

United States Senate  
WASHINGTON, DC 20510

August 12, 2020

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
The Capitol, S-230  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader  
U.S. Senate  
The Capitol, S-221  
Washington, DC 20510

Dear Leader McConnell and Leader Schumer

Thank you for your continued leadership as Congress acts to support millions of working families. As the crisis continues, our constituents are increasingly turning to nonprofits now more than ever for the essential services that these organizations provide in local communities throughout the country. Yet, even as they face a tremendous increase in demand for their services, nonprofits have seen a troubling decline in resources available to advance their missions. We must commit to providing charitable nonprofits with the support that they need to continue serving our constituents and our communities.

Already, 1.6 million jobs in the nonprofit sector have been lost, and individual giving in the first quarter of the year was down six percent compared to last year—including an 11 percent decline in March alone. We anticipate that this sharp decline in charitable giving will continue, starving nonprofits of vital revenue just as their services are most needed. These are our food banks, our shelters, our domestic violence services, our houses of worship, our early care and education centers, and more that are being called on to feed, house, and care for people whose lives have been disrupted by sickness, closures, and job losses. Congress must step up to support them.

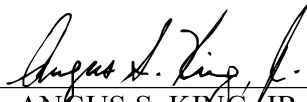
As negotiations continue on the next COVID relief package, we urge you to include the following provisions to ensure that charitable nonprofits can continue to provide frontline services to those in need and remain in position to help our communities recover.

1. **Expand Charitable Nonprofit Access to Relief and Support:** Expand the eligibility for charitable nonprofits to participate in the Paycheck Protection Program (PPP) by modifying the current 500-employee cap so that mid-size and larger nonprofits can participate, and modify the PPP so that charitable nonprofits can participate in a second round of funding. Enact and expand grant and funding programs to help nonprofits retain employees, scale service delivery, and create new jobs. Additionally, appropriate funds for federal grant programs that support nonprofits.

2. **Strengthen Charitable Giving Incentives:** Encourage donations to the work of charitable organizations in their communities by expanding the above-the-line or universal charitable deduction in the CARES Act. Extend the giving incentives through at least 2021. Donations are especially necessary today as nonprofits respond to the current health and economic crisis and will be critical in the future as nonprofits play an essential role in recovery efforts when the pandemic ends.
  
3. **Increase Federal Unemployment Insurance Reimbursement for Self-Insured Nonprofits:** Federal and state laws give nonprofits the option of operating as self-insured (“reimbursing”) employers that make payments to their state unemployment insurance systems for benefits attributable to them in lieu of advance contributions. Shut-down orders by government officials and program cancellations have forced nonprofits to furlough or lay off staff, triggering immediate, catastrophic unemployment payment bills. These challenges are exacerbating cash flow difficulties, diverting valuable funds from mission services, and forcing even more layoffs at a time when other employers will likely experience little or no additional costs resulting from COVID-19-related layoffs. The federal unemployment insurance reimbursement for self-insured nonprofits should be increased to 100 percent of costs.

On behalf of the charitable nonprofit in each of our districts on which our constituents rely every day, we appreciate your attention to this request. We believe that the inclusion of these provisions in the next COVID package will directly help charitable nonprofits respond to the fallout from this pandemic and continue to serve our communities in its aftermath. We appreciate your full consideration of this request.

Sincerely,



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ANGUS S. KING, JR.  
United States Senator




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JAMES LANKFORD  
United States Senator



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TIM KAINE  
United States Senator



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KEVIN CRAMER  
United States Senator



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GARY C. PETERS  
United States Senator



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KELLY LOEFFLER  
United States Senator



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TINA SMITH  
United States Senator



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JOHN BOOZMAN  
United States Senator



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DOUG JONES  
United States Senator



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JOHN HOEVEN  
United States Senator



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RICHARD BLUMENTHAL  
United States Senator



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STEVE DAINES  
United States Senator



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JACKY ROSEN  
United States Senator



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CINDY HYDE-SMITH  
United States Senator



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CHRISTOPHER A. COONS  
United States Senator



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THOM TILLIS  
United States Senator



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KYRSTEN SINEMA  
United States Senator



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M. MICHAEL ROUNDS  
United States Senator



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BRIAN SCHATZ  
United States Senator



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JON TESTER  
United States Senator



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AMY KLOBUCHAR  
United States Senator



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JEFFREY A. MERKLEY  
United States Senator



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MICHAEL F. BENNET  
United States Senator



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CORY GARDNER  
United States Senator