

Testimony of Major George Hood,
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The Salvation Army

Before the Senate Subcommittee on Social Security and Family Policy
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Good morning, Mr. Chairman.

At the outset, I'd like to extend my thanks to you and Senator Conrad for inviting The Salvation Army to testify at this hearing. We're delighted to have this opportunity to tell you about the services we provide to those in need and also to be able to comment on the merits of the CARE Act.

The Salvation Army

Mr. Chairman, The Salvation Army is a part of the Universal Christian Church. Our mission – our fundamental purpose – is to provide aid and comfort, without discrimination, to those in need.

We are active across the country. Indeed, the Army has a presence in more than 5,000 communities in the United States – either through Corps service centers or a network of volunteers known to us as service units.

Services are delivered by 5,000 uniformed officers, 135,000 lay members, 65,000 employees, and by the three-and-a-half million Americans who volunteer their time, energy, and compassion to those in need.

More importantly, because these dedicated people have first-hand knowledge of their individual communities, we are able to efficiently deliver services that meet, significant social, emotional and spiritual needs that are ever present in the cities and towns where we live and work. Our daily presence in communities across

the land has undeniably proven to be one of the Army's key organizational strengths.

Most of our work is performed beyond the spotlight of television cameras. Each and every day of the year, we are serving the poor, the hungry, the lonely, the forgotten – people whose lives generally are in profound crisis. Our primary objective is to give people hope where all may seem lost, and last year, we delivered hope to some 34 million Americans through our core social services that include programs providing help to the drug addicted, the homeless, abused women, low income seniors and at-risk youth.

We are also moved, by our faith, to provide for those who are stripped of shelter and sustenance by a disaster. Last year we assisted nearly 4 million disaster victims, including the tens of thousands impacted by the hurricanes that ravaged Florida and the Gulf Coast.

And to provide you with a brief overview of our work to date across the Hurricane Katrina impact area, The Salvation Army has provided more than 1 million hot meals from 100-plus mobile kitchens, and Mr. Chairman, we have deployed from Pennsylvania, eight teams of Army staff operating eight of those feeding units capable of serving 55,000 hot meals a day. We also have assisted nearly 40,000 sheltered survivors and we are working shoulder-to-shoulder with local, state and federal response agencies, preparing for the next phases of assistance to the many thousands affected by this storm. What began as a three-state response has now expanded into at least 30 states, and it's growing daily.

Role in Disaster Response

From the news coverage of the relief effort now under way along the Gulf Coast, it is apparent that a number of charitable organizations have responded to the call for aid. This is not an unusual situation; there are several charitable

organizations, including The Salvation Army, that routinely provide assistance to disaster victims.

Each of these organizations is known among the disaster response community for having a particular set of skills or assets to bring to bear on a particular disaster. Let me be clear on this point: I do not know of any single charitable organization that, on its own, is capable of providing the full range of disaster response services that is usually required to put communities back on their feet as the result of a natural disaster.

As a result, charitable organizations routinely coordinate our activities with one another as well as with official government emergency management agencies.

The Salvation Army has been at the site of every major natural disaster in America for more than a century, and we have developed the following areas of expertise in disaster response: mass feeding to survivors and emergency responders immediately after the disaster has occurred; sheltering those affected while we tend to their spiritual and emotional needs in the immediate aftermath of the disaster; and then, the continuation of social service assistance to ensure that the survivors have the means necessary to move back into some semblance of routine they knew before disaster struck.

Mass Feeding: In the case of Hurricane Katrina, The Salvation Army mobilized canteens – mobile kitchens – throughout the region that moved into New Orleans, Biloxi, Gulfport, Mobile and numerous other communities hours after the storm had past. In some areas, we were the first opportunity for survivors to obtain food and water.

Shelter: The Salvation Army also provides shelter for storm victims. In the case of Katrina, the Army has already opened 225 shelters in 11 states, which are now housing more than 31,000 people.

Spiritual and Emotional Care: The Salvation Army provides spiritual comfort and emotional support to disaster victims and emergency workers coping with the stress of a disaster. At the World Trade Center site, for example, one of the most critical missions of The Salvation Army was counseling firefighters, police, and morgue workers who were struggling with the enormity of the tragedy. In fact, we are providing this care now – to those in the Gulf region and to those who have been moved to other communities across the country.

