

The Charitable Sector: COVID-19 Relief and Economic Stimulus Package

America's charities request $60 billion infusion of support to help the most vulnerable

The COVID-19 (Coronavirus) pandemic facing the country is having a profound impact on the economy and has greatly expanded the need for charitable organizations to provide additional services in an unprecedented manner. At the same time, the economic downturn will undoubtedly result in a contraction in contributions and other sources of revenue which are the lifeblood of many charitable organizations. America's charities are frontline responders providing food, shelter, medical services and other critical services to those in need in their communities. At this crucial time when the American people and governments will depend even more on charitable nonprofits, contributions are likely to decrease as happened following the 2008 recession.

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Without dramatic and immediate financial and programmatic backstop from government, America's charitable nonprofits and the people we serve face a precipitous decline in mission services at a time when our efforts are needed like never before by the most vulnerable in our communities.

America's charitable nonprofits need an immediate infusion of $60 billion in capital to maintain operations, expand scope to address increasing demands, and stabilize losses from closures throughout the country. Below are specific recommendations for assistance to help the nonprofit sector stay engaged serving the American people

- As 10% of U.S.GDP, we employ 12 million workers. We need to retain them.
- Nonprofits are on the frontlines serving people, especially those in need. We need business continuity relief.
- Give nonprofit payroll tax credit relief as this is the most significant tax we pay.
- Provide an "above-the-line" or universal charitable deduction for contributions through the end of 2021.

America's charitable nonprofits are significant employers

America's charities employ over 12 million people, with payrolls exceeding those of most other U.S. industries, including construction, transportation, and finance. The largest expenditures for most of America's charitable organizations are personnel costs. Unfortunately, in multiple disaster relief laws in the past, Congress has approved employment-related tax credits that fail to recognize that we are significant employers.

> Policy Solution: As is done in the Families First Coronavirus Response Act (H.R. 6201), any additional employment-focused relief or stimulus legislation must expressly apply to employment at tax-exempt organizations by making tax credits and deductions applicable not just to income taxes, but to the taxes nonprofits pay, such as payroll taxes. Further, Congress should also ensure that relief and stimulus legislation designed to assist for-profit businesses in the areas of unemployment insurance, employee retention, and risk insurance must also address the unique challenges and realities that nonprofits face.

America's charitable nonprofits need business continuity relief

Millions of jobs in America's charitable sector are at risk unless a reliable source of cash can be provided to assure continued operations. And in many cases the scope of operations will need to expand to accommodate increased demand for vital services. The survival of many of America's charities is jeopardized by unprecedented revenue losses from closed programming and services offered, as well as anticipated shortfalls in fundraising. America's charitable nonprofits, which are so essential to a healthy economy, need a reliable source of cash over the next several weeks and months to ensure we can continue to serve our communities.

> Policy Solution: America's charitable nonprofits request $60 billion in emergency stimulus funding aimed at helping adversely affected national and local organizations. These funds can be distributed quickly through multiple funding streams, including, but not limited, to expansion of the Economic Injury Disaster Loan program for nonprofit employers, emergency grants to nonprofits operating under grants from federal, state, local, or other pass-through entities, and other to ensure the continued flow of charitable donations.

> Policy Solution: To incentivize all Americans to support the vital work of America's charities, we call on Congress to enact an "above-the-line" or universal charitable deduction for contributions through the end of 2021. Further, to help those who step forward to help America's charitable organizations immediately assist the most vulnerable, Congress should permit taxpayers to

donate today – at the height of the pandemic – and claim the benefit from these deductions on 2019 tax returns.

America's charitable nonprofit employees must be protected

The workers in America's charities are on the frontlines of the coronavirus response. Our workers are the backbone of the food banks, shelters, domestic violence services, houses of worship, early care and education centers, after-school facilities, and more that are being called on to feed, house, and care for people whose lives have been disrupted by closures, job loss, and sickness.

Policy Solution: Every charity in America, regardless of size, that provides paid family and medical leave should receive a tax credit the organization can use. We applaud the HR 6201 approach to provide a *payroll tax credit* to all employers of a certain size (including charities and other nonprofits) providing emergency paid family leave and sick time pay for care related to the coronavirus. Congress should provide payroll tax credits to all charities, regardless of size, that provide such paid family leave and sick time pay as a result of the coronavirus.

America's Charitable Nonprofits Are in Every Community Ready to Serve

Everywhere in America charitable organizations are already in place serving the needs of residents. Every dollar granted, donated, or earned goes back into the community immediately to address clear and present problems. Charities are our economy's shock absorber when crisis hits.

