NONPROFIT NEWS



Special Nonprofit Advocacy Issue

<u>Advocacy doesn't require</u> <u>perfection—it requires heart.</u>

'Big Beautiful Bill' impact on nonprofits.

How to start public policy work at your nonprofit.

The fate of nonprofit issues in 2025 MN legislative session.

In defense of nonprofit nonpartisanship.

Shifting focus after passage of harmful federal bill.











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In defense of nonprofit nonpartisanship

Regardless of political affiliations, Minnesotans grieve the politically motivated assassination of House Speaker Emerita Melissa Hortman and her husband, Mark. Those closest to her remember her as a true servant leader, known for her selflessness and consistently putting the needs of Minnesotans above her own political alignment, aspirations, and power.

These days it feels easy to point out differences and blame others for society's problems, and harder to find common ground, especially when everything seems partisan.

I keep returning to these questions that won't leave my mind:

- Why is it partisan to ensure our workplaces and public spaces are accessible and welcoming to all, now labeled "illegal DEI"?
- While everyone who is not Native to this land is technically an immigrant, why is it partisan to be kind and inclusive toward our immigrant and refugee friends and neighbors who enrich our communities, pay taxes, and contribute to our economy?
- Why is it partisan to protect our most vulnerable neighbors by opposing devastating cuts to Medicaid for tens of millions?
- Why are nonprofits vilified? How did supporting people who work in service to community become partisan?

Traveling across the state, I have seen firsthand how Minnesotans deeply care about one another. We are leaders in voter turnout and civic engagement. Volunteers and donors show up to help community. Minnesotans write passionate opinion pieces in local and statewide newspapers. We are politically active and value bipartisanship. This past session, in an evenly split House, our state officials compromised and worked across the aisle to pass laws.

Our work as nonprofits may feel partisan right now, but this is a gut check that it is not. Nonprofits are and should always remain nonpartisan as we serve people not parties.

Nonprofit nonpartisanship is ingrained into law in the 1954 Johnson Amendment, the part of the United States tax code that defines how nonprofits must operate. The Johnson Amendment helps ensure that organizations dedicated to

the public good in communities remain above the political fray and fortifies the bedrock principle that nonprofits must remain nonpartisan. But there is now a potential court settlement that may declare the amendment unconstitutional.

In early July, the IRS approved a legal settlement in a landmark case on nonprofit nonpartisanship that would declare the Johnson Amendment unconstitutional. The agreement would also bar enforcement of the Johnson Amendment against those involved in the case.



Nonoko Sato

President & CEO

Repealing nonprofit nonpartisanship is a bad idea and could impact the foundation of our sector.

Nonpartisanship ensures our work remains independent of donor whims, protects public trust in our work, and gives nonprofits the ability to work with elected officials across the aisle.

However, nonpartisanship doesn't mean staying silent.

Nonprofits can, and should, engage in advocacy, informing lawmakers, participating in voter engagement, and shaping better policies that benefit our communities—all nonpartisan activities. Over 100 Minnesota nonprofits added their name to the national sign-on letter urging the Trump Administration to protect nonprofit nonpartisanship—thank you!

Our democracy depends on the voices of its people being heard. This is our collective moment to come together and show up for each other. We must refuse to be divided and act. Speak up, volunteer, vote, donate, write, organize. Support nonprofits that work every day to build community and protect democracy.

Together, let's defend the values that unite us, like nonprofit nonpartisanship, to ensure a more just, inclusive, and resilient Minnesota for all.

In reputable community,

Monoko ato

The fate of nonprofit issues in the 2025 legislative session



Public Policy Director

The 2025 Minnesota legislative session was just two months ago but in the wake of profound tragedy, feels eons away. The assassination of House Speaker Emerita Melissa Hortman and her husband Mark, and the attempted assassination of Senator John Hoffman and his wife Yvette, have left a deep sense of grief and loss in the Capitol and across Minnesota. Violence has no place

in our communities. Every elected official deserves to serve their community without fear for their safety or their lives.

