

Alaska's Nonprofits Support CARES Relief Funding

Thank you for the opportunity to speak on behalf of the almost 6,000 Alaska nonprofits that partner with federal, state, and local governments and businesses to serve Alaskans, and that are currently responding to the COVID-19 pandemic.

Importantly, nonprofits are a major economic driver for our state and our city. We deliver essential services, leverage public funds for maximum impact through public/private partnerships, invest in our communities, and ensure community well-being and quality of life. Alaska nonprofits are an economic driver both as major employers and as revenue generators in our state.

Even before this pandemic, nonprofits were living on thin or no margins and those with reserves are now spending them to survive or scrambling to request philanthropic support that cannot fill all the gaps. Truthfully, without significant CARES funding and a generous outpouring of donations, nonprofits will face major changes, deep cutbacks, and some closures. Bottom line – nonprofits like small business are feeling the economic impact deeply and differently than their for-profit counterparts and those differences need to be recognized.

The current and arbitrary rule that says nonprofits and small businesses cannot access the AK CARES program because they have accessed PPP and EIDL is disastrous. My analogy goes something like this. You were desperate for relief so everyone tells you to go to the only open store. You do and when you arrive, there are only apples. You needed something else but you asked for, and maybe just maybe, you got an apple. But now the store has oranges. Now you can't have an orange or a meal or even water because you asked for an apple. And worse, even if you return the apple you have less than nothing.

The reality is that relief efforts are puzzles. We have to put lots of pieces together to get back to the starting line. It doesn't get us ahead, it just puts us back to the place where we left off when disaster struck. Making access to relief a race; not letting you in the race because you lined up for the only option available at the time means we all lose. The irony so far is that these decisions are based on some idea of helping more people but in the end barely anyone gets any help at all. Let's remember most of our nonprofits will not even make it to the start line with the existing rules.

There are proposed changes to the CARES Act that are well documented. We support many of the proposed changes. There is agreement from the commissioner and members of the legislature on both sides of the aisle. Now we need them to be implemented and quickly.

Allowing groups access to AK CARES who get other types of funding like PPP or EIDL or local government funds are critical ingredients to a recipe for fixing what is broken. We strongly encourage changes that support nonprofits to get back on their feet. The goal of this program and all CARES funding should be to get to YES rather than figuring out how to say no. Alaska nonprofits are the backbone to our communities, and they need your help today so they can be here tomorrow.

Thank you for your time and interest in improving the AK CARES steam of funding.

Laurie Wolf
President/CEO
The Foraker Group