

Nonprofit Track Reforms to the CARES Act

April 8, 2020



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The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
Minority Leader
U.S. Senate
Washington, DC 20510

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer,

The charitable nonprofit community appreciates that several key relief programs in the CARES Act were modified to include nonprofit eligibility. This approach recognizes the significant role that charitable nonprofits play as the third largest employer in our nation's economy and as valued problem solvers. We are grateful that Congress recognized that every dollar granted, donated, or earned goes back into the community immediately to address clear and present challenges. However, implementation challenges have arisen with federal agencies and private entities that undermine Congressional intent to provide economic relief for nonprofit organizations.

As you work to build on the CARES Act, the charitable nonprofit sector requests a **Nonprofit Track** to ensure that charitable nonprofits are supported in their service on the front lines of responding to the COVID-19 crisis. **Specifically, we urge Congress to include the following clarifications and provisions:**

- 1. Expand Nonprofit Access to Credit** by designating funding *exclusively* for nonprofits within the two principal loan programs established in the CARES Act to ensure that the organizations dedicated to addressing immediate pandemic-related problems are included in relief efforts and not excluded or pushed to the back of the line. The following additional improvements are needed to expedite relief:
 - **Paycheck Protection Program:** Provide incentives to private lenders to prioritize processing of applications of small nonprofits and expand the eligibility for nonprofits to participate in the Paycheck Protection Program by modifying the current 500-employee cap or by other means.
 - **Mid-Size Business Loan Program:** Adjust CARES Act Section 4003(c)(3)(D) to implement a program to support nonprofit employers with between 500 and 10,000 employees, including loan-forgiveness and other provisions. The legislation should direct the Treasury Department to have this program operational no later than 15 days after enactment.
- 2. Strengthen Charitable Giving Incentives** to encourage all Americans to help their communities through charitable donations during these challenging times. The following modifications will generate immediate results:
 - **Applicable to 2019 Tax Filings:** Encourage donations to the work of charitable organizations in their communities today by enabling taxpayers making donations on and after March 13 (date of national emergency declaration) and before July 16 to claim the deductions on their 2019 tax filings. This retroactive application should apply to itemized and above-the-line deductions during this critical period.
 - **Improve the Above-the-Line Deduction** in CARES Act by increasing the \$300/person cap and extending the effective date of the incentive.

Updated May 14, 2020

3. **Treat Self-Funded Nonprofits Fairly** by increasing the federal unemployment insurance reimbursement for self-funded nonprofits to 100% of costs. As currently written Section 2103 of the CARES Act will subject nonprofits throughout the country to crippling payments to their state unemployment systems later this year, while other employers will likely experience little or no additional costs resulting from mass COVID-19-related layoffs.
4. **Increase Emergency Funding** by appropriating funds for targeted state formula grants and programs that can provide a rapid infusion of cash to nonprofit organizations that are partnering with state and local governments to protect vulnerable families and frontline responders. Charitable nonprofits are on the frontlines of providing relief, support, and care now, while the pandemic rages, and going forward as America will struggle to recover. Organizations need the resources now to provide vital services essential to individual and community wellbeing.

We thank you, once again, for your leadership in crafting and passing the CARES Act. It was a critical first step. We hope that nonprofits can count on your continued leadership, and your insistence that the needs of nonprofits, and the indispensable role they play, are at the center of this relief legislation. And we count on your active engagement with the president to make sure that charitable nonprofits can continue to fulfill their missions, especially in times such as this of unique challenge to our nation.

Sincerely,

4heads, Inc.
 92nd Street Y
 Accord Network
 Action on Smoking and Health
 Adult & Teen Challenge
 Advocates for Snake Preservation
 African American Men of Westchester
 Afterschool Alliance
 Agudath Israel of America
 Alcoholics Anonymous
 Alfalit International
 All Good Work Foundation
 Allergy & Asthma Network
 Alliance for Peacebuilding
 Alliance for Strong Families and Communities
 Alliance to End Hunger
 Alpha-1 Foundation
 ALS Association
 Alzheimer's Association
 American Academy of Pediatrics, CA Chapter 3
 American Alliance of Museums
 American Association on Health and Disability
 American Baptist Churches of Rhode Island
 American Cancer Society Cancer Action Network
 American Craft Council
 American Diabetes Association
 American First Relief International, Inc.
 American Foundation for Suicide Prevention

