



## 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 the U.S. workforce, 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

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

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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  
Children's Home Society of America (CHSA)  
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  
Congregation of Our Lady of Charity  
of the Good Shepherd  
Consumer Reports  
Council for Advancement and Support of  
Education (CASE)  
Council for Christian Colleges & Universities  
(CCCU)  
Council on Foundations  
Council on International Educational Exchange  
Covenant House International  
Cross International  
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.  
Groundwork USA  
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  
LUNgevity Foundation  
Lutheran Services in America  
MAMA Project  
March of Dimes  
Mazon, a Jewish Response to Hunger  
Meals on Wheels America  
Mennonite Central Committee U.S.  
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

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National Fitness Foundation	Trust for America's Health
National Health Council	TSNE MissionWorks
National Human Services Assembly	UCP National
National Indian Child Welfare League	Union of Concerned Scientists
National Indian Health Board	United Philanthropy Forum
National Kidney Foundation	United Spinal Association
National Latino Evangelical Coalition	U.S. Soccer Foundation
National Marine Sanctuary Foundation	United Way Worldwide
National Multiple Sclerosis Society	Union of Orthodox Jewish Congregations of America
National Network for Youth	Union for Reform Judaism
National Network to End Domestic Violence (NNEDV)	VetsFirst
National Organization of State Associations for Children (NOSAC)	VisionServe Alliance
National Trust for Historic Preservation	Volunteers of America
Native American Rights Fund	Wilderness Inquiry
Native Ways Federation	World Learning
NatureBridge	World Relief
New Profit	Wounded Warrior Project
Nonprofit Alliance	Year Up
Nonprofit Leadership Alliance	YMCA of the USA
North American Division of Seventh-day Adventists	YouthBuild USA
Notre Dame Mission Volunteers	YWCA USA
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	
Save the Children	
Search for Common Ground	
Smart Growth America (SGA)	
Sojourners	
Special Olympics International	
STAND: The Student-Led Movement to End Mass Atrocities	
Student Conservation Association	
Susan G. Komen	
Teach For America	
The Corps Network	
The Hometown Foundation, Inc.	
The Independence Fund	
The Sentry	
TREA: The Enlisted Association	

