

“Mr. Chairman and members of the committees, thank you for giving me this opportunity to address this public hearing . . . The Virginia Network of Nonprofit Organizations (VANNO) is a statewide association serving and representing the collective interests of Virginia’s nonprofit sector, which is comprised of as many as 40,000 organizations—several thousand of which operate in this region.

In tough economic times, we understand that difficult budget decisions have to be made. However, we are concerned that cutting public support of nonprofit organizations will leave many of these organizations without the resources necessary to adequately provide the critical community services expected by you and the public at large, and will create a ripple effect throughout the state in terms of additional unemployment and lost tax revenue.

Nonprofits represent a vibrant and diverse part of our economy. Here in Virginia, nonprofits employ 211,000 people and engage more than 130,000 volunteers. This represents 6% of Virginia’s workforce and is second only to retail employment. We have seen a 35% growth in employment in the nonprofit sector in the last decade—compared to only 20% in the for profit sector and only 12% in the government sector. Nonprofits in Virginia produce \$8.2 billion in taxable wages and generate \$461 million in income, sales and use taxes annually. Meanwhile, 82% of them have annual budgets of less than \$1 million, leveraging philanthropic and government support.

Many Virginians look to these organizations to fill basic human needs—food, shelter, clothing, healthcare, and safety. More and more, the government is calling on nonprofit organizations to address a larger and larger share of community and social needs.

Virginians receive medical care in nonprofit clinics, attend nonprofit day-care centers and pre-schools, are educated in nonprofit schools, and participate in nonprofit recreational programs. Nonprofits respond to emergencies with volunteer fire and medical services, enhance our quality of life at parks, libraries, historical sites and theaters. The elderly rely on them for medical care, home repair and end-of-life needs. And they support families by serving the most vulnerable—children, the elderly, and people with disabilities.

In short, nonprofit organizations are important contributors to the state's economic health and quality of life and should continue to be nurtured and supported—especially when times are tough.

Thank you for your time today.”

Deborah Williamson
Executive Director
Virginia Network of Nonprofit Organizations