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SENATORS SANTORUM, LIEBERMAN LAUD COMMITTEE PASSAGE OF CHARITY BILL

WASHINGTON – Senators Joe Lieberman (D-CT) and Rick Santorum (R-PA), the lead sponsors of the CARE Act, congratulated the Senate Finance Committee for passing the charitable giving component of their legislation today and clearing the bill for floor action.

The CARE Act was designed by Lieberman and Santorum to advance a common vision of helping local faith-based and community groups to help more people in need, particularly in the post-September 11th era, while avoiding the disagreements that threatened the bill's viability in the Senate. As a result, the CARE Act has gained broad, bipartisan support from President Bush and Senate Majority Leader Daschle, 23 Senate cosponsors, and a deep and diverse coalition of more than 1,600 national and grassroots organizations. (See a list of endorsements at <http://santorum.senate.gov/careact.html>)

“We are grateful to the Committee Chair and Ranking Member, Senators Baucus and Grassley, for their commitment and cooperation in making this bill a priority and that much closer to a reality,” Lieberman said. “This proposal, which we believe will help tap the enormous potential of America’s civil society to make our country a better place, was crafted in bipartisan fashion with the White House, it moved through Committee through bipartisan leadership, and we fully expect it to pass the Senate in the coming weeks with strong bipartisan support.”

“Sometimes the Senate process can test your faith. Today the Senate process tested the Faith-based Initiative, and the Faith-based Initiative persevered,” remarked Santorum. “The real winners today are the people in the smaller faith and community-based groups who act as our foot soldiers in the war against hopelessness. Help is on the way.”

The legislation approved by the Finance Committee today provides charitable incentives of about than \$10 billion and closely resembles many provisions of the CARE Act. Among the highlights of the bill marked up today:

- More than \$8.5 billion in new tax incentives to spur more private contributions to America’s philanthropic community, which has been hard hit by the aftermath of September 11th and the economic downturn. This section includes a deduction for the 86 million Americans who do not itemize their taxes.
- \$1.3 billion in new funding for the Social Services Block Grant (SSBG) program.
- \$450 million to expand the use of Individual Development Accounts (IDAs) to 300,000 new account holders. IDAs are innovative savings accounts designed to help low-income working families save for major investments and build assets.

Not included in the bill passed today are the CARE Act’s “equal treatment” provisions that prohibit social service providers from being disqualified from federal programs simply because they have a religious name, religious icons in their facilities, or religious language in their chartering documents. As these provisions fall outside the scope of the Finance Committee, they are expected to be reincorporated into the legislation when it is considered on the Senate floor.