

ALBANY CALIFORNIA



CITY OF ALBANY
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Congresswoman Barbara Lee
1301 Clay Street, Ste. 1000-N
Oakland, CA 94612

RE: Support of Letter by Rep. Seth Moulton and Rep. Brian Fitzpatrick's supporting nonprofits

April 14, 2020

Dear Congresswoman Lee,

Communities in California need nonprofit organizations like the YMCA more than ever before in this time of crisis. Charities are truly frontline responders providing food, shelter, medical services and other critical services to those in need. However, nonprofits also need resources in order to continue to serve those who rely on us as the current economic downturn results in reduced contributions and other sources of revenue.

Please show your support of nonprofits by signing on to Rep. Seth Moulton and Rep. Brian Fitzpatrick's bipartisan letter to House and Senate leadership calling for support for nonprofits to be included in the next coronavirus response bill.

We need the next coronavirus response bill to build on the foundation laid in the CARES Act to provide federal support for the nonprofit organizations working in communities across the country to help the most vulnerable among us. It is imperative that Congress take dramatic and immediate action to support the Y and other nonprofit organizations, as our efforts are needed like never before.

Nonprofits need Congress to:

- **Expand Nonprofit Access to Relief and Support:** Establish a distinct reserve dedicated to funding nonprofit loans and expand the eligibility for nonprofits to participate in the Paycheck Protection Program by modifying the current 500-employee cap or by other means. Adjust Economic Stabilization Fund or other mechanisms to implement programs to support nonprofit employers with between 500 and 10,000 employees, including loan-forgiveness and other provisions. Provide clear guidance and maximum flexibility to private lenders to prioritize processing the applications of charitable nonprofits.

- **Unemployment Insurance Reimbursement:** 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. The impacts will be real. States will be greatly challenged to distinguish among employers in an already overburdened system due to the unprecedented surge in new applicants. Many nonprofits will be hit with a bill for reimbursement to states at a time when they will be in the highest demand for providing services. This could actually inhibit nonprofits' ability to perform.
- **Strengthen Charitable Giving Incentives:** Encourage donations to the work of charitable organizations in their communities 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 to encourage an influx of donations when these nonprofits need them most. Also, enhance the Above-the-Line Deduction in the CARES Act by increasing the \$300/person cap and extending the effective date of the incentive.

Whether it's providing child care for essential workers, distributing grab-and-go meals to kids who normally rely on school lunch, or hosting blood drives, YMCAs along with other nonprofits are working quickly to respond to the challenges of the coronavirus crisis.

Sincerely,



Nick Pilch, Mayor
City of Albany

Cc: Fran Gallati, President and CEO Associated Services Center, YMCA of the East Bay
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Mary D'Elia, Executive Director of the Albany Y, mdelia@ymcaeastbay.org