19>; Jennifer Dorsey, “Governor adds \$10M to Relief Fund after flood of business and nonprofit applications,” *Jackson Hole News & Guide*, August 10, 2020, [https://www.jhnewsandguide.com/the\\_hole\\_scroll/governor-adds-10m-to-relief-fund-after-flood-of-business-and-nonprofit-applications/article\\_49111303-8332-5a47-b7b1-330f574c10ce.html](https://www.jhnewsandguide.com/the_hole_scroll/governor-adds-10m-to-relief-fund-after-flood-of-business-and-nonprofit-applications/article_49111303-8332-5a47-b7b1-330f574c10ce.html).
19. Dadelahi, interview; Shields, interview.
20. Dadelahi, interview.