Nonprofit Community Letter to Maine Congressional Delegation

May 2020

Dear Senator Collins, Senator King, Representative Pingree and Representative Golden:

Like most other parts of our economy, Maine’s nonprofit sector, representing about 16% of the state’s workforce (1 in 6 jobs), continues to struggle in the face of the COVID-19 pandemic. The CARES Act included significant relief for charitable organizations by including them in the emergency loan programs, extending unemployment benefits to many nonprofit employees, and providing a small tax incentive for charitable giving. Nonprofits are appreciative of this relief.

A unified group of Maine organizations has put together a set of recommendations for policy solutions that will help preserve nonprofits’ ability to provide vital services and nurture communities at this time of greatest need. We seek your assistance in ensuring they are included in the next COVID-19 stimulus bill that Congress passes.

Specifically, nonprofits are prioritizing the following four legislative solutions:

1. **Expanding nonprofits’ access to credit** to provide for immediate financial relief by making the following changes:
   - Improving the Paycheck Protection Program (PPP) by lifting the 500-employee cap, expanding the time frame beyond 8 weeks, encouraging the SBA to provide clear guidance and flexibility in PPP forgiveness, and repealing the "75/25" rule for PPP forgiveness.
   - Allocating more funds in the Economic Injury Disaster Loan program (EIDL), which is the only relief available to very small volunteer-led organizations, and changing the EIDL grant program to a flat amount not based on numbers of employees.
   - Advocate that the Federal Reserve include nonprofits in the Main Street Lending Program.

2. **Strengthening temporary above-the-line charitable deduction from the CARES Act** by allowing taxpayers to use it on the 2019 taxes, significantly increasing the $300 cap, and extending it beyond 2020.
3. **Holding harmless self-insured nonprofits by providing funding to cover 100% of the costs of these organizations’ unemployment claims.** Without this change, many nonprofits that provide health care, food assistance, affordable housing, childcare, and other critical services will have to end or curtail services later this year.

4. **Increase emergency funding to state and local governments** so they may continue to fulfill contracts with nonprofit organizations, including those that provide essential services to vulnerable families and frontline responders to the COVID-19 crisis.

Thank you for your continued leadership during this crisis. The Families First and CARES Acts were important first steps in helping nonprofits recover from the COVID-19 crisis. We hope you and your colleagues in Congress will take up our recommendations to help nonprofits continue to provide essential services in our communities.

Please feel free to reach out to Sarah Skillin Woodard at Maine Association of Nonprofits (swoodard@nonprofitmaine.org) for additional information on any of these requests.

Sincerely,

*Your organization name here!*