

Coalitions for America

717 Second Street, N.E., Capitol Hill
Washington, D.C. 20002

(202) 543-8592
(202) 543-5605 (fax)

Paul M. Weyrich
National Chairman

Eric Licht
President

Robert D. Thompson
Vice President

April 27, 2005

The Honorable Bill Frist
Senate Majority Leader
Office of the Majority Leader
S-230, U.S. Capitol
Washington, D.C. 20510

Dear Senator Frist:

We, the undersigned, representing a wide variety of charitable institutions, are writing to express our deep concern with proposals by the Senate Finance Committee staff to substantially increase the regulatory burden on public charities. These proposals, if enacted, would severely reduce the ability of public charities to play their historic role of addressing public needs with private resources. Indeed, with regard to the large number of charities that are small institutions, it could put many of them out of business, while simultaneously discouraging the formation of new charitable organizations.

One of America's longest and finest traditions is our reliance on private charities rather than government to meet a wide variety of public needs. This tradition is actually older than our republic; private charities played important roles even in colonial America. In the 19th century, private charities played critical roles in diminishing some of our country's most pressing social ills, such as alcoholism. They founded schools, colleges and hospitals. By taking on roles that were filled by government in many other countries, private charities helped America to maintain the limited government consistent with the intent of our Founding Fathers.

The role of charitable institutions is no smaller today than it was one hundred years ago. Indeed, it may be greater. Charitable institutions address an almost infinite range of American society's needs, ranging from housing for the poor through education and public policy research to architectural preservation. More, these institutions provide avenues through which ordinary citizens can help address their nation's problems, as donors of time, talent or money, rather than having to wait passively for government to act. We believe this function is central to our nature as a republic.

The staff of the Senate Finance Committee and the Joint Committee on Taxation recently put forward a series of proposals that would impose stringent new regulations on charities of all types. As people who know charitable institutions from the inside out, we regrettably have to say that this new regulatory burden would greatly decrease our ability to serve our fellow citizens.

Proposed provisions would:

- Impose regulations on small charitable institutions that only the largest institutions, with large staffs, could readily met. All charities would be compelled to shift substantial resources away from their intended purpose of helping other Americans to meeting arbitrary regulatory requirements and providing government paperwork.
- Possibly give private accrediting agencies, which may be politicized, arbitrary authority over public charities.
- Make board members of charitable organizations, many of whom generously donate their time and talent, subject to new and unjustified federal liability standards and legal exposure.
- Discourage donors from establishing family foundations, an important source of charitable giving.
- Severely limit deductions for non-cash contributions, again discouraging charitable contributions.
- Effectively presume that all charities are guilty of misdoings until proven innocent.

In a letter to the Philanthropy Roundtable, Senator Rick Santorum of Pennsylvania recently wrote, "I am deeply committed to expanding, not contracting, the role of private philanthropy in meeting the social, educational and other needs of the most disadvantaged people of our country." We are writing to you, as Senate Majority Leader, in hope that you share Senator Santorum's commitment.

We request that, as Majority Leader, you do not allow proposals of the Finance Committee Staff or similar proposals, the effect of which would be to undermine the role of charities in American public life, to come to the Floor of the United States Senate. No American citizen, whether he gives charity or receives it, can benefit from legislation that would inhibit if not prevent charitable institutions from continuing to perform their historic American roles and functions.

Sincerely,

Paul M. Weyrich
National Chairman
Coalitions for America

Dr. James Dobson
Founder and Chairman
Focus on the Family

Dr. Richard Land
President
Southern Baptist Ethics & Religious Liberty Commission

