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Contact: Bill Ballas

bballas@tri-cityhealth.org

Office: 510.252.5883 Cell: 925.487.2217

STIMULUS PACKAGE MAY NOT REACH NONPROFITS UNTIL 2012

One nonprofit offers ways taxpayers can use stimulus to help the community

FREMONT (February 16, 2009) – With the enormous stimulus bill before Congress, and the belief in some quarters that nonprofits won't need as much private financial support in the future, one agency is setting the record straight.

Kathy Lievre, CEO of Tri-City Health Center, a nonprofit community health center, admits that federal and state assistance will help when it arrives. So her agency has ramped up its fundraising to meet demand for service. "Tri-City Health Center will record more than 75,000 patient visits in 2009, and has a \$15 million operating budget," said Lievre. "We can't hold our breath waiting for stimulus dollars."

Lievre's urgency may be justified. According to reports last week by CNN and the *New York Times*, ". . . the funds for health care and other programs included in the stimulus package likely would not occur until 2012."

Lievre points out that, "We've seen a 7% growth in new, uninsured patients in our clinics. Many are employed without health insurance and many others have lost their jobs. Neither can afford Cobra or private insurance – assuming they could find a plan that would accept them."

Lievre cautions not to let talk of a stimulus package lull donors and the public to sleep. She also has several suggestions on how most everyone can use their stimulus to benefit the cause of their choice.

The final bill will likely include a 'make work pay' provision. This is a \$400 credit per worker and a \$800 credit per dual-earner couple. This credit is 'refundable' which means that even very low-income families who don't make enough to owe income tax would be able to claim it.

"The recession hit low-income people the hardest, but they frequently donate to services they use or value," said Lievre. "Since the full credit would be paid to people making \$70k or less, or \$140,000 per couple, far above the poverty guideline, these individuals could also donate a percentage of their credit amount to charity."

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The stimulus package will also feature a one year rider to protect middle and upper-middle-income families from having to pay the Alternative Minimum Tax (AMT). The AMT was intended primarily for high-income taxpayers but has in recent years threatened to engulf those lower down the income scale. Lievre suggests that part of the AMT savings could be donated to charity.

For the wealthy few, Lievre suggests they establish a 'charitable remainder trust' to fund their favorite charities, pass money to heirs and shelter potential growth from taxes.

Lievre believes charitable giving stimulates the economy. "Tri-City Health Center is a nonprofit corporation with a \$15 million a year budget. We buy goods and services just like a for-profit business, and our 165 employees buy homes and products and services.

"We provide primary medical care to area residents so that they can lead healthier, happier, more productive lives. Parents don't miss as much work because they have to stay home with a sick child. Adults can return to the job quickly and safely. This protects their wages and their employer's productivity.

"The economic stimulus will benefit us, though we don't know how or when. I agree with the notion that a person can have everything in life that they want if they help other people get what they want," Lievre concluded.

Tri-City Health Center was founded in 1970. It provides medical, mental, and dental health care to low-income residents in southern Alameda County. The agency has clinics in several Fremont locations.

I don't think you ever stop giving. I really don't. I think it's an on-going process. And it's not just about being able to write a check. It's being able to touch somebody's life.

Oprah Winfrey

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