

May 27, 2020

The Honorable Carolyn B. Maloney, Chairwoman  
Committee on Oversight and Reform  
United States House of Representatives  
2308 Rayburn House Office Building  
Washington, DC 20515

**RE: Support for the Pandemic Risk Insurance Act of 2020 (H.R. 7011)**

Dear Congresswoman Maloney:

On behalf of the American Society of Association Executives (ASAE), which represents more than 48,000 association and nonprofit professionals nationwide, I applaud you and your staff for introducing the Pandemic Risk Insurance Act of 2020 (H.R. 7011). ASAE supports your legislation, which will no doubt help provide America's 62,000 nonprofit associations<sup>1</sup> the security they need to fully reignite our community's far-reaching economic impact through industry-focused conferences, workforce development, educational programming and other critical services.

As you know, ASAE continues to sound the alarm for our community, as nonprofit associations across the country are devastated by event cancellations, slashed reserve funds and vast membership declines amid the COVID-19 pandemic. Beginning on March 19, ASAE has urged Congress to ensure that "businesses who demonstrate significant business interruption and sharp decline in present and future revenue would be insured in case of a possible pandemic or epidemic."

According to the Professional Convention Management Association, conferences and in-person events account for roughly 35 percent of total annual revenue for associations.<sup>2</sup> And, according to a recent survey conducted by ASAE's Research Foundation, 43.6% of respondents anticipate using up to half of reserves to offset revenue loss due to COVID-19. Further, 5.5% of respondents reported they have insufficient reserves to cover estimated revenue loss.<sup>3</sup>

Below are additional data regarding associations' economic impact:

- Membership organizations, including associations, employ more than 1.3 million Americans.
- Business and professional associations nationwide provided at least \$28 billion in salaries during 2018.<sup>4</sup>
- Trade and professional associations generate roughly \$116 billion in revenue.

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<sup>1</sup> IRS Data Book 2018; North American Industry Classification System (NAICS); U.S. Census Bureau

<sup>2</sup> Professional Convention Management Association. 28<sup>th</sup> Annual Meetings Markey Survey

<sup>3</sup> ASAE Research Foundation Association Impact Snapshot for May 22, 2020.

<sup>4</sup> Bureau of Labor Statistics; 2018 Annual Averages; Quarterly Census of Employment and Wages (QCEW)

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- Nonprofit organizations' collective share of GDP is over five percent.<sup>5</sup>

H.R. 7011 serves not only to support organizations in need, but as bellwether legislation that will help secure America's workforce and economy throughout COVID-19 and beyond.

Thank you for championing this urgent issue and for your steadfast support of our country during this challenging time. If you have questions regarding ASAE or the association community, please contact Mary Kate Cunningham, CAE, vice president of public policy for ASAE, at [mcunningham@asaecenter.org](mailto:mcunningham@asaecenter.org) or 202-626-2787.

Sincerely,



Susan Robertson, CAE  
President and CEO  
American Society of Association Executives

CC:

The Honorable Nancy Pelosi  
Speaker, United States House of Representatives

The Honorable Maxine Waters  
Chairwoman, Committee on Financial Services  
United States House of Representatives

The Honorable Patrick McHenry  
Ranking Member, Committee on Financial Services  
United States House of Representatives

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<sup>5</sup> IRS Data Book 2016; North American Industry Classification System (NAICS); U.S. Census Bureau