Tony Perkins
President
Family Research Council

Adam Meyerson
President
The Philanthropy Roundtable

Alliance for Charitable Reform

Donald E. Wildmon
Founder and Chairman
American Family Association

David Keene
Chairman
American Conservative Union

Beverly LaHaye
Founder and Chairman
Concerned Women for America

Morton C. Blackwell
President
The Leadership Institute

Roberta Combs
President
Christian Coalition of America

Gary L. Bauer
President
American Values

Dr. Keith Wiebe
President
American Association of Christian Schools

Tom Schatz
President
Citizens Against Government Waste

Ken Connor
Chairman
Center for a Just Society

James L. Martin
President
60 Plus Association

Lew Uhler
President
National Tax Limitation Committee

Kevin L. Kearns
President
U.S. Business and Industry Council
and USBIC Educational Foundation

Bruce Chapman
President
Discovery Institute

Rev. William Owens
Coalition of African American Pastors
Founder/President
Memphis, Tennessee

Dr. Carl Herbster
President
Advance USA

William J. Murray
Chairman
Religious Freedom Coalition

Rev. Louis P. Sheldon
Chairman
Traditional Values Coalition

Mike Smith
President
Home School Legal Defense Association

Chip Mellor
President & General Counsel
Institute for Justice

Don Irvine
Chairman
Accuracy in Media

Roy Beck
President
Numbers USA

Phyllis Berry Myers
President
New Black Leadership Coalition

C. Preston Noell III
President
Tradition, Family, Property, Inc.

Ron Robinson
President
Young America's Foundation

John C. Holmes, Ed.D
Director, Government Relations
Association of Christian Schools International

Colin A. Hanna
President
Let Freedom Ring, Inc.

Stephen Baskerville
President
American Coalition for Fathers and Children

Mathew D. Staver
President & General Counsel
Liberty Counsel

Malcolm A. Kline
Executive Director
Accuracy in Academia

Duane A. Parde
Executive Director
American Legislative Exchange Council

Kay R. Daly
President
Coalition for a Fair Judiciary

Rick Scarborough
President
Vision America

Gary Aldrich
President
Patrick Henry Center for Individual Liberty

Joe Grieboski
President
Institute on Religion and Public Policy

Leslee Unruh
President and Founder
Abstinence Clearinghouse

Larry Cirignano
Executive Director
Catholicvote.org

Caleb Kershner
Director of Federal Policy
National Center for Home Education

Gary Palmer
President
Alabama Policy Institute

Robert E. Regier
Executive Director
South Dakota Family Policy Council

Pastor Rod Parsley
Founder & President
Center for Moral Clarity

Kris Alan Mauren
Executive Director
Acton Institute

Michael N. Duff
President
United Families Idaho

Dr. Ron Allen
President
Golden State Association of Christian Schools

Victoria Cobb
Executive Director
The Family Foundation of Virginia

Diane Gramley
President
American Family Association of Pennsylvania

Ron Pearson
President
Council for America

Jeff Gayner
Chairman
Americans for Sovereignty

Thomas A. Shields
Coalition for Marriage and Family

Robert B. Carleson
Chairman
The American Civil Rights Union

Phil Burress
President
Citizens for Community Values

Dr. Robert E. "Bob" Reccord
President
North American Mission Board, SBC

Michael Valerio
President
Helen and Michael Valerio Foundation

Richard A. Viguerie

David C. Gibbs, Jr.
President
Christian Law Association

Rick Schatz
President and CEO
National Coalition for the Protection of Children & Families

Peter LaBarbera
Executive Director
Illinois Family Institute

Micah Clark
Executive Director
American Family Association of Indiana

Kristian M. Mineau
President
Massachusetts Family Institute

Len Munsil
President
The Center for Arizona Policy

Randy Leskovar
National Director
Mayday for Marriage

Phillip H. Waugh
Executive Director
Covenant Marriage Movement, Inc.

Carl Olson
Chairman
State Department Watch

Dr. Ed Bonniwell
Senior Pastor
Faith Christian Fellowship Church
Cincinnati, Ohio

Dr. James M. Efaw
President
Colorado Association of Christian Schools

Steve Powell
Deacon Chairman
Beth Eden Baptist Church
Denver, Colorado

J. Robin Mears
Executive Director.
Alabama Christian Education Association