

BakerHostetler



A View of the Sector

41st Annual Nonprofit Organizations Institute

Kimberly Eney, Loeb & Loeb LLP, San Francisco, CA
Alexander L. Reid, Baker & Hostetler LLP, Washington, DC

February 8, 2024

1

Agenda

BakerHostetler



- Congressional Leadership & Oversight
- Regulatory & Guidance Update
- Litigation
- States

2



Congressional Leadership & Oversight

3

Congressional Leadership



- Republicans Have Majority of House of Representatives
 - Mike Johnson (R-LA) is Speaker of the House
 - Steve Scalise (R-LA) is House Majority Leader
 - Jason Smith (R-MO) is Chair of the House Committee on Ways and Means
- Democrats Have Majority of Senate
 - Chuck Schumer (D-NY) is Senate Majority Leader
 - Ron Wyden (D-OR) is Chair of the Senate Finance Committee



4

House Ways & Means Committee Oversight Plan (2/28/23)

BakerHostetler



- Oversight of federal tax laws, regulations and filing requirements that affect tax-exempts, particularly charities, foundations, and political groups operating as social welfare organizations
- Evaluate overall IRS efforts to monitor tax-exempt organizations, identify areas of non-compliance, prevent abuse, and ensure timely disclosure to the public about tax-exempt organization activities and finances
- Review IRS tax-exempt application process and agency oversight of new exempt organizations

5

Congressional Hearings & Letters

BakerHostetler



- **Feb. 20, 2023:** Sens. Warren and Wyden send letter to McKinsey & Co. relating to work for Providence hospital to implement fee collection actions and compliance with Section 501(r)
- **March 29, 2023:** House Committee on Energy and Commerce Subcommittee on Innovation, Data, and Commerce holds hearing on NILs in college sports
- **April 26, 2023:** House Ways and Means Oversight Subcommittee holds "Hearing on Tax-Exempt Hospitals and the Community Benefit Standard."
- **Aug. 14, 2023:** House Ways and Means Oversight Subcommittee sends open letter requesting information to help the committee better understand and evaluate activities of Section 501(c)(3) and 501(c)(4) organizations
- **Oct. 10, 2023:** Senate HELP Committee chair, Bernie Sanders, issues report alleging that nonprofit hospitals received \$28 billion in federal, state, and local tax benefits in 2020 for the purpose of "providing affordable health care for low-income Americans" but are reducing charity care.

6

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: A View of the Sector

First appeared as part of the conference materials for the
41st Annual Nonprofit Organizations Institute session
"A View of the Sector "