It feels strange—almost hollow—to write a summary of the legislative session after such an unthinkable tragedy. The loss of Speaker Hortman and her husband is still being felt in every corner of the Capitol and by so many across the state who knew her as a leader, colleague, and friend. And yet, it's precisely because of her deep commitment to public service and to the work of government that we believe it's important to reflect on what did and didn't happen this session. Even in grief, the impact of legislative decisions will continue to shape the lives of Minnesotans.

Session Recap

The session began with gridlock. A 67-67 tie in the House and a 33-33 split in the Senate after the death of Senator Kari Dziedzic left both chambers stalled for weeks. A temporary power-sharing agreement allowed business to proceed, but the political tension remained high. In this environment, much attention was directed toward nonprofit oversight, driven by headlines about fraud in public programs. Some of this attention appeared to prioritize advancing pre-existing political agendas by highlighting selective or misleading examples that don't reflect the full complexity of this issue.

MCN entered the session hoping to propose meaningful reforms to how the state administers grants and contracts with nonprofits. But the political climate wasn't right. We saw cynicism and distrust toward nonprofits and the state's grantmaking, so we chose to focus on preventing new, harmful restrictions rather than advancing our proactive agenda.

Policy Outcomes

Among the proposals we successfully opposed: a bill that would have disqualified grantees based on staff salaries;

another that would have banned state agency employees or elected officials from serving on nonprofit boards; a mandate for unannounced in-person monitoring visits for all grants over \$50,000; a requirement that smaller nonprofits undergo expensive financial audits; and one that would have diverted 1 percent of all grant dollars to fund a new state office. All of these would have added new costs or reduced access for many nonprofits.

At the same time, MCN worked closely with legislators to shape positive outcomes. One victory was changing language in state law so that administrative costs in grant budgets must be "necessary and reasonable" rather than "minimized"—a small but meaningful shift that may help us push for a guaranteed minimum administrative rate in state contracts in the future. We also helped amend a staff disclosure requirement to include a possible exemption for vulnerable employees, and worked to ensure new fraud prevention laws included due process protections. We supported—and won—a new requirement for the state to produce a plain-language guide to lobbying reporting rules, with input from nonprofits. And we made sure that simply applying for a local government grant will not count as lobbying under state law.

What's Next

We expect continued scrutiny of nonprofits in coming sessions and will be ready. In the meantime, building real relationships with legislators is the best defense against misinformation. Don't underestimate the power of a conversation!

Take time to share your organization's impact with your legislators. It truly makes a difference. When legislators know the real people behind the work, they're far less likely to buy into damaging generalizations.

Looking for more?

MCN's full recap of the 2025 legislative session.

How to meet effectively with State Legislators.

Upcoming advocacy trainings:

- Advocacy 101: Easy and Effective Sept. 11, 10 a.m. - Noon, Virtual
- <u>Demystifying Processes: Public Policy & Advocacy</u> Sept. 25, 1 - 2:30 p.m., Virtual, Free

Recommitting to values and shifting focus to Minnesota after passage of harmful federal bill



Laura Mortenson

Communications Director, Minnesota Budget Project The massive H.R. 1 federal budget reconciliation bill was signed into law on July 4.

This law will make unprecedented cuts to affordable health care and food assistance, all to pay for some of the cost of tax cuts that primarily go to the wealthy and fund a mass deportation and detention program.

Since the debate began late last

year, nonprofits have advocated against the damaging provisions in the so-called One Big Beautiful Bill (OBBB). Your voices were critical to educate communities and our members of Congress about the harm this law will cause.

And our voices will be needed going forward. We'll need to educate and influence state policymakers' response as the funding cuts and significant policy changes begin to trickle down to Minnesota.

Low-income Minnesotans and immigrant communities will bear the brunt of this bill's harmful cuts.

In Minnesota, 1.16 million people get affordable health coverage through Medicaid, including people who are in between jobs or whose employers don't provide health insurance, families, children, and people with disabilities and older adults getting care at home or in nursing homes.

