



January 14 2021

Dear members of the House Business Affairs and Labor Committee:

I am writing to express Colorado Nonprofit Association's support for SB 21-001 and commend Representatives Herod and Sandridge and Senators Winter and Priola for bringing this bill forward.

Colorado Nonprofit Association represents over 1,400 charitable nonprofit organizations (under Section 501c3 of the Internal Revenue Code). Our mission is to lead, serve, and strengthen Colorado's nonprofit community to improve the quality of life throughout our state.

SB 21-001 targets \$4 million in COVID-19 relief funds to the Colorado businesses disproportionately impacted by the pandemic. Nationwide, the nonprofit sector lost over one million workers in March of 2020 (about 13 percent) and returning to pre-pandemic employment levels will take over two years (according to Johns Hopkins University). While the Paycheck Protection Program has helped some nonprofit organizations, fewer than 4 percent of loans went to nonprofits in 2020.

In 2021, we expect the pandemic and economic downturn will continue to negatively impact the capacity of nonprofits to operate and raise funds. Higher unemployment rates typically mean fewer Coloradans will be in a financial position to make donations much less increase their giving over prior years. Also, necessary limits on public gatherings mean fewer people able to access nonprofits' services and fewer opportunities for people to contribute to the work of these nonprofits.

In addition to helping minority and low to middle income business owners, SB 21-001 will make additional relief available to nonprofits with five or fewer employees as well as those located in economically distressed areas of the state. These small employers have faced greater challenges in accessing resources to recover for the pandemic.

We are grateful for the General Assembly taking more action in 2021 to support Colorado's small nonprofit and for-profit employers and ask for a yes vote.

Sincerely,

A handwritten signature in blue ink that reads "Mark Turner".

Mark Turner
Senior Director of Public Policy