American Friends Service Committee
 American Heart Association
 American Jewish World Service
 American Leprosy Missions
 American Library Association
 American Lung Association
 American Red Cross
 American Society on Aging
 American Trails
 Americans for the Arts
 AMIDEAST
 ANDRUS
 Angioma Alliance
 Appalachian Trail Conservancy
 Arthritis Foundation
 Artists for Artists
 Ascentria Care Alliance
 Ashley|Rountree & Associates
 Association of Art Museum Directors
 Association of Nature Center Administrators
 Association of the United States Navy
 Association of Volunteers in International Service, USA
 (AVSI-USA)
 Asthma and Allergy Foundation of America
 BBE INC.
 Bear Necessities Pediatric Cancer Foundation
 Becket-Chimney Corners YMCA
 Behavioral Health Response

Benson Plant Rescue
 Best Buddies International, Inc.
 Bet Yeladim, Inc.
 Bethany Christian Services
 Beyond Celiac
 Big Brothers Big Sisters of America
 Blinded Veterans Association
 Boy Scouts of America
 Boys & Girls Clubs of America
 Boys Town
 Bread for the World
 Bridge the Gap - SYNGAP Education and Research
 Foundation
 BronxArtSpace, Inc.
 CADCA (Community Anti-Drug Coalitions of America)
 Call of the Sea
 Campaign for a Commercial-Free Childhood
 Campbell Parents' Participation Preschool
 Cancer Support Community
 CARE USA
 Catholic Charities USA
 Catholic Relief Services
 Center for Adoption Support and Education
 Center for Conservation Peacebuilding
 Center for Dispute Settlement
 Center for Policy Analysis
 Centerforce
 CenterLink: The Community of LGBT Centers
 Centre, Inc.
 CEPA Gallery
 Chains Interrupted
 Cheverly Village
 Chicago Children's Theatre
 ChildFund International
 Children's Home Society of America
 Children's Trust Fund Alliance
 Christian Appalachian Project
 Christian Connections for International Health
 Christopher & Dana Reeve Foundation
 Church Hill Activities and Tutoring (CHAT)
 Citizen Schools
 City Year, Inc.
 Citygate Network
 Clever Octopus Inc
 Colorado Ethiopian Community
 Colorectal Cancer Alliance
 Common Ground Christian Network
 Communities In Schools
 Community Behavioral Healthcare Association of Illinois
 Community Connections For Life
 Community Inclusion & Development Alliance
 Community Interface Services
 Community Services, Incorporated
 Compassion International
 CompassPoint Nonprofit Services
 Comprehensive Youth Development
 Congregation of Our Lady of the Good Shepherd,
 U.S. Provinces
 Consumer Reports
 COPD Foundation
 Council for Advancement and Support of Education
 Council on Foundations
 Covenant House International
 Crohn's & Colitis Foundation
 Cross International
 Cure SMA
 CureDuchenne
 Danielle Byron Henry Migraine Foundation
 David Brower Center
 Davis Phinney Foundation
 Debbie's Dream Foundation: Curing Stomach Cancer
 Developmental FX
 Dignity Freedom Network
 Disabled Children's Fund
 Don and Catharine Bryan Cultural Series
 Downtown Hope Center
 Dr. Felix H. Dunn Heritage Foundation
 Dragon Master Foundation
 Dreamsickle Kids Foundation
 Ducks Unlimited
 Early Connections Learning Centers
 Eating Disorders Coalition for Research, Policy & Action
 El Nido Family Centers
 Elmhurst Inc.
 Emmanuel Cancer Foundation
 Epilepsy Foundation
 ETS
 Evangelical Council for Financial Accountability (ECFA)
 Exponent Philanthropy
 Faith & Giving Coalition

