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*****PRESS RELEASE*****

THE CHARITABLE SECTOR: COVID-19 RELIEF AND ECONOMIC STIMULUS PACKAGE
America's Charities Request \$60 Billion Infusion Of Support To Help The Most Vulnerable

WASHINGTON, D.C. – Leadership 18, comprised of the nation's largest social services nonprofits, today joined with a national collaboration of charities to issue a letter to Congress requesting a \$60 billion infusion of support to help the nonprofit charitable sector continue to serve vulnerable families and communities in the wake of the impact of the COVID-19 pandemic.

"The 12 million workers in America's charities are on the frontlines of the coronavirus response, and the financial impact of the crisis has put the very survival of many essential service providers at risk," noted Steven C. Preston, president and CEO of Goodwill Industries International. "Charities are our society's shock absorber when crisis hits. Our workers provide essential immediate support such as food and shelter, are being called on to care for people whose lives have been disrupted by closures, job loss, and sickness, and we help people get back on their feet when it's time to recover."

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.

In the letter, which was signed by 21 members of Leadership 18, they noted: "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. 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."

The request to Congress includes an immediate infusion of \$60 billion in capital to help nonprofits maintain operations, expand scope to address increasing demands, and stabilize losses from closures throughout the country. Specific recommendations for assistance to help the nonprofit sector stay engaged serving the American people include:

- 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.

Some of the specific policy fixes requested include:

- To address employment issues (America’s charities employ over 12 million people, with payrolls exceeding those of most other U.S. industries, including construction, transportation and finance), they request that any additional employment-focused relief or stimulus legislation must expressly apply to employment at tax-exempt organizations. To achieve this, tax credits and deductions must be 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.

With millions of jobs in America’s charitable sector at risk, 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 others to ensure the continued flow of charitable donations.

- 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.
- Every charity in America that provides paid family and medical leave, regardless of size, 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.

The Leadership 18 members who signed the letter include: Alliance for Strong Families and Communities, American Cancer Society, American Heart Association, American Red Cross, Big Brothers Big Sisters of America, Boys and Girls Clubs of America, Catholic Charities USA, City Year, Girl Scouts USA, Girls Inc., Habitat for Humanity International, Goodwill Industries International, Inc., Jewish Federations of North America, Lutheran Services in America, Mental Health America, National Council on Aging, The Salvation Army, United Way Worldwide, Volunteers of America, YMCA of the USA, and YWCA USA.

About Leadership 18

Collectively, the members of Leadership 18 serve 87 million people with more than 5.6 million staff and volunteers. All of our member organizations share a specific mission to improve human development through deep community relationships.

Media Notes: To request an interview with a policy expert from one or more of the Leadership 18 nonprofits, please contact Jennifer Devlin at 703-966-3241 or Jennifer.devlin@cox.net.