



Pennsylvania’s philanthropic, nonprofit, and municipal leaders request that additional measures be taken to mitigate the impact of unemployment claims on our communities.

Nonprofit service providers, boroughs, municipalities, and townships are critical partners to the Commonwealth of Pennsylvania in the delivery of essential programs and services to Pennsylvania’s residents. Nonprofit organizations employ 16% of Pennsylvania’s workforce (807,000 individuals) and the 2,560 municipalities also employ tens of thousands of Pennsylvania residents.

We appreciate the swift action of the general assembly to protect nonprofit and public sector reimbursable employers by passing HR 68 amending Act 9 as early as March 2020. Those amendments allowed reimbursable employers who have paid the solvency fee to be held harmless for 100% of the unemployment claims that occur during the time that the state is under the COVID-19 state of emergency declared by the Governor. Your action demonstrates the forward-thinking of your leadership so needed during this time of crisis.

This request asks for an expansion of the work started by those March 2020 amendments as follows:

1. Extend the period of benefit for reimbursable employers to any employment claims resulting from COVID-19—including and beyond the weeks of COVID-19 disaster emergency declared by the Governor.
2. Open a period of 90-120 days for nonprofits and boroughs, municipalities, and townships who have not paid the solvency fee to pay the solvency fee, which would then allow all participating nonprofits, boroughs, municipalities, and townships to be held harmless for 100% of unemployment compensation claims resulting from COVID-19.

Table 1 reflects real numbers from several Pennsylvania charitable, nonprofit organizations that did not pay this year’s solvency fee. The data below was based on the assumption that employees of these organizations filed unemployment claims for **just 6 weeks** (in March and April). Unemployment claims extending beyond April 30 will only increase the liability of each organization and each organization’s need for financial assistance.

Table 1: Seven Pennsylvania Charitable Nonprofits Not Paying the 2019-2020 Solvency Fee

Organization Name	Operating Budget	# Staff Laid Off or Furloughed	100% Liability (March & April)	50% Current Liability	Solvency Fee
ArtsQuest	\$22 M	95	\$33,000	\$16,500	\$9,095
Berwick Area YMCA	\$1.7 M	89	\$35,868	\$17,934	\$1,596
Lawrence County YMCA	\$2.18 M	111	\$121,794	\$60,894	\$1,996
River Valley Regional YMCA	\$8.54 M	400	\$200,000	\$100,000	\$7,856
Via of the Lehigh Valley	\$8.9 M	134	\$83,649	\$41,824	\$11,000
VisionCorps	\$20 M	34	\$48,000	\$24,000	\$10,000
Twin Tiers YMCA	\$2.6 M	98	\$39,420	\$19,710	\$1,696

These examples are only a small sample of the large number of Pennsylvania nonprofit/charitable organizations and public sector organizations that did not pay this year's solvency fee. This low-impact action of enabling organizations to pay the solvency fee now will collectively save these organizations millions of dollars and thus keep Pennsylvania's workforce employed and contributing to the economy.
As a first point of contact, feel free to reach out to Anne Gingerich, Executive Director, Pennsylvania Association of Nonprofit Organizations at anne@pano.org or 717-839-6564 (direct).

SIGNING ORGANIZATIONS

1. Armstrong County Community Foundation
2. ArtsQuest
3. Bridge Builders Community Foundations, Inc.
4. Community Action Association of Pennsylvania
5. Community Foundation of Westmoreland County
6. Family Design Resources
7. The Forbes Funds
8. Greater Pittsburgh Nonprofit Partnership
9. Housing Alliance of Pennsylvania
10. Hunger-Free Pennsylvania
11. Lehigh Valley Community Foundation
12. Pennsylvania Academy of the Fine Arts
13. Pennsylvania Association of Nonprofit Organizations
14. Pennsylvania Council of Children, Youth and Family Services
15. Pennsylvania Family Support Alliance
16. Pennsylvania State Alliance of YMCAs
17. The Pittsburgh Foundation
18. Rehabilitation and Community Providers Association
19. United Way of Lancaster County
20. United Way of Southwest Pennsylvania
21. United Way of Pennsylvania
22. Via of the Lehigh Valley
23. VisionCorps