



# The Paycheck Protection Program is a Lifeline for Nonprofits Organizations

**State of Play:** “Nonprofit Impact is a Matter of Fact, Not Opinion”

Forgivable loan assistance is an essential resource that not only supports the charitable sector’s capacity to serve their communities, but also prevents nonprofit employees from becoming those in need.

**Immediate Action is Needed to Ensure That Assistance is Accessible to Nonprofits.**

- Amidst the COVID-19 crisis, the Paycheck Protection Program has protected over 4 million nonprofit jobs. During this time of unprecedented need, nonprofits have remained on the front lines to serve their communities as essential partners to government
- Provisions in the previous relief package imposed significant barriers that limited accessibility for smaller nonprofit organizations and excluded many mid-size and larger organizations entirely
- Loan recipients have exhausted most of the financial assistance that was appropriated and now face challenges of lost revenue, disrupted operations, and surging demand
- A recent survey of large and mid-sized nonprofits by Independent Sector determined that 71% of these organizations have been forced to decrease services and have collectively reduced their number of employees by almost half

**Nonprofits Are Trusted Sources of Information — Our Collective Advocacy is More Important Now than Ever.**

Research indicates that nonprofit roots and trust within communities provide ample opportunity to increase civic engagement among those who are regularly excluded from the democratic process. Our natural engagement assets and unparalleled reach make us particularly well suited to encourage active civic participation. As the nation’s third largest employer, nonprofits are able to organize 12.3 million employees and mobilize networks of donors, volunteers, and constituents across 1.5 million organizations.

**Expand & Extend Accessibility.**

To ensure the Paycheck Protection Program is equitable to all, Congress must appropriate a second round of emergency funding to extend access to all nonprofits nationwide



**No Nonprofit Left Behind.**

Nonprofits that employ more than 500 people include some of the highest impact organizations in the country, yet they are consigned to a separate program providing inadequate assistance. To ensure the eligibility criteria is both inclusive and accessible for over 4,000 nonprofits, Congress must amend the mandatory minimum requirement

**Identify & Authorize a Facility.**

Congress must implement provisions that authorize loan assistance programs proposed in H.R. 6800 with viable options for loan forgiveness. Mandates must also authorize and require the Federal Reserve to finalize a tailored lending facility that addresses the unique needs of mid-size and large nonprofits