Family Focused Treatment Association
Federal Managers Association
Feed the Children
Fight Colorectal Cancer
FoodCorps
Forward Edge International
Fresh Start for Pasco Inc.
Friends In Deed
Friends of Johnson County Library (KS)
Fund for Santa Barbara
Fundación Intellectus
GBS-CIDP Foundation International
Generations For Peace Inc.
Germanic-American Institute
Girl Scouts of the USA
Girls Inc.
Girlstart
Give an Hour
Giving Children Hope
Global Justice Center
GO2 Foundation for Lung Cancer
Goodwill Industries International, Inc.
Gould Syndrome Foundation
Grantmakers in the Arts
Grassland Bird Trust, Inc.
Growing Hope Globally
Habitat for Humanity International
Harmony Hill School, Inc.
Harrington Senior Center
Healing Household 6
Healthy Schools Campaign
Heartland Alliance International
Helen Keller International
Hemophilia Federation of America
HIAS
High Desert Museum
High Mountain Institute
Hmong American Partnership
Holt-Elwell Memorial Foundation dba Camp Mowglis
Home Care Partners, Inc.
Hoving Home
Hugs Community Resource Organization
Human Being Society
Human Milk Banking Association of North America
Hydrocephalus Association

ICA - Art Conservation
IMANI
Independent Sector
Institute for Nonprofit Practice
Institute of International Education
InterAction
Interfaith Family Shelter
International Civil Society Action Network (ICAN)
International Myeloma Foundation
International Rescue Committee
Invisible Children
Islamic Relief USA
Jail and Outreach Ministry
Jay Hobbs Foundation
JCC Staten Island
JDRF
Jehovah Baptist Church
Jewish Community Centers Association of North America
Jewish Council for Public Affairs
Jewish Federations of North America
Jumpstart
KABOOM!
Kennedy Krieger Institute
La Casa de Don Pedro
Lakeshore Foundation
Lamplighters Music Theatre
Land Trust Alliance
Langham Partnership USA, INC., NFP
Langton Green, Inc.
Leadership 18
League of American Bicyclists
League of American Orchestras
LearningQuest
Leukemia & Lymphoma Society
Life In Abundance International
Life Listening Resources
Little Miss Hannah Foundation
Living Waters for the World
Living Well Disability Services
Local Initiatives Support Corporation (LISC)
Los Angeles Habilitation House
Los Angeles LGBT Center
LTSC Community Development Corporation
Lupus Foundation of America
Lutheran Center for Religious Liberty

Lutheran Services in America
 Lymphangiomatosis & Gorham's Disease Alliance
 Mahaiwe Performing Arts Center
 Make Way for Books
 Maqasid Institute
 March of Dimes
 Marion Therapeutic Riding Association
 Maryhurst
 Max Cure Foundation
 Meals on Wheels America
 Mennonite Central Committee U.S.
 Mental Health America
 MENTOR: The National Mentoring Partnership
 Mercy Corps
 Mercy-USA for Aid and Development
 Mesothelioma Applied Research Foundation
 Military Order of the Purple Heart
 Millennium Water Alliance
 Mission: Hope
 Missouri River Relief
 MLD Foundation
 Montclair Film Festival, Inc.
 Moretta Community Development Foundation
 MOVIEGUIDE®
 Moving Arts Espanola
 Multiple Sclerosis Association of America
 Muscular Dystrophy Association
 My Choice 2 Change Inc.
 MY Enabled Life
 Mystic Force Foundation
 Narcolepsy Network
 National 4-H Council
 National Alliance for Hispanic Health
 National Alliance For Mental Illness
 National Alliance on Mental Illness
 National Alliance to End Sexual Violence
 National Association of Evangelicals
 National Ataxia Foundation
 National Brain Tumor Society
 National Community Action Partnership
 National Correctional Industries Association
 National Council for Behavioral Health
 National Council of Nonprofits
 National Council on Independent Living
 National Eczema Association
 National Environmental Health Association
 National Fitness Foundation
 National Health Council
 National Hemophilia Foundation
 National Human Services Assembly
 National Legal Aid & Defender Association
 National Marine Sanctuary Foundation
 National Multiple Sclerosis Society
 National Network for Youth
 National Nonprofit Organization Name
 National Safety Council
 National Tropical Botanical Garden
 National Trust for Historic Preservation
 Nations Kidney Foundation
 Native American Rights Fund
 Network of Jewish Human Service Agencies
 Nevada Outdoor School
 New Beginnings
 New Day Ranch, Inc.
 New Horizons Center for Learning
 New Mexico Dream Center of Albuquerque
 New York Foundation for the Arts
 New York City Arts in Education Roundtable
 New York City Fire Museum
 Nonprofit Finance Fund
 Nonprofit Leadership Alliance
 Nonviolent Peaceforce
 North American Association for Environmental
 Education
 North Texas Rehabilitation Center, Inc.
 Northern California Retired Officers Community
 Northern Colorado Rush
 Northwind Ministries Inc.
 Nubian Conservatory of Music
 Ohio Association of Nonprofit Organizations
 Opportunity4Kids
 Oregon Coalition Against Domestic & Sexual Violence
 Outdoor Writers Association of America
 Oxfam
 Pacific Clinics
 Parkview Village Christian Care, Inc.
 Partners in Action
 Partnership Resources, Inc.
 Passion First Wrestling, Inc.
 PATH

