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Congress of the United States  
House of Representatives  
Washington, DC 20515

COMMITTEE ON  
WAYS AND MEANS

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SELECT REVENUE MEASURES

SUBCOMMITTEE ON  
SOCIAL SECURITY

SUBCOMMITTEE ON  
OVERSIGHT

COMMITTEE ON THE  
BUDGET

August 3, 2020

The Honorable Nancy Pelosi  
Speaker of the House  
H-232, The Capitol  
Washington, D.C. 20515

The Honorable Kevin McCarthy  
House Minority Leader  
H-204, The Capitol  
Washington DC 20510

Dear Speaker Pelosi and Minority Leader McCarthy,

Throughout this crisis, charitable nonprofit organizations have served as both a supplement to and an extension of the support services initiated by the public sector. Nonprofits already played a crucial role in our communities, but now, with a global pandemic that has exacerbated hardships across the nation, these organizations have stepped up to meet the moment, helping all of those who need help in these trying times. Our food banks, shelters, childcare centers, health clinics, houses of worship, and many more nonprofits have answered the call to mitigate the impact of the COVID-19 outbreak. The unparalleled expertise of those in the nonprofit sector have been invaluable in providing assistance to those who have contracted the virus, lost their jobs, or have otherwise had their lives disrupted during this national emergency.

While legislative proposals have helped provide some support for our nation's nonprofits, we must bolster these efforts to ensure our nonprofits can survive. We recognize that the CARES Act calls for partial reimbursement of the costs of unemployment benefits paid to laid-off and furloughed employees of self-insured employers. However, without full reimbursement of these costs by the federal government, struggling nonprofits still do not have the means to overcome the insurmountable obstacles this crisis has brought.

The issues with partial reimbursement are intensified for nonprofits in our communities. Pennsylvania's unique system encourages nonprofits to take advantage of benefit reimbursement, but, while this would be helpful during normal times, as COVID-19 has prevented many nonprofits from operating at full capacity and has caused unanticipated financial losses, our nonprofits are paying exorbitant bills to the state unemployment system.

Nonprofit organizations employ 16% of Pennsylvania's workforce, which accounts for the employment of more than 807,000 individuals. Across the Commonwealth of Pennsylvania, nonprofits are hoping to keep staff employed to maintain operations and to keep their employees in financial stability. However, as the crisis continues and the ability of charitable organizations

to generate revenues to cover costs remains uncertain, more and more nonprofits are reaching their breaking points.

We respectfully request that the next COVID-19 response package includes language providing 100% reimbursement by the federal government of the costs of these unemployment benefits. We note that this policy enjoys broad bipartisan support among Senators and Representatives, and has been endorsed by the National Governors Association as well as the U.S. Chamber of Commerce. Just as we have provided financial relief for other sectors, we must extend this support to our nonprofits.

As impactful employers and as service providers, our nonprofits deliver critical community support and development. With communities suffering, now is the time to strengthen our nonprofits.

We appreciate your consideration and look forward to working with you to protect the organizations that protect our communities.

Sincerely,



Brendan F. Boyle  
Member of Congress



Christine M. Tartaglione  
State Senator – 2<sup>nd</sup> District