

NONPROFITS IN PERIL:

Common Sense Solutions to Stop Jeopardizing Critical Services for New Yorkers

New York's safety net is in jeopardy!

The State has long contracted with nonprofits to provide essential services to communities across New York. But persistent delays in payment, an over-reliance on nonprofits to front costs, and a burdensome contracting process have undermined the sector's stability for decades.

"Every two weeks I go through the same anxiety - will we have enough cash to pay payroll? It's like Groundhog Day."
- Nonprofit Leader in New York

! THE PROBLEM

1 IN 3 
nonprofits with State contracts are owed funding for services already provided

\$650 MILLION 
owed by the State to nonprofits

65% 
of nonprofits expressed concern about funding basic operations in 2025*

✓ POLICY SOLUTION

A new bill (S7001 Mayer/A7616 Paulin) seeks to make changes to the Prompt Contracting Law and help ensure nonprofits can keep providing critical services by:

- Clarifying the law and creating consistency in contracting across all agencies;
- Expanding and clarifying renewal contracts;
- Mandating advance payments and de minimis admin in all contracts.

Supporters:

- Human Services Council of New York
- New York Council of Nonprofits
- New York Legal Services Coalition
- Nonprofit New York
- Nonprofit Westchester



*NY Council of Nonprofits, State of the Sector Report