Patriot Golf Foundation
Paws and Stripes
Peace Direct US
Penny Appeal USA
Phoenix Community Acupuncture
PHOENIX Rising Transitions
Plant With Purpose
Playworks
Plum Borough Community Library
Pony Bird, Inc.
Prelude Clubhouse
Prevent Blindness
ProInspire
Project Genesis, Inc.
Project HOPE
PSC Partners Seeking a Cure
Rahma Worldwide Aid & Development
Reading In Motion
REDF
Revive Ministries Inc.
RICARES
Ridge Area Arc, Inc.
Riot Act, Inc.
Ruff Start Rescue
SADD
Safe States Alliance
Saint Francis Ministries
Save Our Shores
Save the Children
Scrine Non-Profit Housing, Inc.
Search for Common Ground
Seaway Valley Prevention Council
Senior Dog Sanctuary of Maryland Inc.
Senior Services Solutions Plus
She Is Safe
Shepherd's Door Domestic Violence Resource
and Educational Center
Siegel Rare Neuroimmune Association
Skip To My Lupus, Inc.
Solve ME/CFS Initiative
Solving Kids' Cancer
Southeast Community Organization
Special Olympics International
Spectrum Youth & Family Services
Spina Bifida Association of Kentucky

SPOON
Squash and Education Alliance
St. Baldrick's Foundation
Street Business School
StrengthUnited
Student Conservation Association
Superficial Siderosis Research Alliance (SSRA)
Superior League Corp.
Susan G. Komen
TADA! Theatre and Dance Alliance Inc.
Teach For America
TeamConnor Childhood Cancer Foundation
The Alliance for Middle East Peace
The Arc of the United States
The Boston Camerata
The Child Advocacy Center of NE Missouri
The Collaborative
The Dibble Institute
The Evangelical Environmental Network
The Foundation for Ichthyosis & Related Skin Types, Inc.
The Friendly Community Center
The Friends of The City Library
The Front Door Agency, Inc.
The Gardens at Heather Farm
The Henry Ford
The Hometown Foundation, Inc.
The HopeQuest Ministry Group. Inc.
The LAM Foundation
The Michael J. Fox Foundation
The Myositis Association
The Nature Conservancy
The Nuhop Center for Experiential Learning
The Retreat
The Sentry
The Trevor Project
The Workshops Inc.
Theatrikos Theatre Company
TransFamily Support Services
TREA: The Enlisted Association
Trust for America's Health
TSNE MissionWorks
U.S. Committee for Refugees and Immigrants
U.S. Soccer Foundation
uAspire
UNICEF USA

Union for Reform Judaism
Union of Orthodox Jewish Congregations of America
United Philanthropy Forum
United Spinal Association
United Way Worldwide
Urban Justice Center
Vajrapani Institute for Wisdom Culture
VetsFirst
VHL Alliance Inc
Victim Rights Law Center
VisionServe Alliance
Voices for Children of Broward County
Voices for Progress
Voices of Music Inc.
Volunteers of America
Water is Basic
Wenatchee Valley Museum & Cultural Center
Wilderness Inquiry
Winona County DAC
WomenHeart: The National Coalition of Women
with Heart Disease
Wordcraft Circle of Native Writers and Storytellers
World Learning
World Relief
World Vision
Wray Rehabilitation & Activities Center, Inc.
Year Up
YMCA of the USA
Youth Villages
YWCA USA