The Power of Association

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“We must, indeed, all hang together, or assuredly we shall all hang separately.” – Benjamin Franklin

Associations did not originate in America, but they have come to play a unique and critical role in our democracy. Virtually every profession and industry in the U.S. is represented by one or more associations. Associations provide invaluable services, including continuing professional education, advocacy, development of standards, research and public safety. Associations exemplify the importance of unity and collaboration, especially during challenging times. Moreover, associations are a strong force in our economy, employing approximately 1.6 million people nationwide. And that's not all – association members are noted for their charity. Almost 45 percent of association members reported volunteering their time in the past year.

Because of their important roles in our society, most associations have been recognized by Congress and the Internal Revenue Service (IRS) for more than a century as tax-exempt organizations.

My columns usually focus on ASA, particularly strides we are making in developing programs and services. This month, I'd like to share with you another aspect of my professional life – my current role in ASAE, the Center for Association Leadership (formerly known as the American Society of Association Executives), and the work we are doing to protect the First Amendment rights of associations, the right of associations to host federal employees and other government experts at professional meetings, protection of association tax exemptions and other important issues.

In 2014, I was privileged to be appointed chair of the ASAE Power of A Committee, which among many other activities provides stewardship for the Power of A messaging and oversees the annual Power of A Awards. These awards are given to showcase to Congress, policymakers and the public how associations advance not just the industry they represent, but society overall. Recent award winners have showcased association work in public service and humanitarian outreach, workforce diversification and development, public safety and fostering of international development. ASA has been recognized with a gold award for our Global Humanitarian Outreach, and the Anesthesia Quality Institute received a silver for its National Anesthesia Clinical Outcomes Registry. The highest achievement is the Summit Award, the winners of which are recognized annually at the dinner of the same name in Washington, D.C. You can learn more at www.thepowerofa.org.

There are four key themes in the Power of A messaging:
- The Power to Enrich Lives
- The Power to Keep America Competitive
- The Power to Prepare for the Future
- The Power to Impact the Global Economy.

The Power of A was launched in 2009 in response to a growing sense in the administration and in Congress that associations represented special interests, that access to the administration should be limited and that aspects of the tax exemption should be reconsidered as part of tax overhaul bills. In recent years, as a result of public scrutiny of federal employees at conventions as well as the impact of budget restrictions, we have seen severe limits placed on the ability of federal employees, including anesthesiologists in the armed services, to attend professional meetings.

Here are some of the important policy issues we are monitoring through ASAE:

Tax Legislation

Associations such as ASA are a boon to the economy and influence society in multiple ways. The numbers speak for themselves: The more than 70,000 professional associations on record with the IRS generate a payroll of nearly $47 billion. Despite tax-exempt status, associations contribute greatly to local and national economies and pay federal payroll taxes,
state and local unemployment taxes, real estates taxes, franchise taxes and taxes on lobbying activities, among others.

Revenue from associations (particularly exhibits, meetings and other non-dues revenue) is a frequent feature of deliberations by federal, state and local governments in search of balanced budgets. As a recent example, a December 2013 article in the Washington Post detailed the efforts of Loudoun County, Virginia – one of the wealthiest counties in America – to impose fees and taxes upon certain nonprofits to make up for shortfalls in their budgets. It's worth noting that the D.C. metropolitan area is fourth in the nation in total association employment – approximately one in 10 people in the D.C. area is employed by a nonprofit association.

Working Overtime

Something that could hit nonprofit associations especially hard is a proposal by the Department of Labor (DOL) to raise the salary threshold at which employees qualify for overtime pay. The DOL proposal specifies that most employees making less than $50,440 annually will be eligible for overtime pay after 40 hours of work. The original threshold stood at $23,660. This new one-size-fits-all salary threshold doesn't take into consideration regional differences in income in rural areas or smaller cities. This is just one of the reasons the proposal could be a financial burden to associations. Such a rule may curtail the amount of time affected employees could spend on duties or projects while traveling or while on site at meetings or conferences. As ASAE works with the DOL on this proposal, ASAE will continue to seek guidance on implementation that best benefits the society and all its employees.

Similarly, ASAE continues to monitor how implementation of provisions of the Affordable Care Act will affect associations and their ability to provide equitable benefits to their workers.

Government Employee Travel Restrictions

Legislation was introduced in the House this summer urging budget cuts of up to 50 percent for government travel to association meetings, insisting instead that videoconferencing be substituted for face-to-face meetings. ASA, just like thousands of other associations and organizations, has increasingly utilized videoconferencing and recognizes its many benefits. But restricting travel so severely for government employees, such as the many ASA members serving in the military, will greatly affect these individuals' ability to not only learn but also teach at educational conferences. This policy also inhibits the ability of organizations like ASA to host key federal policymakers at its meetings. Historically, ASA members have received significant benefit when provided the opportunity to engage in discussions with policymakers on issues impacting the specialty. And these policymakers have recognized a benefit in better understanding the unique interest of our specialty.

In a recent letter to House Oversight Committee Chairman Jason Chaffetz (R-UT), ASAE President and CEO John Graham stated, “From our perspective, our members have experienced increased difficulty in the ability of associations to interact with federal officials in a way that is necessary to help keep the role of government in its proper place. We do not believe that it is in the interest of anyone to isolate federal officials from those they are regulating . . . ”

The Power of Us

It was Ben Franklin who, in 1743, founded the very first scientific society in the U.S. – the American Philosophical Society. It remains in existence to this day – a testament to the power of associations and their ability to grow and overcome challenges through the collective voice of committed individuals.

The specialty of anesthesiology faces enormous challenges in the future, as does all of health care. The success of the emerging health care system will be dependent largely upon the efforts of associations such as ASA to help provide a voice for the profession, to assess the impact of various proposals, to provide information and resources for our members, and to collaborate with other associations with shared goals. However, our achievement at doing so will be largely dependent on our ability to protect the unique features and contributions of associations to American society.

Reference: