



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Remarks of Sen. Chuck Grassley
News Conference on the Panel on the Nonprofit Sector's Final Report
Wednesday, June 22, 2005

I want to thank Diana Aviv as well as Paul Brest and Cass Wheeler – who unfortunately cannot be here today – for their work in bringing together the Panel on the Nonprofit Sector to give us this final report. I appreciate all your hard work and ask that you convey my appreciation to the enormous number of individuals who were involved in this effort.

I think it is particularly important that Commissioner Everson is here today. Commissioner Everson has brought a real focus at the IRS on the abuses and problems we are unfortunately seeing in the tax-exempt sector. I commend him for his leadership in this area. I'm pleased that there is strong recognition by both the executive and legislative branches that we need to seek reforms that will strengthen our nation's charities. This report today will be of great use as the Finance Committee – in a bipartisan basis with Senator Baucus – now begins drafting legislation. My goal is legislation that will seek to encourage more checks to charities while also ensuring that the dollars are being spent appropriately to help the community and those in need.

The panel report will inform the committee and its work, particularly in the important areas of governance and transparency. I see much in this report that provides significant common ground. As an example, I'm especially pleased with the panel's recommendation that there should be minimum payouts for donor-advised funds and supporting organizations. I also appreciate the panel's comments about financial statements and audits and that there not be undue burden placed on small charities.

I recognize, though, that the IRS is the one that must shoulder the burden of enforcing the law and so we will certainly look to Commissioner Everson and his staff as well as Treasury for their judgment on reforms, particularly in addressing the abusive situations that the commissioner highlighted with such candor in his April letter to the committee. My time line is to have legislation this summer for Finance Committee members to be able to review and then to have the committee mark up legislation soon after that. Thank you again for your hard work.