

Nonprofits Applaud Expanded Nonprofit Relief in American Rescue Plan Act, Call for Further #Relief4Charities

The American Rescue Plan Act, just passed by the House, includes several provisions of importance to the charitable nonprofit sector. A statement from the leading coalition of the nation's nonprofits follows:

“The American Rescue Plan Act would provide much-needed relief to many nonprofits on the frontlines of helping people in communities across this country as we continue to deal with the challenges created by the pandemic and economic downturn. It makes significant improvements on the prior relief packages and addresses a number of the concerns of our coalition. However, it still comes up short in a few areas.

“We are glad that this bill would expand Paycheck Protection Program (PPP) eligibility to some nonprofits with more than 500 employees and repeal the ‘affiliation rule.’ Both of those limitations cut off many charitable organizations from economic relief over the past year. Newly-eligible nonprofits will need time to apply for these funds, so an extension of the program beyond March 31 is essential.

“The bill would also increase coverage of unemployment costs charged by states to self-insuring nonprofits, however full and retroactive coverage of these costs is needed. Without full coverage, nonprofits will still struggle to dig out from paying unemployment bills of hundreds of thousands of dollars, forcing many to lay off even more employees. And we still hope to see the above-the-line charitable deduction enhanced and extended.

“The inclusion of state and local funding as well as emergency grant funding in the bill means nonprofits will receive the support they need to be able to serve local communities at this time of immense need.

“The nonprofit sector represents the nation’s third-largest industry, with pre-pandemic employment of more than 12 million employees at the forefront of helping Americans through these difficult times. These charitable nonprofit organizations provide everything from food and shelter to medical and mental health services to education and cultural and spiritual support. Yet, at a time when Americans need these services the most, donations and other earned revenue sources continue to decline as demand for many services continues to grow.

“As the Senate takes up this bill, we call on Senators to include the additional relief that [more than 3,000 organizations are calling for](#), so nonprofits can all continue to keep our workforces intact and help people in our communities.”

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- Alliance for Strong Families and Communities
- American Cancer Society Cancer Action Network
- American Lung Association
- Catholic Charities USA
- Ducks Unlimited
- Girl Scouts of the USA
- Goodwill Industries International
- Habitat for Humanity International
- Independent Sector
- League of American Orchestras
- Lutheran Services in America
- National Council of Nonprofits
- United Way Worldwide
- YMCA of the USA
- YWCA USA