

2025 MCN Public Policy Agenda

The Minnesota Council of Nonprofits (MCN) and the Minnesota Budget Project policy teams **advance public policies that strengthen the nonprofit sector and Minnesota communities** through policy development and analysis, and by engaging nonprofits, other organizational partners, and the public to lift up our shared vision for a just, equitable Minnesota.

Our policy work is informed by MCN's strategic priority on equity and justice which highlights priorities of support for small and under-resourced, rural-based, and/or communities of color led or serving organizations.

2025 Policy Agenda Priorities:

Uphold and Advance the Role of the Nonprofit Sector

Advance Budget, Tax & Economic Policies that Create a More Equitable Minnesota

Build a Strong Democracy and Encourage Civic Participation

Agenda Definitions

Lead: MCN or Minnesota Budget Project is playing a leading role in advocacy for this proposal and is allocating significant resources toward this policy campaign.

Support: MCN or Minnesota Budget Project is an active participant in the issue campaign to advance this policy, and is allocating analysis, advocacy, communications, and/or engagement capacity.

Monitor: MCN or Minnesota Budget Project is watching this issue and may weigh in with limited capacity.

The Minnesota Council of Nonprofits (MCN) is a statewide association of nearly 2,200 nonprofit members. MCN informs, promotes, connects, and strengthens individual nonprofits and the nonprofit sector through public policy at local, state, and federal levels. MCN's public policy team works to support and advance Minnesota's nonprofit ecosystem, which includes 380,000 nonprofit employees, over 8,500 nonprofit organizations, and the millions of Minnesotans who engage with nonprofits every year.

MCN's Minnesota Budget Project works to expand Minnesota's prosperity to all by identifying and advancing public policies to make Minnesota a state where everyone can thrive, regardless of who they are or where they live. It advances this mission through analysis and advocacy on budget, tax, and economic policies. For more than 25 years, the Minnesota Budget Project has been one of the ways MCN has pursued its vision for a healthy, cooperative, and just society.

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Uphold and Advance the Role of the Nonprofit Sector

Increase and improve nonprofits' access to government funding.

- **Lead:** Advance reforms to the state's grantmaking policies, with a focus on increasing access to government funding for nonprofits facing the largest barriers to government funds and partnerships.
- **Lead:** Promote and defend policies that strengthen state government's grantmaking capacity to advance equity, streamline systems, and improve access to state funding for nonprofits.
- **Lead:** Oppose proposals that seek to unfairly target and punish nonprofits, in particular for organizations that focus on social justice, equity and belonging, and human rights.
- **Support:** Oppose cuts to federal or state funding that would detrimentally impact nonprofits' ability to meet the needs of their communities.
- **Monitor:** Promote inclusion of capital investment projects at community-based nonprofits around the state in the state's infrastructure bill.

Strengthen and protect tax policies that enhance the nonprofit sector's ability to meet their missions and advance the goals of their communities.

- **Support:** Reasonable tax incentives for charitable contributions that promote individual giving to community-based nonprofits. **Monitor:** Protect tax exemptions of eligible nonprofit organizations.
- **Monitor:** Expand eligibility criteria of federal workforce tax incentives that benefit for-profit employers to include nonprofit employers. Independent Sector: "Tax Credit Fairness for Nonprofit Employers"

Protect Minnesota's charitable assets and promote reforms that prioritize transparency in grantmaking and increase funding to working charities.

- **Support:** Support efforts to incentivize increased giving out of Donor Advised Funds (DAFs).
- **Monitor:** Support proposals that enhance or maintain appropriate oversight or regulation of charitable assets.
- **Monitor:** Ensure that charitable assets are used in ways that benefit the public.

Position the nonprofit sector as desirable and competitive employers in policy debates impacting employers.

- **Monitor:** Support employment policies that create a competitive and sustainable workforce.

Oppose efforts to impede nonprofits' work via regulatory agencies because of the services they provide, their funding sources, or the populations they serve.

- **Support:** Oppose efforts to force the IRS to deviate from its mission to "enforce the law with integrity and fairness to all" by targeting specific nonprofits.
- **Support:** Oppose efforts of government entities to intimidate or interfere with the work of nonprofits, for example by requiring that they provide sensitive client information.
- **Monitor:** Oppose efforts to impede government's ability to do its work effectively by reclassifying federal nonpartisan government positions as political appointments.