Signing Organizations

Accord Network
ACCSES – The Voice of Disability Service Providers
Adult & Teen Challenge USA
Adventure Cycling Association
Afterschool Alliance
American Society on Aging
Agudath Israel of America
Alliance for Peacebuilding
Alliance for Strong Families and Communities
Alliance of Nurses for Healthy Environments
Alliance to End Hunger
Alzheimer's Association
America's Promise Alliance
American Alliance of Museums
American Cancer Society Cancer Action Network
American Diabetes Association
America Forward
American Heart Association
American Indian College Fund
American Leprosy Missions
American Library Association
American Lung Association
American Trails
American Public Health Association
American Red Cross
Americans for the Arts
Anti-Defamation League
Appalachian Trail Conservancy
ASAE
Association on American Indian Affairs
Association of Art Museum Directors
Association of Children's Residential Centers (ACRC)
Association of Public Health Laboratories
Association of the United States Navy
Association of University Centers on Disabilities (AUCD)
Best Buddies International
Bethany Christian Services
Big Brothers Big Sisters of America
Blinded Veterans Association (BVA)
Boy Scouts of America
Boys & Girls Clubs of America
Boys Town
Bread for the World
CADCA
Call of the Sea
Campaign for a Commercial-Free Childhood
Campaign for Trauma-Informed Policy and Practice
CARE
Catholic Charities USA

Catholic Medical Mission Board
Catholic Relief Services
Center for Community Progress
Center for Public Justice
CenterLink
Chabad on Campus International
ChildFund International
Christian Alliance for Orphans (CAFO)
Christian Broadcasting Network, Inc.
Christian Connections for International Health
Church Alliance
Church World Service
Citizen Schools
Citygate Network
City Year
Clooney Foundation for Justice
Collective Liberty
Communities In Schools National Office
Community Action Partnership
Community Anti- Drug Coalitions of America (CADCA)
Compassion International
Consumer Reports
Council for Advancement and Support of Education (CASE)
Council for Christian Colleges & Universities (CCCU)
Council on Foundations
Council on International Educational Exchange
Dance/USA
David Brower Center
Disabled Children's Fund
East Coast Greenway Alliance
Encore.org
Epilepsy Foundation
Evangelical Council for Financial Accountability (ECFA)
Evangelical Lutheran Church in America
Environmental Volunteers
The Episcopal Church
Exponent Philanthropy
Faith & Giving Coalition
FoodCorps
Food for the Hungry
Futures Without Violence
General Conference of Seventh-day Adventists
Generations United
Girl Scouts of the USA
Girls Inc.
Goodwill Industries International, Inc.
Habitat for Humanity International
Haddassah, the Women's Zionist Organization of America
Healing Household 6
Healthy Schools Campaign
Helen Keller International
Hetrick-Martin Institute
IDEAS
Independent Sector
Institute of International Education
InterAction
InterExchange, Inc.
International Rescue Committee
Islamic Relief USA
Jewish Community Centers (JCC) Association of North America
Jewish Federations of North America
Jumpstart
Lakeshore Foundation
Land Trust Alliance
Landesa
Leadership 18
League of American Orchestras
The Leukemia & Lymphoma Society
Lutheran Services in America
MAMA Project
March of Dimes
Mazon, a Jewish Response to Hunger
Meals on Wheels America
Mental Health America
MENTOR: The National Mentoring Partnership
The Military Order of the Purple Heart
Mountains to Sound Greenway Trust
Muscular Dystrophy Association
NACE International
National Alliance on Mental Illness
National Alliance to End Sexual Violence
National Association of Evangelicals
National Audubon Society
National Center for Missing & Exploited Children
National Coalition Against Domestic Violence
National Council of Juvenile and Family Court Judges (NCJFCJ)
National Council of Nonprofits
National Council on Aging
National Environmental Health Association
National Fitness Foundation
National Health Council
National Human Services Assembly
National Indian Child Welfare League
National Indian Health Board
National Kidney Foundation
National Latino Evangelical Coalition
National Marine Sanctuary Foundation
National Multiple Sclerosis Society

National Network for Youth
National Network to End Domestic Violence (NNEDV)
National Organization of State Associations for Children (NOSAC)
National Trust for Historic Preservation
Native American Rights Fund
Native Ways Federation
NatureBridge
New Profit
Nonprofit Alliance
Nonprofit Leadership Alliance
North American Division of Seventh-day Adventists
Notre Dame Mission Volunteers
OPERA America
Playworks
Prevent Blindness
Prevent Child Abuse America
Rails-to-Trails Conservancy
Reading Partners
Rebuilding Together
RESOLVE
Ronald McDonald House Charities Global (RMHC)
Safe States Alliance
Saint Francis Ministries
The Salvation Army National Headquarters
Save Our Shores
Search for Common Ground
Smart Growth America (SGA)
Sojourners
Special Olympics International
Student Conservation Association
Susan G. Komen
Teach For America
The Corps Network
The Independence Fund
The Sentry
TREA: The Enlisted Association
Trust for America's Health
TSNE MissionWorks
UCP National
Union of Concerned Scientists
United Philanthropy Forum
United Spinal Association
U.S. Soccer Foundation
United Way Worldwide
Union of Orthodox Jewish Congregations of America
Union for Reform Judaism
VetsFirst
VisionServe Alliance
Volunteers of America
Wilderness Inquiry
World Learning
World Relief
Wounded Warrior Project
Year Up
YMCA of the USA
YouthBuild USA
YWCA USA