Long-term outreach to survivors: For 365 days each year, The Salvation Army responds to people in crisis, whether it be physical, emotional or spiritual. Their lives are broken in some manner and they turn to us for help. When disaster strikes, our clients' problems magnify, and add to that, the lives of many others who are impacted by disaster, requiring the Army's case management support – essentially tending to the needs of survivors well-beyond the impact of a storm, or fire, or earthquake, or terrorist attack.

An Established and Extensive Infrastructure

Mr. Chairman, the key to The Salvation Army's ability to respond quickly and on a large scale is our decentralized infrastructure. By that I mean:

- Our physical assets across the country – buildings and equipment
- Our people – officers, employees and volunteers in 5,000 communities
- Our donors

Our focus is people in the field and not at a centralized headquarters. The Salvation Army can mobilize in a disaster quickly. Let me dwell on this point for just a moment. Last week, hours after Biloxi was devastated by Katrina, The Salvation Army's officers, staff, and volunteers had already set up a temporary

facility and were busy helping their neighbors, while colleagues were being sent from across the country to lend a hand.

And perhaps even more compelling is the story of what occurred at our New Orleans operations, called the Center of Hope. Senators, it was the last bastion for 290 people, including four on dialysis and 14 children ranging in ages from 4 to 11 years old. None of these people were able to evacuate -- some did not have the economic means, some lacked transportation and some were too sick to travel. They literally had no place else to go and the officers in charge of the Center opened it to serve their fellow citizens.

The two Salvation Army officers assigned to manage the Center of Hope kept themselves and those in their care alive, awaiting rescue from the upper floors of the two-story building that had been surrounded by flood waters, in stifling heat. Rescue finally came by Coast Guard and National Guard personnel, six days after Katrina arrived – two days after the food in the Center was gone and as water was being rationed.

That story, though, exemplifies one of the central reasons the Army is uniquely positioned to respond under such difficult conditions. We were already there – in New Orleans – with people and facilities ready to help. Those efficiencies built into our system, we believe, are among the reasons we are prepared to move so quickly, and from a financial standpoint – so efficiently.

In addition to our human resources and physical assets, our donors play an essential role in the delivery of services to those in need. In fact, there is a direct correlation between the generosity of donors and the extent of The Salvation Army's ability to respond to people in crisis.

The CARE Act

And that correlation, Mr. Chairman, is why The Salvation Army is so supportive of the CARE Act.

The provision allowing non-itemizers to deduct charitable contributions can only encourage those Americans with smaller incomes – including young professionals who might otherwise be inclined to begin a lifetime of annual giving – to contribute to worthy causes. We do not discriminate among those in need, and we ask the Congress not to discriminate in providing tax incentives for charitable giving.

The Salvation Army is particularly interested in the IRA rollover provision. We are fortunate that some of our donors are willing to share the fruits of their life's labor with us. We've found that many people, including the wealthiest of Americans, have used IRAs to set aside funds for retirement. It is frustrating to us to see potential gifts sharply reduced by the requirement that the IRA be vacated and a tax penalty applied to the proceeds. Penalizing a charitable gift is simply inconsistent with our long-established tradition of encouraging voluntary, private donations to worthy causes.

I want to digress for just a moment. The nonprofit sector, in cooperation with the federal, state and local governments, have truly stepped up in light of these tragic human events. When you have a sector take on so much, it seems that it is probably not the right time to move to further regulate this sector. Many nonprofits have moved quickly – sometimes more quickly than governments – to meet the needs of the hurricane victims. Many are working in difficult circumstances without power, without modern conveniences such as computers and email. So adding new regulations and additional paperwork burdens may not be the most timely response, whereas moving to ensure that individuals and corporations that have poured out their generosity to assist us in meeting these

needs get credit in the form of tax relief might be a more timely piece of legislation.

What some may not know is that as part of our core services we offer a drug rehabilitation program that receives no federal funding. The Salvation Army funds that critical service through the sales from our thrift stores – sales that are dependent on the generous contributions of our donors. So for example, if changes are adopted that lessen the incentive for families, particularly the low- and middle-income families, to contribute household goods for our stores or to cap the amount of contributions of these individuals, then the individuals who may lose are those that are seeking drug treatment but have to wait longer for us to raise the funds to services. These services are needed sooner and in more places. We do not believe that the federal government should be pursuing policies that restrict the ability to support these essential services.

The Salvation Army appreciates your work on this bill, Mr. Chairman, and for all the energy that has been put forth to expedite the movement of this bill through the legislative process. On behalf of all charities and donors, we are hopeful that this bill will soon be approved.

This concludes my testimony and I am grateful for this opportunity.