More than 202,000 Minnesotans could lose their health care because of changes made by the OBBB.

The law enacts new work reporting requirements for working-age people participating in Medicaid, including parents with children older than 14 years. Most folks participating in Medicaid who can work are already working; this policy's burdensome red-tape will cause eligible people to lose vital health care that they need to work.

MNsure, Minnesota's health insurance marketplace, estimates that 89,000 Minnesotans, including farmers and small business owners, will see higher health care costs because the bill ends the enhanced premium tax credits that brought down

the cost of health insurance purchased through MNSure. For example, a 60-year-old Minnesota couple making \$82,000 would see their annual premiums more than double in cost from approximately \$7,000 to more than \$18,500.

More Minnesotans will go hungry because of cuts to SNAP food assistance, the nation's most effective anti-hunger policy.

For the first time, OBBB requires states to fund part of the cost of SNAP benefits and expands work reporting requirements to more folks. An estimated 150,000 Minnesotans will be impacted in the near term, according to Second Harvest Heartland, with some of those folks losing food assistance completely.

Finally, this law delivers expensive tax cuts primarily to wealthy households while failing to do much for struggling families.

For example, the Institute on Taxation and Economic Policy finds that the lowest earning fifth of U.S. households would gain just a \$40 annual tax cut on average, compared to more than \$66,000 for the richest 1 percent in 2026.

Because this law shifts incredible costs and responsibilities to the states, it fundamentally ends the long-standing role of the federal government in supporting basic needs for Americans regardless of where they live and during economic downturns.

Given the tough fiscal situation they are already facing, it won't be possible for state and local policymakers to fully fill in the gaps.

Minnesota policymakers should push back against this bill's skewed priorities and instead prioritize meeting Minnesotans' basic needs for health care, food, and economic security. Minnesotans should not be excluded from basic services because of their immigration status or other identities or situations beyond one's control.

And finally, raising revenues from those with the most resources in order to protect essential public services must be part of Minnesota's response. Guest author Suzanne Horstman, executive director, Home & Community Options & MCN Board Member

Advocacy doesn't require perfection—it requires heart

Throughout my career, I've had the privilege of working in healthcare across a range of direct care and administrative roles. I've always been passionate about the mission of the agency I work for, the people I serve, and the teams I collaborate with. However, for many years, I felt uncertain about my ability to advocate at a legislative level.

That changed one day when I realized something profound: I cared more about the people I served than I feared my own lack of political knowledge. This shift in perspective was a game-changer.

It helped me understand that public policy advocacy isn't just for a select few—it's a responsibility that belongs to all of us.

For years, I've worked closely with individuals with developmental disabilities. My commitment to supporting them has always been strong, but over time, I began to see how policies were undermining their dignity, access, and rights. That's when I realized that simply providing direct support wasn't enough. I needed to use my voice to advocate for their needs—and help others find theirs, especially those whose voices are often overlooked.

Advocacy might sound intimidating, but at its core, it's about using our voices to shape the systems that impact the people we care about. In a world so full of noise, if we don't speak up, someone else will.

Nonprofits often focus on providing direct services, but without advocacy, we're stuck treating symptoms while neglecting the root causes.

To create lasting change, we need stronger policies, fairer budgets, and just systems.

Here's the truth: you're already closer to advocacy than you might think. Have you ever spoken to a city council member about your clients' needs? Shared a story to highlight injustice? Attended a community meeting? That's advocacy in action. You don't have to be a policy expert. You just need to connect your day-to-day work to the larger picture.

Over the past 12 years, I've been part of building grassroots advocacy efforts centered around self-determination and inclusion. I've witnessed nonverbal individuals in wheelchairs take their message to the Capitol and communicate their needs to legislators. If they can do it, so can you.

Advocacy doesn't require perfection—it requires heart. It's about showing up, speaking out, and standing beside the people we serve.

Bottom line: If you work in a nonprofit, you're already working for change. Public policy advocacy is simply the tool we use to make that change sustainable. It's not a distraction from our mission—it's how we amplify and extend its impact.



