



FOR YOUTH DEVELOPMENT®  
FOR HEALTHY LIVING  
FOR SOCIAL RESPONSIBILITY

**STATEMENT FOR THE RECORD  
NEAL DENTON  
YMCA OF THE USA  
SENIOR VICE PRESIDENT AND CHIEF GOVERNMENT AFFAIRS OFFICER  
HOUSE WAYS AND MEANS COMMITTEE  
HEARING ON TAX REFORM AND CHARITABLE CONTRIBUTIONS**

**February 20, 2013**

**INTRODUCTION**

Chairman Camp, Ranking Member Levin, and distinguished Members of the Committee, thank you for conducting the hearing last week to consider the public policy around the charitable deduction and the implications for any changes to the tax code that might affect that particular deduction. After hearing from scores of nonprofit leaders and others, I am sure that you have a fulsome record that will help guide you in your deliberations.

There was one line of questioning and testimony that I wish to address on behalf of YMCA of the USA to assist in your review of the tax treatment of the charitable deduction.

There was discussion in the first panel over the community benefits derived from some nonprofit missions versus the impact delivered to underserved communities from other nonprofits. And in the final panel, a witness suggested that tests should be applied that look to whether a nonprofit competes with a corporate entity and whether those nonprofits should receive different treatment under the tax code. The Y was mentioned as a specific example of a nonprofit that is "competing with private health clubs."

In both of these instances, the question really comes down to the measureable and tangible benefits that a nonprofit charity brings to the community.

**BACKGROUND**

YMCA of the USA is the national resource office for the 2,700 YMCAs in the U.S. The Y is one of the nation's leading nonprofits strengthening communities for over 160 years through youth development, healthy living and social responsibility. Across the U.S., Ys engage 21 million men, women and children – regardless of age, income or background – to nurture the potential of children and teens, improve the nation's health and well-being, and provide opportunities to give back and support neighbors. Anchored in more than 10,000 communities, the YMCA has the long-standing relationships and physical presence not just to promise, but to deliver, lasting personal and social change. YMCAs are led by volunteer boards

and depend upon the generosity and dedication of their 550,000 volunteers for support and strategic guidance in meeting the needs of their communities.

In communities across the country – state by state – the Y demonstrates enormous value to children and families in ways that no corporate entity would ever deliver under a corporate, for-profit model.

We are proud to measure the financial and social impact of these community benefits and hold ourselves and our colleagues and peers to improvements each and every year and in each and every community.

Financial assistance is given in direct aid to individuals for programs including health and well-being, child care, youth development activities like camps, sports and Youth and Government. And, I'm awed when I visit the many YMCA shelters that house homeless citizens and veterans.

Each YMCA is an autonomous, volunteer led, charitable organization and, as such, every building is a local community asset. The Y provides access to free meeting space for other community nonprofits too and serves as a convener and hub of other social services.

Each YMCA assesses the needs of their community and develops programs to address those unique needs. It is this community-driven approach to addressing needs that makes the Y such a strong, unique and valued nonprofit charity in our communities.

## **WORKING IN THE COMMUNITY**

I recently visited New York City where the Harlem Y has a strong "newcomer" program that provides integration support to new Americans in order to help them better transition into their new communities. These refugee resettlement and adult education classes teach English as a Second Language and allow people to be more connected to the community.

When the school year ends, so do free meals for the millions of children in low-income households who depend on them most. That's why last summer, Mondays through Fridays, the YMCA of Greater Seattle, offered a daily average of nearly 700 free meals to youth in Kenmore, Seattle, Shoreline and SeaTac Washington. Thanks to a partnership with the Wal-Mart Foundation, 300 Ys nationwide offered 4.3 million meals to 120,000 kids who would have otherwise gone hungry.

The Seattle Y has also joined dozens of Ys across the country in providing 25,000 children with enlisted military fathers and mothers a free camp opportunity offering special social, emotional and peer support while their parent(s) are deployed. Ys have undertaken this Operation Outdoors camp initiative for military kids in partnership with our Armed Services YMCA and the Sierra Club.

YMCAs throughout the country provide school readiness and success programs, including quality childcare, preschool, and summer learning programs to reduce

learning loss and enhance literacy. Ys also provide afterschool academic and recreational enrichment programs as well as mentoring and leadership initiatives.

The YMCA of Greater Los Angeles offers classes in adult literacy, GED preparation, and job training to help people bridge skill gaps and start on a path towards employment and self-sufficiency. In addition, they offer autism and Parkinson's support groups and a military family's support program.

In 32 states at 77 Ys, the YMCA's Diabetes Prevention Program helps adults at high risk of developing type 2 diabetes reduce their risk for developing the disease by taking steps that will improve their overall health and well-being. Research by the National Institutes of Health has proven that programs like the YMCA's Diabetes Prevention Program can reduce the number of new cases of type 2 diabetes by 58%.

Recently the *Wall Street Journal* wrote a special report on Innovations in Health Care and highlighted "how this new health program being rolled out at YMCAs across the country shows the potential for a community-based organization to deliver a nationwide health-care intervention." And how, if the Y was successful, "the YMCA diabetes prevention program could help slow the spread of a disease for which about 79 million U.S. adults are currently at risk." And the article went on to propose, as others, like the *Stanford Social Innovation Review* are now suggesting, that the Y is a model for other large community-based groups to attack specific health-care issues on a national scale. The Y is already taking on falls prevention among older adults and arthritis control programs with a similar national scale.

## **SUPPORTING OUR NEIGHBORS**

We do all of this work with amazing staff and volunteers. But the real engine behind this powerful work is the funds provided by our members and by private and corporate donors. The charitable deduction is an incentive for donors to give to the nonprofit of their choice. The YMCA is proud that these donors support their communities through their affiliation with the charitable mission of the YMCA.

Appreciating that it is the goal of Members and staff of the House Committee on Ways and Means to consider all points of view and solicit opinions from everyone before deliberating on these important issues, we submit these comments to ensure that inaccurate or incomplete testimony is corrected or supplemented.

The YMCA offers strong, measurable and impactful community benefits each and every day. For anyone to suggest otherwise in the record before the House of Representatives Committee on Ways and Means cannot go unchallenged.

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