

TO: The AMC Institute
FROM: Polsinelli
SUBJECT: AMCI Federal Advocacy Plan
DATE: April 15, 2020

The following advocacy plan outlines the policy objectives Polsinelli will pursue on behalf of the AMC Institute (AMCI) in order to help AMCI's clients secure meaningful federal relief from the impacts of the COVID-19 pandemic.

Advocacy Priorities

Tier 1:

1. Ensure AMC clients are able to access and benefit from the Paycheck Protection Program (PPP), including by advocating that (1) 501(c)(6) nonprofits be included as eligible entities; and (2) fees paid to AMCs be treated as a substitute for payroll costs.
2. Advocate that 501(c) nonprofits utilizing AMCs are afforded appropriate relief under the Economic Injury Disaster Loan (EIDL) Program, given that the program was not designed with the AMC model in mind.

Tier 2:

3. Advocate that 501(c)(3) and (c)(6) entities be included in any Congressional proposals designed provide COVID-19 relief for small business and that these programs, as well as their applications, be designed with the AMC model in mind.
4. Support ASAE's advocacy efforts to provide \$25 billion in emergency assistance to trade and professional associations due to loss of operating revenue and/or cancellation fees related to in person meetings and events.

Tier 3:

5. Advocate for creation of a new tax credit to incentivize domestic business travelers to travel within a specified timeframe to nonprofit-sponsored events and meetings. The tax credit would be worth 50 percent of qualified travel expenses incurred in the U.S. between May 1st, 2020 and December 31st, 2021, up to a maximum tax credit of \$2,000 per household.
6. Advocate for creation of a tax credit for membership dues paid to 501(c)(3) and 501(c)(6) membership organizations during calendar years 2020 and 2021.

Strategy to Achieve Priorities

Education:

Education and awareness will be a critical component of pursuing all of these priorities, and, to that end, we have already begun preparation of a draft one-pager for use in our outreach, subject to AMCI review and approval. This one-pager will provide background on the AMC model and why nonprofits choose to utilize AMCs.

Targeted Outreach to Key Members of Congress and Administration Officials

Polsinelli will begin conducting immediate and sustained outreach to the following key figures in COVID-19 relief legislation negotiations and have jurisdiction over the issue areas of AMCI's priorities. Given the outsized role of House and Senate leadership in negotiating additional COVID-19 relief legislation, we have prepared a letter to House Speaker Pelosi (D-CA), House Minority Leader McCarthy (R-CA), Senate Majority Leader Mitch McConnell (R-KY) and Senate Minority Leader Chuck Schumer (D-NY), outlining AMCI's "asks" for your review and signature. We will then use this letter as a guidepost for our outreach to key players we have outlined below.

- Treasury Secretary Steve Mnuchin, given his role as a key negotiator in COVID-19 talks;
- House Small Business Committee members, including Chairwoman Nydia Velazquez (D-NY), Ranking Member Steve Chabot (R-OH), Economic Growth, Tax and Capital Access Subcommittee Chairman Andy Kim (D-NJ) and Economic Growth, Tax and Capital Access Subcommittee Ranking Member Kevin Hern (R-OK)
 - This committee has jurisdiction over Small Business Administration issues, including the PPP and the EIDL;
- Senate Committee on Small Business and Entrepreneurship members, including Chairman Marco Rubio (R-FL) and Ranking Member Ben Cardin (D-MD)
 - This committee has jurisdiction over Small Business Administration issues, including the PPP and the EIDL;
- House Ways & Means Committee members, including Chairman Richard Neal (D-MA), Ranking Member Kevin Brady (R-TX), Select Revenue Measures Subcommittee Chairman Mike Thompson (D-CA) and Select Revenue Measures Subcommittee Ranking Member Adrian Smith (R-NE)
 - This committee has jurisdiction over the tax credits for membership dues and travel expenses to nonprofit events and meetings;
- Senate Finance Committee members, including Chairman Chuck Grassley (R-IA), Ranking Member Ron Wyden (D-OR), Subcommittee on Taxation and IRS Oversight Chairman John Thune (R-SD), and Subcommittee on Taxation and IRS Oversight Ranking Member Mark Warner (D-VA)

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- This committee has jurisdiction over the tax credits for membership dues and travel expenses to nonprofit events and meetings;
- House Financial Services Committee Chairwoman Maxine Waters (D-CA) and Ranking Member Patrick McHenry (R-NC)
 - To the extent this committee is looking at ways to provide relief to small businesses and nonprofits in COVID-19 response legislation, we will advocate that the AMC model be taken into consideration; and
- Senate Banking, Housing, and Urban Affairs Committee Chairman Mike Crapo (R-ID) and Ranking Member Sherrod Brown (D-OH)
 - To the extent this committee is looking at ways to provide relief to small businesses and nonprofits in COVID-19 response legislation, we will advocate that the AMC model be taken into consideration.
- ASAE has begun cultivating champions on the Hill for association relief in Reps. Chris Pappas (D-NH) and Brian Fitzpatrick (R-PA), along with 60 other House members. Given that these members are engaged on this issue, we will tailor our message to these members in order to both (1) thank them on AMCI's behalf for recognizing the needs of Section 501(c)(6) associations; and (2) encourage them to advance reforms to the PPP necessary to provide relief for AMC-managed nonprofits. We expect to build upon this foundation and expand the base of members supporting federal relief for AMC-managed nonprofits as we work to build a robust coalition of Congressional allies.

We are analyzing the geographic footprint of AMCI membership in order to identify additional targets for outreach to members both on and off the committees outlined above. Elevating constituent concerns with members of Congress can bolster our overall efforts and provide additional momentum for AMCI's policy priorities.

Collaboration with ASAE:

Given that ASAE has been actively advocating for inclusion of 501(c)(6) nonprofits as eligible under the PPP and to provide \$25 billion in emergency assistance to trade and professional associations, we will work with ASAE to maximize our advocacy efforts. To that end, we will share intelligence and advocate in a collaborative manner, to the extent appropriate. We will also work with ASAE to elevate AMC-specific concerns in their advocacy agenda.