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Advance Budget, Tax & Economic Policies that Create a More Equitable Minnesota

Promote a fairer tax code at state and federal levels and narrow racial and income disparities in economic well-being by strengthening tax credits for lower-income Minnesotans.

- **Support:** Protect Minnesotans' access to income-boosting federal tax credits (Child Tax Credit and Earned Income Tax Credit) and support policies that strengthen them; oppose policies that would scale back these tax credits or further limit eligibility based on immigration status.
- **Lead (as needed):** Protect and strengthen Minnesotans' access to the Minnesota Child Tax Credit (including through advance payments), Working Family Credit, Renter's Credit, and access to tax credits by Minnesotans using Individual Taxpayer Identification Numbers.
- **Support:** Continued funding for state grants for 1) free tax preparation and 2) outreach and education on tax credits for lower-income Minnesotans and communities of color.
- Support free public tax-filing option through the federal Direct File program and implementation of Direct File at the state level.

Support: Advocate for robust and fair revenue systems at the state and federal levels that sustainably fund public investments in a more equitable future.

- Oppose expensive and unfair tax cut proposals that would erode funding for public services and give the largest tax cuts to high-income households.
- Support progressive revenue-raising proposals to fund crucial public services for the long term.

Protect access to affordable health care in public health care programs and the private market, and advance equitable health outcomes.

- **Lead:** Oppose federal budget proposals that would drastically reduce Minnesotans' access to health care that meets their needs.
- **Lead / Support:** Support state actions to protect Minnesotans' access to affordable health care in response to federal funding cuts or policy changes.
- **Lead / Support:** Oppose efforts to reduce eligibility or access to care in public health care programs.

Support: Expand public investment so that more Minnesota families have the affordable child care that meets their needs, and to improve wages and job quality for child care workers (who are disproportionately women and people of color).

Support public services that everyday Minnesotans count on for their economic well-being and ability to thrive.

- **Support:** Protect funding and eligibility for essential public services such as SNAP and cash assistance.
- Oppose federal actions that harm the state's ability to meet Minnesotans' needs, such as cutting funding to states, shifting responsibilities for delivering and funding services to states, and penalizing states for policy choices they have made to serve their communities.

Improve wage and job quality standards that promote the economic security of lower-income Minnesotans and people of color.

- **Support:** Protect Minnesotans' access to Earned Safe and Sick Time, Paid Family and Medical Leave, and Unemployment Insurance.

Support: Enact economic policies so that immigrants and refugees can thrive. Address barriers that keep these Minnesotans from fully participating in our communities and economy.

- Oppose proposals that undermine the humanity, dignity, and civil rights of New Americans who came to this country seeking freedom, safety, and well-being for their families.
- Oppose "Public Charge" rules that would make it harder for immigrants to access public services, keep their families together, and move forward on their path to citizenship.

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Build a Strong Democracy and Encourage Civic Participation

Encourage improvements to systems of democracy to increase access to civic engagement opportunities.

- **Lead:** Changes to state lobbying rules to support nonprofits in effective lobbying, and create clarity regarding lobby reporting.
- **Support:** Defend the federal prohibition on nonprofits endorsing or opposing political candidates or parties. National Council of Nonprofits: "Protecting the Johnson Amendment and Nonprofit Nonpartisanship"
- **Monitor:** Protect nonprofit advocates' and members of the public's equitable access to policymaking processes.
- **Monitor:** Support efforts to prepare nonprofits for the 2030 Census to ensure a proper count of all communities in Minnesota.
- **Monitor:** Support improvements to structures and systems of democracy to expand access to voting and civic engagement opportunities for all Minnesotans.

Promote the accessibility of publicly available data on the nonprofit sector akin to the corporate sector, including contributions to the workforce.

- **Support:** Advocate for a quarterly release of nonprofit data from the Bureau of Labor Statistics (BLS)
- **Support:** Advocate for increased government investment in and commitment to unbiased nonprofit data collection and dissemination.

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