PRESS RELEASE
For Immediate Release

May 11, 2020

Media Contact
Dominic Manecke
202.225.4324 (o)
202.302.3065 (m)
Dominic.Manecke@mail.house.gov

New Beatty Bill Ensures Nonprofits Can Continue Critical Work During Coronavirus Pandemic

Provides access to financial support for our nation’s larger nonprofits, so they can better support their networks and the American people during this public health crisis

WASHINGTON, D.C.—U.S. Congresswoman Joyce Beatty (OH-03) is introducing legislation this week that would require Treasury Secretary Steven Mnuchin to provide loans and loan guarantees to large nonprofits (500+ employees) through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136, and create a mechanism for loan forgiveness similar to the Paycheck Protection Program (PPP). Her bill, the Help Charities Protect Communities Act, would set aside $60 billion from the $454 billion allocated to the Exchange Stabilization Fund for these purposes.

“Large nonprofit organizations like the American Heart Association, Cancer Action Network, Alzheimer’s Association, YMCA, and many more are critical partners whose work impact and shape the lives of tens of millions of Americans each year,” Beatty said. “While the demand for their time and resources are heightened during this trying time, their revenue and income streams are severely strained—if not completely dried up.” She continued, “Now, more than ever, we need to expand access to federal assistance for nonprofits and ensure that they can continue their important work today, tomorrow, and for years to come.”

“Larger nonprofits like the American Heart Association have been relentless in our response to the COVID-19 Pandemic, providing help to millions who are in need. Even in the face of financial challenges, we have remained committed to quality care and research on behalf of the patients and families we serve,” said Nancy Brown, CEO of the American Heart Association. “The Help Charities Protect Communities Act would provide vital financial relief for the charitable sector and the 12 million passionate individuals we employ nationwide. We are deeply grateful to Representative Beatty for her tireless advocacy and urge swift passage of this essential legislation.”

Under the CARES Act, Congress specifically made large nonprofits eligible for the mid-size lending program for loans and loan guarantees for businesses with between 500-10,000 employees. Moreover, the Federal Reserve established the Main Street Lending Program to provide short-term, low-interest loans to mid-size businesses with between 500-10,000 employees. Yet, despite congressional intent, this lending facility explicitly states that nonprofits are ineligible for loans and loan guarantees under this program, leaving large nonprofits with more than 500 employees no avenue to receive financial assistance.
The *Help Charities Protect Communities Act* is backed by 23 national nonprofits organizations, including: American Heart Association, Alliance for Strong Families and Communities, Alzheimer's Association, American Alliance of Museums, American Lung Association, Association of Art Museum Directors, Association of Zoos and Aquariums, Ducks Unlimited, Girl Scouts of America, Habitat for Humanity, the Independent Sector, Jewish Federations of North America, League of American Orchestras, Leukemia Lymphoma Society, Lutheran Services of America, March of Dimes, Muscular Dystrophy Association, National Health Council, National Multiple Sclerosis Association, San Diego Zoo Global, World Wildlife Fund, YMCA, and YWCA USA.

A full list of quotes in support of the *Help Charities Protect Communities Act* can be found on the accompanying document (see attachment).

# # #
National Nonprofits Joining Beatty in Support of the Help Charities Protect Communities Act

“Larger nonprofits like the American Heart Association have been relentless in our response to the COVID-19 Pandemic, providing help to millions who are in need. Even in the face of financial challenges, we have remained committed to quality care and research on behalf of the patients and families we serve,” said Nancy Brown, CEO of the American Heart Association. “The Help Charities Protect Communities Act would provide vital financial relief for the charitable sector and the 12 million passionate individuals we employ nationwide. We are deeply grateful to Representative Beatty for her tireless advocacy and urge swift passage of this essential legislation.”

----------------------------------

“The CARES Act assisted smaller nonprofit organizations with forgivable relief loans while excluding loan forgiveness for larger nonprofits, which face the same challenges as their smaller counterparts,” noted Susan Dreyfus, President and CEO of the Alliance for Strong Families and Communities. “This bill will help larger human services providers, who operate food pantries, homeless and domestic violence shelters; residential centers for youth struggling with mental health issues; homes and in-home services for seniors and individuals living with disabilities; early education services; and more—all services and supports essential to our daily lives and more urgent than ever during the COVID-19 Pandemic.”

----------------------------------

“Nonprofits play an essential role in the daily life of Americans, and that has never been more evident than now, as the sector steps up to serve those in need during this global pandemic. As Congress continues to address the ramifications of this crisis on the nation, it is crucial that their actions include support for the nonprofit sector. We are thankful to Rep. Beatty for introducing this important bill,” said Harry Johns, Alzheimer’s Association President and CEO.

----------------------------------

“Millions of Americans rely on large nonprofits, like the American Cancer Society, for information and services critical to maintaining their health and well-being; yet those services are at risk due to the dire economic pressures of this pandemic,” said Gary Reedy, CEO of the American Cancer Society and American Cancer Society Cancer Action Network. “We are grateful for Rep. Beatty’s leadership on this bill which would provide dedicated resources and forgivable loans to these organizations and help ensure charities can continue to serve their communities in this crisis and well beyond.”

----------------------------------

“During the Coronavirus Pandemic, more Americans are turning to the American Lung Association and other nonprofits for science-based information on how to keep themselves and their loved ones safe. Ensuring that we and other nonprofits have the resources to continue to meet these needs is critical,” said Harold Wimmer, National President and CEO of the American Lung Association. “We are most appreciative of
Congresswoman Beatty for ensuring that mid-sized non-profits like the American Lung Association have the financial resources to fulfill our mission.”