Better together, with you at the center

Bremer Bank is now a division of Old National Bank. We are excited to build on our shared strengths, bringing you enhanced banking capabilities while continuing to invest in the communities we call home. Learn more at bremer.com/oldnational

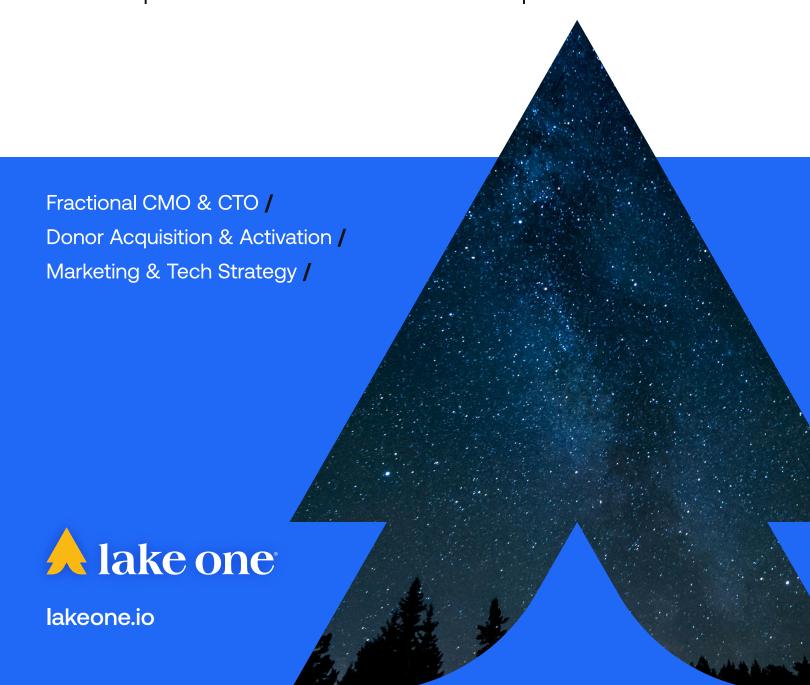




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Tech and strategy, united for impact

Don't throw darts, chart courses with an embedded team of digital outfitters. Deploy connected experiences across the constituent experience.



Celebrating gender equity advancement in the law



John Wurm

Organizational

Development and

Engagement Director

Each year,
nonprofits across
Minnesota make
incredible
contributions to
our state's high
quality of life.
The Minnesota
Nonprofit
Mission Awards
were created
specifically to
honor these
contributions.

Since 1987, MCN has been showcasing the work of Minnesota's outstanding nonprofits through the Nonprofit Mission Awards in the categories of Innovation, Anti-Racism, and Advocacy.

Voted by MCN member nonprofits, we are honored to celebrate the 2024 Mission Award recipient for Advocacy, Gender Justice.

Can you envision a world where everyone can thrive regardless of their gender, gender expression, or sexual orientation? That vision is the foundation upon which Minnesota-based nonprofit Gender Justice was built and from which it continues to tirelessly work every day.



Photo credit: Gender Justice.

Gender Justice's mission is to advance gender equity through the law. By focusing on state-level litigation and advocacy, Gender Justice has created a pathway to progress on gender equity despite tremendous federal barriers. Their nimble and adaptive team have made pivotal strides in dismantling legal and systemic barriers to abortion access, enhanced the legal framework for reproductive health, and fortified the foundations of gender equity amid unprecedented challenges.

