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National Charitable Nonprofits Urge Prioritization of Pandemic and Workforce Shortage Relief

A coalition of more than 60 national charitable nonprofits today sent a letter to President Joe Biden and Congressional leaders, urging them to advance policy priorities that will help charitable organizations overcome the unique challenges they are facing as they struggle to serve communities through one of our nation's most challenging public health and economic crises.

Today, many charitable entities are experiencing [unprecedented workforce shortages](#) – including [450,000 fewer employees](#) than before the pandemic – forcing them to restrict needed services, institute waiting lists, or close operations entirely. Further, after the pandemic is contained, the public will continue to rely on charitable organizations to help them recover through services such as education and healthcare, social services, and cultural and faith engagements.

According to the letter: “The charitable nonprofit sector is the backbone of our communities. We continue to face unprecedented challenges as we assist you and the American people in providing pandemic relief and economic recovery. We ask you to come together in prioritizing and passing the legislative proposals identified as critical to the support and efficacy of the nonprofit charitable sector.”

In the detailed letter, also addressed to Speaker Pelosi, and Leaders Schumer, McConnell, and McCarthy, the national organizations outlined needed policy priorities:

Generating Resources to Meet the Needs of Relief and Recovery

The letter urges Congress and the Administration to renew the universal charitable (non-itemizer) deduction at least through 2022 and significantly increase the cap on the deduction, as proposed in the bipartisan Universal Giving Pandemic Response and Recovery Act (S.618/H.R.1704). Similarly, the letter calls on policymakers to extend two additional disaster-relief giving incentives that expired at the end of 2021 – the provision permitting individuals who itemize to deduct charitable donations up to 100% of their adjusted gross income and the measure allowing corporations to deduct charitable donations up to 25% of taxable income.

Addressing Critical Staffing Shortages

Prior to the pandemic, charitable nonprofits employed more than 12 million people, making them the third largest industry in the country – larger than the construction, financial services, and manufacturing industries. Today, charitable organizations report [significant difficulties retaining staff and filling vacancies](#). To alleviate this workforce crisis, solutions include extending and improving the Employee Retention Tax Credit, investing significantly in high-quality, affordable, and available childcare options, enacting the WORK NOW Act nonprofit grants and jobs program, and making essential reforms to the Public Service Loan Forgiveness program to make it more accessible for nonprofit employees.

Promoting the Return of Volunteers to Nonprofits

Nonprofit organizations rely on volunteers to help them fulfill their missions, but volunteers have not returned to pre-pandemic levels and charitable nonprofits lack the capacity to manage and marshal volunteers in this changing environment. Signers of the letter seek funding for efforts to strengthen the volunteer force in the United States. Specifically, nonprofits are seeking capacity building grants to assist in volunteer generation and management and relief for volunteer drivers.

The letter stressed the need to continue existing programs and funds, such as the State and Local Fiscal Recovery Funds under the American Rescue Plan Act, and for the funds to serve their original intended purpose and not be repurposed. These programs and funds are vital lifelines to communities that are enabling governments, businesses and nonprofits to identify and address immediate and long-term needs exacerbated by the pandemic. Most importantly, the signers emphasize, those funds are critically necessary to enable communities to advance racial justice and equity.

[Read the full letter and see the full list of organizations that have signed the letter here.](#)