

Testimony of Robert E. Reccord, President
North American Mission Board of the Southern Baptist Convention
Before the Senate Finance Committee's
Subcommittee on Social Security and Family Policy
Charities on the Frontline: How the Nonprofit Sector Meets the Needs of
America's Communities
September 13, 2005

Good Morning Chairman Santorum and Ranking Member Conrad. Thank you for the opportunity to testify today before your Committee. I'm Robert E. Reccord, President of the North American Mission Board. We are the domestic missions agency of the Southern Baptist Convention, cooperatively funded by more than 42,000 churches across America, and interested supporters of The Care Act because of the multiple ministries and services we provide.

We help local congregations to share the Gospel of Jesus Christ, start churches, enable volunteers to serve others across the North American continent, send missionaries, strive to redemptively influence our culture, and equip leaders.

One of our assignments is to coordinate disaster relief efforts by Southern Baptists. The North American Mission Board partners with The American Red Cross, the Salvation Army and FEMA in responding to major disasters. We represent the third-largest disaster relief corps in the nation. Last year during the hurricanes in Florida, we served over 2.4 million meals and repaired over 8,000 homes through clean-up and recovery. Right now, more than 5,000 of our trained volunteers are serving 46 communities devastated by Hurricane Katrina.

Traveling as state-based teams, these dedicated volunteers have made their way to the Gulf Coast from Pennsylvania, Kentucky, Utah, Tennessee and 29 other states. The Pennsylvania team, joined by colleagues from New Jersey, is cooking meals and cleaning up debris in Biloxi, Mississippi, one of Katrina's most devastated areas.

Our strong suit as Southern Baptists seems to be food. The American Red Cross has tapped Southern Baptist Disaster Relief to prepare 250,000 meals each day for hurricane victims. Since Katrina struck, our volunteers have cooked and served almost 2.2 million hot meals for hurricane victims. They are also providing hot showers, laundry units, clean-up and recovery services, and chainsaw crews to clear away fallen trees. A daily update and webcast of our response efforts appears at www.namb.net.

Last week, I saw first-hand stunning devastation in Covington, Louisiana. Many people who came to our feeding station there have lost literally everything – even hope. I listened to one lady tell me about her harrowing escape from

downtown New Orleans just after floodwaters breached a levee. Each person I met had their own remarkable story.

Last week, I was honored to be one of eighteen relief leaders invited to meet with the President at the White House. He greeted us by thanking all of those we represented for being "Ambassadors of Hope in a seemingly hopeless situation." Southern Baptists count it a privilege to field competent, compassionate "ambassadors of hope" who are giving a cup of cold water in the Master's name while extending hands, and hearts, of comfort. And by the way, we give freely to anyone in need, not just members of our denomination.

The North American Mission Board, through an effort called Houses of Hope, is connecting churches and their members with people displaced by the hurricane. Literally thousands of evacuees are being sheltered right now in Baptist churches and encampments in Arkansas, Oklahoma, Texas, Tennessee, Indiana, Georgia and Alabama. Many of them know they will never return to their homes.

In the past, Southern Baptists have helped resettle hundreds of refugees from Cuba and Vietnam. Now, we face the sobering challenge of caring for and resettling thousands of fellow Americans whose city is uninhabitable.

To help get local caregivers back on their feet, the North American Mission Board is inviting churches across the country to adopt one of the 480 congregations gravely impacted by Katrina. Many of these churches have lost not only their building, but the pastor's home and much of their community. The response has been encouraging.

It seems appropriate that the Bill before this Committee today, Title III of S. 6, is entitled the "Care Act." I wish to speak in support of this bill and I urge you to favorably consider it.

This is an unprecedented time for America. In the wake of 9/11 and the current, catastrophe, many Americans have stepped up to help their fellow citizens with their time, talent and treasure. As the community of faith called Southern Baptists, we are called to love others. From our faith flows the impulse to cook meals, dry tears, do laundry and provide comfort for hurting people.

The provisions of S.6 provide modest tax benefits for those who choose to give charitably. We support any effort by the federal government that encourages people to give, because this rewards generosity and resources organizations that are on the front-lines of need. Providing a tax break here – or lifting a cap there – is wise public policy when the net result helps people to help people.

The original language of S. 6., authored by Chairman Santorum, leads us in this direction. The Care Act:

- Provides 83 million Americans who don't presently itemize the opportunity to deduct part of their charitable contributions. This will encourage giving by two-thirds of American taxpayers!
- Offers incentives for individuals to give tax-free contributions from their Individual Retirement Accounts to charities. Diverse entities ranging from soup kitchens to universities would benefit from this provision.
- Provides incentives that will yield an estimated \$2 billion worth of food donations from farmers, restaurants, and corporations to help those in need. America's Second Harvest estimates that this is the equivalent of 878 million meals for hungry Americans over 10 years. Last year, the North American Mission Board helped provide 3 million meals to hungry people. We are now feeding hurricane victims 250,000 meals each day. We believe this provision will help fight hunger in our nation.
- Allows 300,000 low-income, working Americans the opportunity to build assets through matched savings accounts to purchase a home, expand their education, or start a business. This type of program can greatly leverage tax dollars. The North American Mission Board is already investing strategically in New York, Miami, New Orleans and Cleveland to elevate people economically as well as spiritually. This provision will give charities such as NAMB an additional way to multiply the impact of our investment in low-income communities.
- Provides \$150 million per year for a Compassion Capital Fund to assist small community and faith-based organizations with technical assistance to expand their capacity to serve.
- Provides incentives for corporate charitable contributions and the contributions of books.

Allowing millions of non-itemizers the opportunity to deduct their charitable gifts is the right thing to do. It's also a wise policy choice because it recognizes and fosters a giving impulse among younger taxpayers, and encourages charitable lower and middle-income taxpayers whose incomes do not allow them to itemize.

We likewise support tax-free donations of IRAs by people over the age of 70.5. Billions of dollars residing in these IRAs can be allocated by citizens to fuel armies of compassion across our land. Many older Americans want to

experience the joy of making a difference by giving, and this provision provides them that opportunity.

As an organization providing millions of meals each year to hungry people, we support provisions that will facilitate more food donations and help feed the needy.

We applaud the Bill's provision allowing corporate deductions for charitable donations to be increased. Although the corporate world has seemed reluctant to catch the President's vision of "a level playing field" for secular and faith-based charities, any tax law that rewards corporations for being good citizens makes economic and ethical sense.

We oppose linking "charitable reforms" to the Care Act. Charities should operate within the letter and the spirit of the law. This is a legal and moral imperative. Those who do not follow the law should face the legal consequences. However, many of the new reporting requirements proposed as "charitable reforms" would divert dollars from helping people to complying with federal regulations. It is not wise public policy to burden our caring sector with expensive new requirements at a time when fuel costs are soaring and a major disaster has struck our nation.

Thank you for this opportunity to testify. Sixteen million Southern Baptists stand ready to do all that we can to encourage giving and caring in this great nation of ours. I am happy to answer any questions you may have.