



April 8, 2020

ZJ Hull
 Legislative Counsel
 Office of Representative Zoe Lofgren
 1401 Longworth HOB
 Washington, DC 20515

Good afternoon ZJ-

Thank you, again, for reaching out to learn more about the untenable situation large non-profits (over 500 employees) are experiencing with the Family First Coronavirus Response Act and the CARES Act. We are grateful for the strong and steady voice of logic and reason Congresswoman Lofgren has demonstrated throughout the decades, and in particular during this crisis.

As you know the programs allow agencies who employ less than 500 employees to benefit from expanded benefits not accessible to agencies with over 500 employees. They include:

- 1 Paid Sick Leave (10 day paid sick leave) plus tax credits
- 2 Expanded FMLA (up to 12 weeks of leave under the Family and Medical Leave Act)
- 3 CAREAs Act SBA Loan for nonprofits with 500 employees or less, which includes Paycheck Protection Program loans, Economic Injury Disaster Loans, Payroll Tax Deferral and SBA Express Loans and loan forgiveness.

Additionally, in our review and analysis of Title IV, Economic Stabilization and Assistance to Severely Distressed Sectors of the US Economy that applies to companies that have upwards of 500 employees, the terms of the program are not as favorable as loans to employers with under 500 employees, which turns those loans essentially in to grants. More distressing is that loans under Section 4003(b)(4) require approval by the Federal Reserve Board of Directors and there appears to be no timeline for authorization of the program, placing non-profits such as Uplift Family Services in serious peril.

Non-profit essential service providers, whether they employ more or less than 500 employees, are delivering the same critical services to children, youth, adults, and families during the COVID-19 crisis. In our view, there should be no distinction of benefits based on sheer size. As Congresswoman Lofgren would know based on her

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Formerly EMQ FamiliesFirst

tenure on the County of Santa Clara Board of Supervisors, CA's mental health system is cost based, meaning there is no opportunity for retaining profits. This means that any savings achieved must be returned to the county and/or state at year end. Accordingly, there would be no opportunity for a non-profit provider to repay the loan. These need to be forgivable loans for larger non-profit providers, just like our smaller partners.

We are respectfully requesting Congresswoman Lofgren advocate for the interim package scheduled to be voted on Thursday, April 9th to include the following for essential services non-profits with over 500 employees:

- 1 Paid Sick Leave plus tax credits
- 2 Expanded FMLA (Up to 12 weeks under the FMLA Act)
- 3 Similar benefits to the Economic Injury Disaster Loan program - loan forgiveness
- 4 Direction to the Administration to direct the Federal Reserve Bank Board of Directors to expeditiously authorize and release guidelines for loans under section 4003(b)(4) program.

Thank you again for allowing us the opportunity to provide feedback on the current challenges non-profits with over 500 employees are experiencing with the CARES Act and the Family First Act.

Please feel free to reach out to me or, Eva Terrazas, should you have any further questions or comments.

Respectfully,

Darrell Evora
CEO

Eva M. Terrazas
Senior Director Public Policy and Advocacy

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