

March 20, 2020

The Honorable Nancy Pelosi, Speaker
United States House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

The Honorable Mitch McConnell, Leader
United States Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Kevin McCarthy, Leader
United States House of Representatives
2468 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Charles Schumer, Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

RE: Potential Aid for Patient Organizations Impacted by Coronavirus

Dear Speaker Pelosi and Leaders McConnell, McCarthy, and Schumer:

The **XX** undersigned organizations write regarding prospective federal intervention to support the airline, travel, and other targeted industries impacted by the coronavirus (COVID-19) epidemic. **We urge you to also include nonprofit patient advocacy organizations within any federal aid packages or supplemental appropriations measures**, as many have been and will be significantly harmed by reduced charitable giving, travel restrictions, fund-raising event cancellations, and reduced meeting attendance as a result of COVID-19. Because of their tax-exempt status, this may necessitate targeted assistance or reshaping tax code-related assistance.

As non-partisan, nonprofit organizations our mission is to serve the patients and communities we represent at no-cost. We are the groups helping the people most impacted by the virus, those with underlying chronic conditions that often result in more severe cases of illness. We expect demand for their invaluable services will only increase during this public health emergency, while at the same time seeing significant reductions in revenue. In addition, the nonprofit sector is the third largest workforce in the U.S., behind retail and manufacturing¹. In order to continue their valuable work, it is critical that patient organizations and other nonprofits be included in any legislation aimed at stemming the growing economic burden of the COVID-19 pandemic.

The spring season is the time of year when many patient advocacy organizations hold important charitable events that drive a significant portion of their revenue. This includes runs/walks, bike rides, and galas. As you are no doubt aware, the fast-spreading COVID-19 epidemic has prompted the cancellation of thousands of these types of events, as well as other mission-critical scientific and membership conferences.

The loss of these meetings and conferences is especially difficult as they play a significant role in advancing science and educating patients and providers. These meetings are largely dependent on in-person attendance at convention centers, hotels, and other event facilities. Thus, the impact of cancellations is, in fact, exponential. The

¹ <https://www.urban.org/research/publication/nonprofit-sector-brief-2015-public-charities-giving-and-volunteering>

groups not only lose important revenue that helps them support people with chronic conditions, they also forfeit substantial, non-refundable expenses obligated to hotels, event spaces, and vendors. We believe it would be unfair to propose financial relief for businesses such as hotels or other venues, that will collect large sums in cancellations fees, without considering the plight of the nonprofits paying those cancellation fees.

Many associations operate similarly to small businesses and are greatly impacted if employees are forced to take sick leave or are quarantined as a result of COVID-19 exposure. We are aware the Administration and Congress are considering measures for small businesses that may require cash flow assistance amid the outbreak, and **urge that tax-exempt entities be included in any temporary aid designed to stem the economic fallout resulting from COVID-19.**

Additionally, we also are concerned by potential impacts on individual and corporate giving in a time when health-related organizations are most needed. Congress should ensure communities are able to support their local nonprofits during this crisis by enacting a **targeted, temporary giving incentive** that enables all residents, regardless of whether they claim itemized deductions, to receive a tax incentive for giving to the work of charitable nonprofits responding to, or suffering from, the coronavirus.

Specifically, we ask that you assure that any additional economic relief or stimulus legislation:

- Incentivize all Americans to support the vital work of America's charities, by enacting 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 to 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.
- Make 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.
- Include \$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 mechanisms to ensure the continued flow of charitable donations.

The nation's leading patient advocacy organizations stand ready and able to assist Congress and the administration in combating the COVID-19 outbreak in addition to meeting our mission to serve people with complex health conditions. But, they will need to be sure they can be financially stable through present and future uncertainties.

Thank you for your consideration.

Sincerely,