## September 27, 2023

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

Dear President Biden,

As organizations representing the nonprofit and philanthropic sectors, we urge you to correct a longstanding inequity in how the federal government reports wage and employment data through the Bureau of Labor Statistics (BLS). Specifically, we ask you to include \$4 million in your Fiscal Year 2025 budget request for the BLS Office of Employment and Unemployment Statistics, for the purpose of incorporating nonprofit organizations in the Quarterly Census of Employment and Wages (QCEW). This request echoes report language accompanying S.2624, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2024, which was reported by the Senate Committee on Appropriations by an overwhelming 26-2 vote on July 27, 2023.

By law, charitable nonprofits exist to serve a charitable purpose. They play a critical role in enriching our civil society and lifting their communities' voice. In addition to this work, the nonprofit sector is an economic powerhouse – the nation's third-largest employer at more than 12.5 million workers and 10% of the private workforce. In the course of doing good, these organizations constitute a vital piece of our nation's economy.

Most every sector of that economy – including many that are much smaller than nonprofits – can track its employment totals and wage information from BLS on a quarterly basis. This allows employers in those sectors to benchmark their outcomes against larger trends, while helping policymakers understand challenges and craft responsive policy. Unfortunately, nonprofit organizations cannot do the same because nonprofit data are released only every five years, if resources permit, with the most recent data provided for 2017.

In addition to its fundamental unfairness, this system serves our sector and the American people extremely poorly. The nonprofit workforce is depleted and weary after years of pandemic crisis, leaving many vulnerable communities with frayed lifelines in an uncertain economy. According to its mission statement in the 2020-2025 strategic plan, the BLS "measures labor market activity in the U.S. economy to support public and private decision making." This mission simply cannot be achieved with a blind spot for the economy's third-largest employer.

The language in the Committee's report is a welcome recognition that these data would benefit the American economy, the nonprofit and philanthropic sectors, and – most importantly – the communities that these organizations serve. For these reasons, we join with <u>more than 250 nonprofits</u>, <u>philanthropic organizations</u>, <u>and scholars nationwide</u> in urging the BLS to incorporate nonprofit organizations into the QCEW. We look forward to working with you to make this a reality.

## Sincerely,

American Heart Association Aspen Institute Program on Philanthropy and Social Innovation Association of Fundraising Professionals Big Brothers Big Sisters of America Boys & Girls Clubs of America Council on Foundations Covenant House International Dance/USA Girl Scouts of the USA Goodwill Industries International Inc. **Independent Sector** Jewish Federations of North America League of American Orchestras Lutheran Services in America Meals on Wheels America Mental Health America National Council of Nonprofits **OPERA** America Social Current United Philanthropy Forum United Way Worldwide Volunteers of America YMCA of the USA YWCA USA