



ASSEMBLY BILL 2322 Streamlined State Support for Nonprofits

SUMMARY

Assembly Bill 2322 cuts red tape by streamlining the application process and disbursement of small dollar State grants for nonprofits.

This bill increases access to advanced payments, reduces unnecessary grant requirements, and promotes equity in the distribution of grant funds to nonprofits.

PROBLEM

The size of State grants and contracts varies significantly. Opportunities currently listed on the [California Grants Portal](#) include grants as large as \$22 million and as small as \$320. Using the same application, qualifications and reporting processes for small contracts is unnecessary and expensive for both nonprofits and the State.

The current requirements for small grants lead to high administrative burdens and create barriers for a broader pool of community-based organizations to receive and utilize State grants. For example, communities of color receive \$1,668 per capita in State grants while nonprofits in predominantly white communities receive \$3,123 per capita.

VaccinateAll58 - an outreach program from the California Department of Public Health – offers an example of a step in the right direction. The agency made dozens of outreach grants of \$5,000 or less to both small and large nonprofits. The final report was simplified, requiring no more than 1,100 words of narrative and no receipts. While not appropriate for large grants and contracts, this process was efficient, equitable and appropriate for small contracts.

SOLUTION

AB 2322 streamlines the process for nonprofits applying for and receiving grants under \$20,000.

The bill requires the State to provide at least 50% of a grant award in advance. The bill will also require a grant application to be submitted online and reduce unnecessary reporting requirements.

Finally, AB 2322 requires the State to conduct outreach to eligible nonprofit organizations at least 90 days before the application deadline for grant programs totaling \$200,000 or more.

AB 2322 is necessary to create a more efficient and equitable process to provide nonprofits with State grants.

SUPPORT

- CalNonprofits (**Sponsor**)
- California Partnership to End Domestic Violence
- California ReLeaf
- Center for Nonprofit Management
- Children’s Institute
- Community Alliance with Family Farmers
- Community Bridges
- Community Water Center
- El Concilio of Stockton
- Fresno Building Healthy Communities
- The Greenlining Institute
- HealthRight360
- Inland Empire Community Collaborative
- Koreatown Youth + Community Center
- Meals on Wheels California
- Nonprofit Finance Fund
- People Assisting the Homeless
- Rural Community Assistance Corporation
- Santa Cruz Volunteer Center
- Self-Help Enterprises

SUPPORT cont.

TreePeople
United Ways of California