

Federal Impacts on Nonprofits



As of 5/13/2025

In the wake of unprecedented federal funding cuts and numerous Executive Orders (EOs), the Nonprofit Association of the Midlands (NAM), the state association of charitable nonprofits in Nebraska, surveyed nonprofits to understand the anticipated impact of these cuts on the critical role community-based organizations play in communities across Nebraska. Use your voice to support these organizations, because when nonprofits are hurting, Nebraskans are hurting.

Key highlights of this survey include:

Of the 101 respondents, nearly half were from Human Services followed by Public Benefits (Civil Rights/Liberties, Community Improvement, Philanthropy, and Volunteerism), Health, and Education. Responses came from nonprofits across the state.

Q: How will EOs and funding freezes impact the communities you serve?

Fifty-two (52%) percent: loss of funding

Forty-five (45%) percent: loss of funding for nonprofits that serve vulnerable populations

Q: How do you anticipate current EOs and funding freezes will impact your organization's ability to operate?

Thirty-four percent, 34%: reduce and eliminate programs

Thirty-two percent, 32%: reduce operating capacity

Eighteen percent 18%: no impact

Q: What percentage of your budget comes from federal grants?

Twenty-three percent, 23%: receive at least 40%

Fifty percent 50%: receive at least 10%

Thirty-two percent 32%: get no federal grant funding.

Nonprofits report freezing of funds by Executive Orders, abrupt termination of previously awarded federal grants and contracts, the shutdown of vital programs, and some may face the possibility of closing their doors. The uncertainty and ever-changing federal action have left nonprofits struggling to plan for the future while working to continue needed services now.

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Federal Cuts Hurt our Community and Our Economy

These challenges impact or will impact everyone in Nebraska—families, children and childcare senior services, mentoring services, arts and humanities organizations, and individuals in crisis, including domestic violence, homeless and homeless prevention services—putting the stability and well-being of entire communities at risk.

In addition to the direct impact on our communities, at least 14,000 nonprofit jobs disappeared nationwide between January 20, and April 30, 2025, with more layoffs to come.

Source: <https://www.philanthropy.com/article/10-000-job-cuts-in-70-days-introducing-the-nonprofit-layoff-tracker>

Nebraskans Trust Nonprofits Charitable Nonprofits

Eighty-one percent of all voters report trusting them to engage in nonpartisan advocacy and address needs that government cannot or should not provide

(Source: "New Poll: Voters Want Policymakers to Support Nonprofits in an Uncertain Time." Independent Sector, 18 Feb. 2025)

Nonprofits Contribute to Our Economy

90,000 people or 1 in 11 Nebraskans work for a nonprofit. Most nonprofits pay a variety of state taxes. More information [here](#).

Nonprofit Accountability & Transparency

Charitable nonprofits are committed to the public good and reliant on public trust. Oversight of these organizations includes regulations and reporting requirements to ensure accountability, transparency, and responsible use of public and donor funding.

NAM and our members are part of the National Council of Nonprofits that represents more than 30,000 nonprofits across the country. Find more information [here](#).

About Us

There are thousands of nonprofits in our area – each trying to make a difference on their own. We bring them together so that each member can benefit from our collective strength. We strengthen the collective voice, leadership, and capacity of nonprofit organizations enriching the quality of community life throughout Nebraska and Western Iowa.
