

February 11, 2021

President Joseph R. Biden 1600 Pennsylvania Avenue NW Washington, DC 20500

Dear President Biden,

On behalf of the charitable nonprofit sector we represent, let me begin this letter by congratulating and thanking you and Vice President Harris for stepping into the job of leading our nation through a period of unprecedented challenge and, we continue to hope, a period of emergent opportunity.

As you know, nonprofits are both uniquely situated, and uniquely at risk, at this time. They are deeply rooted and trusted in community, seen by a majority of Americans as being most effective in responding to the COVID-19 crisis, and "forward-positioned" as your Administration's partner in building this nation back better than before — especially the Black, Native, Latinx and other communities of color that have disproportionately borne the brunt of these health, economic, and racial crises. However, many nonprofits are also facing an existential threat to their continued existence. Unlike their counterparts in the private sector, they face declining revenues and exploding demand. These are the needs, and the policy issues, we seek to more thoroughly discuss with members of your new Administration.

In feeding the hungry, healing the sick, and housing the needy, nonprofit organizations are clearly on the front lines in addressing the pandemic and its most conspicuous impacts. Yet nonprofits are also meeting other needs in their communities that are no less vital during an unprecedented crisis: spiritual and artistic expression, job training, environmental stewardship, democratic ideals, education at all levels, childcare, and more. Unfortunately, the organizations and people that comprise this critical partner are struggling deeply. Nonprofits constitute more than 10% of the private workforce and are the third largest employer in our nation but have lost a net of over 930,000 jobs since the pandemic began. More than 50,000 of these jobs were lost in December alone, the most recent month for which data is available.

December also brought passage of the Consolidated Appropriations Act, 2021 (PL 116-260), important legislation that did not completely exclude our sector, but failed to provide remotely sufficient relief. These inadequacies – detailed in an impact fact sheet – as well as discussions with your transition team, led Independent Sector to survey our community about its continued challenges and specific ways that policymakers could help. The findings of this research make clear that nonprofit organizations face a diverse set of challenges, and that a wide range

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The Honorable

John W. Gardner (1912-2002)

Founding Chair

Brian O'Connell (1930-2011)

Founding President and President Emeritus

of relief measures are sorely needed.

A broad and committed coalition of over 2,700 organizations spanning all 50 states stands united in advocating for those urgent policy needs: nonprofit-specific assistance programs, strengthened charitable giving incentives, full unemployment benefit reimbursement, and aid to state and local governments. These policies would help many organizations preserve jobs and resources, but they also are truly essential because they will allow our sector to continue serving the unique needs of communities nationwide. While our coalition is encouraged to see some progress on these priorities in recently released legislation, more needs to be done.

Independent Sector, as the only national organization representing the whole of the U.S. charitable nonprofit community (foundations, corporate giving programs, and nonprofits) is ready to mobilize our networks and anxious to work with you and your team to "build back better" so that all people living in the U.S. can thrive. Again, on behalf of the community we represent, we appreciate your attention to these priorities, look forward to further discussing them with your team, and stand ready to work with the Administration and the Congress to ensure passage of the next round of critically needed COVID relief legislation.

Sincerely,

Daniel J. Cardinali President and CEO

CC: Secretary Janet Yellen