



LOS ANGELES COUNTY
ECONOMIC DEVELOPMENT CORPORATION

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Nonprofit Sector Report Press Release

New Report Finds Los Angeles County Nonprofit Sector Supports More Than 1.1 Million Jobs and Generates \$185.6 Billion in Economic Activity

Study reveals nonprofits are not only essential service providers, but one of the region's largest economic engines

LOS ANGELES, CA – The Center for Nonprofit Management (CNM) and the Los Angeles County Economic Development Corporation (LAEDC) today released a new report highlighting the substantial economic and social contributions of the nonprofit sector in Los Angeles County.

The Economic Impact of the Nonprofit Sector in Los Angeles County provides one of the most comprehensive analyses of the county's nonprofit community to date, examining nearly 28,000 active nonprofit organizations and their role in supporting jobs, economic activity, and community well-being throughout the region.

The report finds that the nonprofit sector generates an estimated **\$185.6 billion in total economic output**, supports more than **1.16 million jobs**, and contributes approximately **\$121.3 billion in value added**, equivalent to 12.8 percent of Los Angeles County's gross regional product. In addition, nonprofit-related activity generates an estimated **\$28 billion annually in federal, state, and local tax revenues**.

"Nonprofits are fundamental to both the economic strength and social fabric of Los Angeles County," said Stephen Cheung, President and CEO of LAEDC. "This research demonstrates that nonprofits are not operating on the margins of our economy. They are major employers, generators of economic activity, and indispensable partners in building resilient communities. Understanding their contribution is essential to understanding the Los Angeles County economy."

Los Angeles County is home to approximately **28,000 active nonprofit organizations**, spanning a wide range of activities including human services, education, arts and culture, health care, youth development, housing, and community development. Collectively, these organizations address critical community needs while supporting economic prosperity across the region.

Among the report's key findings:

- The nonprofit sector directly employs approximately **335,000 workers**, making it the equivalent of the **fourth-largest employer sector in Los Angeles County**.
- Nonprofits support a total of **1.16 million jobs** through direct, indirect, and induced economic activity.
- The sector generates **\$185.6 billion in economic output** and **\$87.6 billion in labor income** annually.
- Approximately **94 percent of nonprofits** in Los Angeles County are involved in the direct provision of services to communities across the region.
- Human services, education, arts and culture, religion-related activities, recreation and sports, and youth development represent the largest nonprofit activity areas in the county.

While the report quantifies the nonprofit sector's economic impact, it also underscores the broader social value nonprofits create every day.

"At a time when communities face increasingly complex challenges, nonprofits continue to serve as trusted partners, innovators, and anchors of support," said Efrain Escobedo, President and CEO of the Center for Nonprofit Management. "This report provides powerful evidence that investments in the nonprofit sector generate benefits that extend far beyond individual organizations. Nonprofits strengthen our workforce, support local economies, and improve the quality of life for millions of residents across Los Angeles County."

The report also highlights the diversity of the nonprofit sector, with organizations operating across 26 major areas of activity and addressing needs ranging from education and healthcare to youth development, housing, arts and culture, environmental stewardship, and community development.

The research was conducted collaboratively by the Center for Nonprofit Management and the LAEDC Institute for Applied Economics using IRS Form 990 data, Bureau of Labor Statistics data, and economic impact modeling to assess both the direct and ripple effects of nonprofit activity throughout the regional economy.

The full report is available at <https://cnmsocal.org/resources/laedc-cnm-report-2026>

CNM and LAEDC will host a public webinar on Thursday, September 10th from 10:00 am to 11:00 am, to discuss the report's findings and implications for nonprofit leaders, funders, policymakers, and community stakeholders. Registration is available here: [Webinar Registration - Zoom](#).

About the Center for Nonprofit Management

The Center for Nonprofit Management (CNM) is a trusted voice and resource that reimagines the growth, strength, and unity of the social impact sector. CNM advances its

mission through strategic partnerships, active learning, organizational and leadership development, advocacy, research, and sector-wide engagement.

About the LAEDC

The Los Angeles County Economic Development Corporation (LAEDC) is a private, nonprofit organization dedicated to reimagining and growing an equitable economy for all Angelenos. Through economic research, strategic convenings, business assistance, workforce development, and public policy leadership, LAEDC works to advance opportunity and prosperity throughout Los Angeles County.

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