“Communities across the country count on the wide array of services and resources provided by charitable organizations, yet larger nonprofits have been left out of every COVID-19 relief package passed by Congress thus far,” said Ducks Unlimited CEO Adam Putnam. “Now, more than ever before, we cannot afford to lose the valuable services these nonprofits, including Ducks Unlimited, offer to Americans from all segments of our society. We commend Rep. Beatty for her leadership to ensure Americans can continue to count on these vital services long after we’re able to turn the page on this tragic chapter in American history.”

“Our communities often rely heavily on larger nonprofits whose infrastructure, geographic reach and scale make them particularly important in addressing many of the most urgent needs we are facing today. Rep. Beatty’s bill is an important step forward in helping charitable nonprofits that employ more than 500 employees to survive and continue their essential work,” said Steven C. Preston, President and CEO of Goodwill Industries International. “Never before in our history have we seen the unemployment that many Americans are facing today. The financial relief that this bill envisions will ensure that local Goodwill organizations across the country can continue to provide workforce development and employment support that millions of Americans need to find jobs and ensure their livelihood.”

“The Paycheck Protection Program was a lifeline to many smaller nonprofits, including local Habitat for Humanity affiliates across the United States,” said Jonathan Reckford, CEO of Habitat for Humanity International. “Larger nonprofit organizations, like Habitat for Humanity International, are uniquely situated to play a vital role in the country’s recovery by serving those low-income families who are bearing the brunt of this economic crisis. Unfortunately, financial pressures have already forced us to make deep cuts—including laying off 10 percent of our team—endangering our ability to resume our work with full force. This legislation will help make sure that the nonprofit sector will be ready and able to help our communities—today and tomorrow.”

“While the CARES Act took a large step toward expanding nonprofit and community access to relief, there was no doubt that more help is necessary,” said Daniel J. Cardinali, President and CEO of Independent Sector. “As Independent Sector continues to actively engage federal legislators and the nonprofit sector about additional needed relief, I applaud Rep. Beatty for her leadership on this legislation to ensure that some of the highest impact nonprofits can continue their vital work to support our communities during and after this unprecedented time.”

“We are grateful to Rep. Beatty for leading the effort to ensure that midsized nonprofits, like nursing homes and social service facilities are able to qualify for loans,” said Eric D. Fingerhut, President and CEO of The Jewish Federations of North America. “The Payment Protection Program has been a lifeline for smaller nonprofits who have been able to access funds but these larger nonprofits play a critically important role as first responders and they need aid as well.”
“On behalf of Lutheran Services in America, we thank Rep. Beatty for her leadership in introducing this legislation and recognizing the extraordinary work of nonprofit health and human services organizations such as our 300 Lutheran social ministry organizations who are on the front lines fighting the pandemic and caring for one in 50 Americans. These organizations continue to serve people while taking exceptional measures to protect their staff and clients. Access to financial resources for nonprofits including those with over 500 employees is imperative to continue to meet the needs of the most vulnerable Americans,” said Charlotte Haberaecker, President and CEO, Lutheran Services in America.

----------------------------------

“Nonprofits are critical to our health and our economy,” said Paul Gionfriddo, President and CEO of Mental Health America. “Now more than ever, nonprofits that are serving those most in need—including those who live with mental health conditions and other chronic conditions that put them at high risk or poor health outcomes—must be supported. Mental Health America is grateful to those helping to provide dedicated resources and forgivable loans to nonprofits to ensure we can continue to support those in need around the country.”

----------------------------------

“As mission-driven organizations, nonprofits like San Diego Zoo Global continue to serve the community despite a complete loss of our normal revenue stream. Our organizations have a significant economic impact and our loss of income will have a long-term negative affect on our communities, which includes all of us facing new challenges to fulfill our missions. We strongly encourage the federal government to incorporate a loan forgiveness provision for mid-size nonprofits in the upcoming relief package,” said Paul Baribault, President and CEO, San Diego Zoo Global.

----------------------------------

Volunteers of America National President Mike King said, “Our dedicated workers are on the frontlines everyday providing essential, life-saving services to those most vulnerable to illness or death from COVID-19. This new infusion of resources will allow us to avoid furloughs while responding nationwide to a dramatically increased, around-the-clock demand for help. Because of the expansion of these programs, we will be able to fund things like hero pay for frontline workers while better managing the uncertainty of new costs like PPE that we didn't factor into our budgets.”

----------------------------------

“Many YMCAs, especially those in large metropolitan areas, employed more than 500 staff across multiple locations before the COVID-19 Pandemic, because large workforces were necessary to deliver essential services to the entire community. These YMCAs were not eligible for the Paycheck Protection Program, but just like their smaller counterparts who were able to access PPP loans, their cash flows are severely stressed due to the pandemic, with little opportunity to recoup lost revenue. We thank Rep. Beatty for recognizing the needs of large nonprofits and taking steps to ensure that these important community anchors have access to the financial resources they need to continue providing vital services for their neighbors.” Kevin Washington, President and CEO, YMCA of the USA.

----------------------------------

"The impact of the coronavirus has been felt by all Americans but disproportionately to many,” said Tony Collins, YMCA of Central Ohio. “The YMCA serves all of those who have been most impacted by the Coronavirus. The YMCA has responded to the crisis needs of our community through pandemic childcare and
emergency shelter services for the homeless. We stand ready to serve our community through healthy and safe affordable, high quality childcare, summer camps, and our community centers. We need our community to continue to invest in our work.”

“However, larger nonprofit organizations, like the YMCA of Central Ohio, have been left out of federal economic recovery tools, especially the Paycheck Protection Program. These YMCAs and nonprofits are experiencing huge financial losses and having to lay off thousands of employees. Yet, they cannot utilize PPP because of the 500-employee cap. We need a meaningful recovery option so that we can continue providing the critical community services.”

###