



LOUISIANA'S NONPROFIT SECTOR: A GROWING FORCE

Nonprofits represent a **diverse and powerful labor force** that has grown to meet state residents' increasing needs for social, cultural, educational, healthcare and other services.

- In 1996 there were 14,156 nonprofit organizations in Louisiana; 6,377 of those were classified as 501(c)(3) charities or foundations.
- By 2008 there were 19,620 registered Louisiana nonprofits (13,120 501(c)(3) groups, plus 6,500 in related categories)—a **38.5% increase since 1996**, representing a **3.2% annual growth rate** that well outpaced the 2.2% national average. (*Sources: National Center for Charitable Statistics [NCCS] and the Johns Hopkins Center for Civil Society Studies [CCSS]*)

In 2005, the Internal Revenue Service eased the application process for nonprofit start-ups to help speed recovery from hurricanes Katrina and Rita (*source: Congressional Research Service report, 2005*). Yet even before the storms, the Louisiana **nonprofit sector played a major economic role**, as detailed in a 2003 study released by LANO and the Johns Hopkins Nonprofit Employment Data Project.

At the time of that study, nonprofit **employees accounted for 5.6 percent of Louisiana's workforce**, or roughly one in 18 workers. **Nonprofits paid nearly \$2.9 billion in wages, or 4.7% of the state's total** employment income. Illustrating the size and scope of nonprofit action, this figure exceeded by several million the entire state government payroll.

As recently as 2003, **Louisiana's nonprofit sector employed:**

- Nearly 11 times as many workers as our utility industry
- More than 4 times our food, textile and apparel manufacturing industries
- More than 3.5 times our information industry
- Almost twice our transportation industry
- 1.5 times our petroleum and chemical manufacturing industries

Louisiana's nonprofit sector remains a major employer and public service provider. The most recent estimate (2004, from CCSS) places the state's nonprofit **workforce at nearly 150,000**, a figure likely exceeded by post-Katrina sector growth. Current IRS data show that more than half of Louisiana's 501(c)(3) public charities provide services in **education and healthcare—two uniquely critical needs** amid Louisiana's current fiscal crisis.

Millions of state residents benefit daily from nonprofit charities operating in every parish. The success of the nonprofit model relies on the unmatched **commitment, perseverance and generosity** of its employees, volunteers, investors and partners.

LANO is a statewide member organization that advocates for the nonprofit community and strengthens the effectiveness of those committed to improving Louisiana.