



Testimony by John Ashmen
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Hearing on “Tax Reform and Charitable Contributions”
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Mr. Chairman, I want to thank you, Ranking Member Levin, and the other members of the Ways and Means Committee for making charitable giving a priority and for inviting me to testify here today.

Last week at the National Prayer Breakfast, I heard President Obama encourage the crowd with the words of Jesus. When asked which was the greatest commandment, Jesus told his critics, “Love the Lord your God with all your heart...soul...and mind.” And then Jesus added a second, equally important commandment: “Love your neighbor as yourself.”

That latter commandment seems to be woven into the fabric of our society. And while at times it appears to have worn thin, it is definitely still intact. Americans embody that idea with people they have come to know—such as an elderly neighbor struggling to stretch Social Security far enough to cover utilities, or a young married couple fighting to avoid foreclosure—by providing words of advice, casseroles from their ovens, coats from their closets, and other selfless gestures.

And for people they do *not* know personally, one of the most effective ways Americans have embodied that commandment is by donating money—charitable contributions small and large—to trusted not-for-profit institutions that do life-saving work.

I represent one such institution—the Association of Gospel Rescue Missions (AGRM), our country’s oldest and largest network of independent, faith-based crisis shelters and rehabilitation centers—places where help and hope is offered to hungry, homeless, abused, and addicted people.

The testimony I submitted earlier includes a list of the 37 rescue missions that provide services in the congressional districts represented by 24 members of this committee.

I want to focus my testimony on four realities shared by all rescue missions—including the ones in your districts. I hope this information will be instructive as you consider and debate tax reform and the future of federal incentives that encourage charitable contributions.

The **first** reality is the backdrop for the other three, and that is this: Rescue missions are busier than they have been at any time in our 100-year history. From chronically homeless individuals plagued by addiction and mental illness to women with young children who are shocked and devastated to be experiencing homelessness for the first time, rescue missions are using every available space to provide critical care services.

This past week one of your colleagues in the House, along with almost a dozen staff members, toured the Central Union Mission located right here in the District of Columbia. When asked by someone on the tour how many nights a year all 180 shelter beds were actually filled, the director replied without hesitation, “Every single night.” And despite the many good programs that the government is funding to alleviate homelessness, what we’re seeing on the streets tells us that the end of the problem is nowhere in sight.

Second, missions are not fee-for-services entities, so they are extremely dependent on the generosity of private donors to care for the poor and homeless. To say that another way, private donations do not *supplement* the income that rescue missions receive; they *are* the *primary* source of their income. For example, Crossroads Center Rescue Mission in Congressman Smith’s Nebraska district receives 99 percent of its annual funding from individuals.

Rescue missions have for years counted on the current charitable deduction as an effective incentive for donors to give. And they dread what might happen if that incentive is reduced. And let me add that very few rescue missions accept government aid because they desire to protect their religious identities—which, in most cases, is what motivates their deep desire to serve.

The **third** reality is that because rescue missions rely so heavily on private giving, they are especially vulnerable to even small drops in charitable contributions—and every drop impacts services. For example, for every \$2.05 a donor does not give to Rescue Ministries of Mid-Michigan in Chairman Camp’s district, that’s one less free hot meal they can provide. And for every \$30 that does not come in, that’s one less “Hope and Care Package”—which is three meals, overnight accommodations, and hygiene products—that cannot be provided to a homeless adult or child.

Every donor and every donated dollar is essential to the daily work of rescue missions. And while prices of goods and services go up all around them, rescue missions cannot fall back on raising their rates because they have no rates—only expenses. You could even say that rescue missions are just as vulnerable as the people they serve.

The economy has already diminished the number of donor dollars rescue missions have received in recent years, and, if I can be so bold, the “rumblings” from some of the buildings here on Capitol Hill have other donors reluctant to commit funds like they’ve done in the

past. The Union Rescue Mission, one of the largest in the country—which happens to be in Congressman Becerra’s Los Angeles district—reported a 21 percent drop in donations two years ago but a 35 percent increase in the number of people seeking its basic services, which goes back to my first point. This is a time in our history when government should be offering the fortunate among us more incentives to generously give, not suggesting and experimenting with disincentives.

Fourth, if missions are forced to drastically cut back services or close altogether, the burden to care for the masses of desperate and destitute people falls back to the government and its already-overextended systems of assistance. Frankly, America cannot afford to have charities like rescue missions fade from the scene.

