



April 15, 2020

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
H-222, US Capitol
Washington, DC 20515

The Honorable Mitch McConnell
Senate Majority Leader
United States Senate
S-230, US Capitol
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
H-204, US Capitol
Washington, DC 20515

The Honorable Charles E. Schumer
Senate Minority Leader
United States Senate
S-221, US Capitol
Washington, DC 20510

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer,

On behalf of the AMC Institute (AMCI), which represents nearly 200 association management companies (AMCs) across the country, we thank you for your continued commitment to alleviating the devastating economic impact of the COVID-19 pandemic.

AMCI members provide full-service management to over 2,000 nonprofit associations pursuing critical missions throughout the Nation, including Internal Revenue Code Section 501(c)(6), 501(c)(3), and 501(c)(4) nonprofits. As part of this full-service management, AMCs provide associations with staffing, office space, equipment, technology, and other business operation needs, so that the associations can focus on their important missions. Nonprofit associations are suffering mounting harm resulting from the Coronavirus outbreak due to declines in membership and dues, as well as cancellation of revenue-generating meetings and events upon which these associations rely. While Congress took important steps to address the needs of nonprofits in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, additional and immediate action is necessary to provide desperately needed support for nonprofit associations. Further, AMCI requests that Congress ensure the unique attributes of AMC-managed nonprofits do not serve as a barrier to federal relief for these vital entities.

As Congress considers additional ways to provide relief from the impact of COVID-19, AMCI urges inclusion of the following priorities in any further legislative packages aimed at addressing COVID-19:

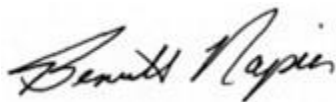
- **Ensure AMC-managed nonprofits are able to access and benefit from the Small Business Administration (SBA) Paycheck Protection Program (PPP):** Because AMC-managed nonprofits do not have W-2 employees, they do not technically have “payroll costs” used to determine loan amounts; however, fees paid to AMCs effectively serve as a substitute for payroll costs. Allowing this technicality to prevent AMC-managed nonprofits to access PPP loans would deny relief to many Section 501(c)(3) nonprofits in desperate need of assistance. Additionally, AMCI requests that Congress include Section 501(c)(6) nonprofits, whose varied missions serve vital functions, as eligible entities under the PPP.
- **Ensure that AMC-managed nonprofits are afforded equal relief under the Economic Injury Disaster Loan (EIDL) Program:** Because AMC-managed nonprofits do not have W-2 employees, challenges have arisen in seeking relief under the EIDL. For example, SBA has limited the advance Emergency Economic Injury Grants to \$1,000 *per employee*, up to \$10,000.

Additionally, the EIDL application requires that applicants list their number of employees, which number for AMC-managed nonprofits is “0”.

- **Include Section 501(c)(3) and 501(c)(6) nonprofits as eligible entities under any proposals designed to provide COVID-19 relief for small businesses:** As additional policies aimed at providing COVID-19 relief for small businesses are developed, AMCI requests that Congress include Section 501(c)(3) and 501(c)(6) nonprofits as eligible, thus recognizing these entities’ dire need for relief. Further, as these programs, as well as their applications, are developed, we request that Congress contemplate and account for the unique attributes of AMC-managed nonprofits.
- **Provide \$25 billion in emergency assistance to trade and nonprofit associations:** A recent survey of nonprofit associations found that 78 percent of associations anticipate revenue decreases in 2020 due to COVID-19, with an average estimated decrease of \$643,000. These devastating revenue losses place associations across the country in precarious financial position, threatening their continued ability to achieve their missions. As such, AMCI requests Congress provide \$25 billion in emergency aid to trade and nonprofit associations.
- **Support nonprofit associations through tax credits:** Nonprofits serve a critical role in society, not only by pursuing their important missions, but also by supporting industry through conferences and events, such as the hospitality, airline, and food services industries, all of which have been similarly harmed by this pandemic. As our country recovers from the effects of COVID-19, we request that Congress encourage attendance at nonprofit meetings and events, once deemed safe, through creation of a new tax credit to incentivize domestic business travel to these events within a specified timeframe. Additionally, as association members are forced to make difficult economic choices regarding their personal expenses, AMCI requests Congress explore creation of a tax credit covering dues paid to nonprofits.

AMCI appreciates your consideration of these requests and thanks you for continued leadership in responding to our Nation’s needs amidst this pandemic. If you have any questions, please contact Tina Wehmeir at (703) 570-8953 or twehmeir@amcinstitute.org.

Sincerely,



Bennett Napier, MS, CAE
Board Chair



Tina Wehmeir, CMP, CAE
Chief Executive Officer