



July 13, 2020

Jennifer O'Malley Dillon
Biden for President
1120 20th Street NW
Suite 250
Washington, DC 20036

Dear Ms. O'Malley Dillon,

Since the founding of our nation, nonprofits have been the essential “connector” between government and community. And while nonprofits are often at the very heart of delivering government services, they are also the trusted vehicles by which citizens generate solutions to community problems, lift our spirits through the arts and faith, protect the natural world, and strengthen the bonds that hold our civic life intact. Nonprofits are also the nation’s third largest employer.

Nonprofits are deeply trusted to serve as a nonpartisan, information “bridge” between local communities and candidates, policy makers, and voters. This is why Independent Sector, the single national representative of the entire charitable sector (nonprofits, philanthropies, and corporate giving programs) is writing to both presidential campaigns.

As the Biden campaign considers its future policy agenda, we urge you to tap into the knowledge, experience, and reach of the nonprofit sector. Our near-term hope is that you will form a working group, or designate a senior advisor, to serve as an ongoing liaison between your campaign and the nonprofit sector. Ultimately, we would hope to see permanent and visible representation of charitable nonprofits, their needs, and their expertise in a Biden Administration – much the way the Small Business Administration represents the interests of that sector.

Here are some of the insights and experience nonprofits can share to further inform your campaign and the policy agendas you develop into the future:

- **Nonprofits as employers:** The nonprofit sector is one of the largest contributors to our nation’s economic health. Each year, the sector collectively contributes over \$1 trillion to the national economy and employs 12.5 million Americans. It is the nation’s third largest employer, employing more people than manufacturing, construction, and finance. Nonprofits also generate over 5 percent of GDP and employ over 10 percent of the nation’s private workforce.
- **Nonprofits as proven agents of repair:** Nonprofits have a demonstrated track-record of putting people back to work after periods of national crisis. In the wake of the 2008 financial crisis, the number of jobs created by U.S. nonprofits grew by 18.6%—three times faster than the country’s for-profit businesses over the same period. Nonprofits are also a leading provider of job retraining. With 44 million Americans filing claims for unemployment insurance over the last 12 weeks, the need for job

retraining has arguably never been more vital. Nonprofits are also at the center of the civic underpinnings of our society – charitable giving, volunteering, national service, advocacy and voting. These are the practices that knit the fabric of our communities and our nation and create the conditions for equitable societal change and recovery.

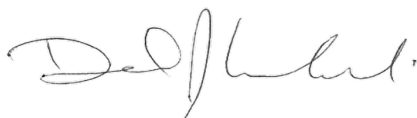
- **Nonprofits as trusted partners in strengthening society:** While nonprofits have long been deeply trusted by local governments as an essential partner in delivering vital resources to communities, recent research from Independent Sector and Edelman Intelligence makes clear that nonprofits are trusted to build a better future. Our survey indicates that 81 percent of Americans trust nonprofits to strengthen our society and offers new insights into the drivers of public trust.
- **Nonprofits as a sector at risk:** Declining charitable giving and more than a decade of decline in individuals giving to charities have strained the finances of nonprofits. Due to COVID-19, the financial outlook for many is now dire. A new Independent Sector survey of large and mid-sized nonprofits shows 83 percent of respondents reporting a drastic decline in revenue compared to 2019. These are established organizations that theoretically would be the best equipped to weather a financial crisis. Unfortunately, they also reported a 47 percent reduction in employment due to COVID-19, while 71 percent of survey respondents report reducing services. Strong presidential leadership will be required to make sure that all nonprofits receive emergency financial support, are able to access low-cost and forgivable loans, and new incentives to promote charitable giving are put in place.

The charitable nonprofit sector is at the very core of the community and civic structures that hold our nation together. It works to protect public health, advance scientific discovery, feed families, care for our children and planet, train our workforce, and nurture us all through artistic and faith-based institutions. It will be a linchpin to rebuilding America after this pandemic, making all communities, especially communities of color and indigenous communities ravaged by coronavirus, stronger and more equitable than they were before.

We are anxious to step into the work ahead alongside leaders in government and industry. We would like to meet with a representative of your campaign in the weeks ahead to discuss the issues in this letter and explore how trusted nonprofit voices can best help to shape the policy agendas you are now fashioning and inform the ways you will govern.

On behalf of the charitable sector, we appreciate your time and consideration of these important issues and we look forward to partnering with you to ensure all people in the U.S. thrive.

Sincerely,



Daniel J. Cardinali
President and CEO
Independent Sector