Rescue missions save the government money. Thanks to creativity and flexibility and decades of having to make do, the typical rescue mission can usually get two or three dollars’ worth of value out of every dollar that is given. It’s often acknowledged in the halls of government—usually privately and sometimes publicly—that the private sector is better suited to extend what I call “radical hospitality” to the poorest Americans. And the private sector is good at solving relational and spiritual poverty—something the government shouldn’t be doing.

Every year, AGRM members utilize 300,000 volunteers and 10,000 full-time staff to serve approximately 50 million meals, provide more than 20 million nights of lodging, distribute some 30 million pieces of clothing, and graduate upwards of 20,000 people from addiction-recovery programs. We need you to help institutions like rescue missions—and other organizations that do similar work—by adopting a “do no harm” philosophy for charities whose lifeblood is donations. Ensuring that generous donations can continue to flow is, in fact, money found, not revenue lost. Plus it ensures that the poor and powerless among us can get the help and hope they so desperately need.

Thank you for the privilege of testifying on behalf of AGRM, and I look forward to your questions.

AGRM Members That Provide Services in Committee Members' Districts

| Ways and Means Committee Members | AGRM Member Rescue Mission(s) |
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| Chairman Dave Camp (MI-04) | Rescue Ministries of Mid-Michigan: City Rescue Mission of Saginaw (Saginaw, MI); Good Samaritan Rescue Mission of Bay City (Bay County, MI); Community Village (Saginaw, MI) |
| Ranking Member Sander Levin (MI-09) | Detroit Rescue Mission (Detroit Metro Area, MI) |
| Rep. Sam Johnson (TX-03) | Union Gospel Mission (Dallas Metro Area, TX); Dallas Life (Dallas Metro Area, TX) |
| Rep. Kevin Brady (TX-08) | Hope House (Houston Metro Area, TX) |
| Rep. Devin Nunes (CA-22) | Visalia Rescue Mission (Visalia, CA); Fresno Rescue Mission (Fresno Area, CA); Evangel Home (Fresno Area, CA) |
| Rep. Jim Gerlach (PA-06) | Hope Rescue Mission (Reading, PA); Jubilee Ministries, Inc. (Lebanon Area, PA) |
| Rep. David Price (NC-04) | Raleigh Rescue Mission, Inc. (Raleigh, NC); Durham Rescue Mission (Durham Metro Area, NC) |
| Rep. Adrian Smith (NB-03) | Crossroads Center Rescue Mission (Hastings, NB) |
| Rep. Aaron Schock (IL-18) | Peoria Rescue Mission (Peoria, IL) |
| Rep. Lynn Jenkins (KS-02) | Topeka Rescue Mission (Topeka, KS) |
| Rep. Kenny Marchant (TX-24) | Union Gospel Mission (Dallas Metro Area, TX); Dallas Life (Dallas Metro Area, TX); Union Gospel Mission of Tarrant County (Ft. Worth Metro Area, TX) |
| Rep. Diane Black (TN-06) | Cookeville Rescue Mission (Cookeville, TN) |
| Rep. Tom Reed (NY-23) | The Rescue Mission (Syracuse, Ithica, Auburn, Binghamton, NY) |
| Rep. Mike Kelly (PA-03) | Erie City Mission (Erie, PA) |
| Rep. Tim Griffin (AR-02) | Union Rescue Mission (Little Rock, AR); Little Rock Compassion Center (Little Rock, AR) |
| Rep. Jim McDermott (WA-07) | Seattle's Union Gospel Mission (Seattle Metro Area, WA); Bread of Life Mission (Seattle Metro Area, WA) |
| Rep. John Lewis (GA-05) | Atlanta Mission (Atlanta, GA) |
| Rep. Richard Neal (MA-01) | Springfield Rescue Mission (Springfield, MA) |
| Rep. Xavier Becerra (CA-34) | Los Angeles Rescue Mission (Los Angeles, CA); Union Rescue Mission (Los Angeles, CA) |
| Rep. Mike Thompson (CA-05) | Redwood Gospel Mission (Santa Rosa, CA); Bay Area Rescue Mission (Richmond and San Francisco Metro Areas, CA) |
| Rep. Earl Blumenauer (OR-03) | Portland Rescue Mission (Portland, OR) |
| Rep. Ron Kind (WI-03) | Hope Gospel Mission (Eau Claire, WI) |
| Rep. Bill Pascrell (NJ-09) | Goodwill Rescue Mission (Newark Metro Area, NJ) |
| Rep. Allyson Schwartz (PA-13) | Whosoever Gospel Mission (Germantown and Oak Lane Metro Areas, PA) |