



## Federal Public Policy Issues of Most Concern

As Congress debates major legislation over the next few months, The Alliance has compiled a list of issues of most concern to nonprofits in Connecticut and the 500,000 residents we serve each year. We ask our Congressional Delegation to:

- Oppose the American Health Care Act As Proposed
- Protect Funding for the Medicaid Expansion Populations
- Protect Nonprofit Nonpartisanship
- Protect Community-Based Services in Federal Budget & Spending Reform
- Support Charitable Giving Incentives in Federal Tax Reform

For more information, contact Jeff Shaw at [jshaw@ctnonprofitalliance.org](mailto:jshaw@ctnonprofitalliance.org)

---

### Oppose the American Health Care Act As Proposed

- We are concerned that the American Health Care Act's (AHCA) proposed changes to our health care system will result in widespread loss in health care coverage for thousands of citizens in Connecticut. Losing health insurance will translate into thousands of people not receiving preventative and necessary health care, many of whom will wind up in more costly emergency rooms seeking care, which will increase adverse health outcomes and drive up uncovered medical bills. The nonpartisan Congressional Budget Office estimated that 24 million more Americans would be uninsured under the AHCA by 2026.
- We have specific concerns related to the Medicaid expansion population, explained below.

### Protect Funding for Medicaid Expansion Populations

- We must preserve the Medicaid expansion in the Affordable Care Act and protect Medicaid from block grant or per-capita cap reforms.
- The Medicaid expansion in the Affordable Care Act has increased insurance coverage to tens of thousands of Connecticut residents, many of whom receive care and treatment from community nonprofits. As of December 1, 2016, 764,441 people in Connecticut are enrolled in Medicaid.
- Connecticut has reduced state funding that had previously been appropriated to pay for the care of people without health insurance because so many people have become insured since the implementation of the Affordable Care Act. Because the State faces a large budget shortfall, it is unlikely that funding for this could be restored, so an elimination of the Medicaid expansion would seriously harm the ability of thousands of people to receive medical care. We estimate that the State cost of maintaining coverage for the expansion population could be more than \$630 million per year.

[CLICK HERE](#) to view a joint letter to Congressional Leadership regarding concerns to proposed changes to the Medicaid Program.

### **Protect Nonprofit Nonpartisanship by Opposing S.264**

- We are concerned by recent proposals to politicize community nonprofits and foundations by eliminating provisions in the tax code (the so-called “Johnson Amendment”) that require 501(c)(3) organizations to be nonpartisan. One proposal in the U.S. Senate, S. 264, The Free Speech Fairness Act, seeks to substantially weaken longstanding federal law that protects community nonprofits, foundations and the donating public, by blurring the clear language that conditions tax-exempt status on not engaging in partisan, election-related activities for or against candidates for public office. Similar proposals, H.R. 172 and H.R. 781, are pending in the House of Representatives.

[CLICK HERE](#) to view a recent letter to Connecticut’s Congressional Delegation on the issue.

### **Protect Community-Based Services in Federal Budget & Spending Reform**

- The President’s Budget Proposal, American First, A Budget Blueprint to Make America Great Again, would eliminate support for thousands of vulnerable people in Connecticut. The proposal would cut funding for after school and summer enrichment programs for students, meals-on-wheels for the elderly, low income energy assistance for families, legal aid, the arts, housing supports for low-income homeowners and renters and other core services.
- These proposed reductions come on top of proposed cuts to Medicaid for the poor (referenced above), meaning Connecticut must take on hundreds of millions in new costs or leave people without funding for health care, mental health services, developmental disabilities and more.
- We are troubled by the President’s policy goals which could cost the state hundreds of millions in federal aid. We will continue to analyze the impact of these proposals on the citizens of Connecticut.

[CLICK HERE](#) to view The Alliance’s statement in response to the President’s Budget Proposal.

### **Support Charitable Giving Incentives in Federal Tax Reform**

- We are concerned for the preservation of current charitable giving incentives as Congress considers comprehensive federal tax reform. Multiple elements of the Internal Revenue Code affect the operations and resources of charitable nonprofits, including individual tax rates, the standard deduction, the estate tax, and many more. All are extremely important and must be resolved in the context of other changes.
- Our primary concern is protecting the charitable giving tax incentive – the charitable deduction – and seek support in not only protecting it, but also enhancing it as a viable tool for encouraging individuals to give back to their communities through the work of charitable nonprofits.

[CLICK HERE](#) to view a recent letter to Connecticut’s Congressional Delegation on the issue.

*Updated: March 20, 2017*