In the past two years, Gender Justice played a key role in securing historic legislative wins stemming from one of the most ambitious agenda for women and LGBTQ+ people in the nation, including:

- Helping pass the Protect
 Reproductive Options Act, which
 enshrines in state law every
 person's right to make and act
 on the full spectrum of decisions
 available regarding their pregnancies
 and their reproductive health
 without government interference.
- Helping pass the Reproductive Freedom Defense Act, which protects everyone who seeks, provides, or helps someone get abortion care in Minnesota from legal action and criminal prosecution by out-of-state antiabortion activists and politicians.
- Securing a 20 percent increase in Medical Assistance reimbursement rate for providers offering family planning and abortion care and repealed the ban on abortion coverage in MNCare.
- Removing a long list of barriers to abortion access, including a requirement that doctors deliver state-mandated anti-abortion literature, a mandatory 24-hour waiting period, and a measure that outlawed abortions performed by advanced-practice registered nurses and other trained licensed providers.
- Helping pass Paid Family & Medical Leave which supports mothers to

- remain in the workforce, reduces the pay gap, and breaks down outdated gender roles by equally supporting men as fathers and caregivers.
- Modifying the Women's Economic Security Act to include workplace protections for pregnant and nursing employees.
- Helping pass the Menstrual Equity Bill ensuring students have access to essential menstrual products in public schools.
- Helped pass the Trans Refuge Bill protecting families seeking genderaffirming care and health care providers from out-of-state litigation.
- Removing state funding for crisis pregnancy centers by ending the "Positive Alternatives to Abortion" program, which previously had received \$3 million in taxpayer dollars.



Watch Gender Justice's Mission Awards video.

Gender Justice believes in the power of the courts to create positive change. These cases clarify what the law actually means in practice, set powerful legal precedents, change the interpretation of the law, and raise important issues, as yet, unaddressed by the courts.

As a result of this work, the Minnesota Council of Nonprofits was pleased to present the organization with the 2024 Minnesota Nonprofit Mission Award recipient for Advocacy.

Learn more about Gender Justice.

Nonprofit news & advancements



The Minnesota Coalition Against Sexual Assault announced Ashley Taylor-Gougé as executive director.



Chandra Smith Baker was named president & CEO of the Saint Paul & Minnesota Foundation.







Wingspan Life Resources welcomed Deena Peterson as executive director, Lance Brock of Mahoney CPAs as board treasurer, and promoted Keller Karlstrom to marketing and community engagement specialist.



Felix Isuk joined the Northwest Area Foundation as director of finance and accounting.



Pamela Zeller, executive director of Women's Initiative for Self Empowerment, announced her retirement at the end of 2025.



Tameka Davidson was named community impact manager at the Women's Foundation of Minnesota.





Mike Lavin was named president of DARTS; previous president Ann Bailey retired July 1.



Volunteers of America Minnesota and Wisconsin's board of directors announced Karina Forrest Perkins as president and chief executive

officer. Karina serves on MCN's board of directors.

Stevens Square Foundation welcomed six board members, Terri Foley, Diane Graham-Raff, Tom Lundell, Christine Mueller, Deirdre Palmer, and Deborah Paone.



GiveMN announced Jenna Ray as executive director and CEO.



John Andrews, CEO of Northern Star Scouting, will retire at the end of the year.



Gender Justice welcomed Iman Hassan as advocacy director.



Fran de Leon joined **Theater Mu** as artistic director.



The Minnesota Council of Nonprofits welcomed Ellie Fuelling as communications coordinator.



Migdalia Loyola Meléndez joined Headwaters Foundation for Justice as co-executive director.









Little Free Library announced Daniel Gumnit as executive director and chief executive officer, and four members to its national board of directors, Jeff Tobler, Azanique Rawl, Patrick McCarthy, and David Hawn.

Leaders of Today and Tomorrow welcomed seven board members Sarah Battis, Viri DeRuiz, Erin Williams Rodriguez, Gao Vue, Merina Neal, Karin Meier, Taylor Roberson, and Mariela Ampuero.













Centro Tyrone Guzman welcomed six team members, Ena Castilla as development director, Gustavo López as Siembra administrative manager, Jessica Luna as Siembra aide, Silvia Palacios as infant & maternal health department administrator, Berenice Sanchez as Be @ School coordinator, and Andrés de la Torre as adult & aging department administrator.





Twin Cities Rise welcomed Dennis Hart, PhD, as workforce education and training manager and Alena Phongsavath as executive assistant.



Pauleen Le joined Project for Pride in Living as director of communications and marketing.



Minneapolis College of Art and Design promoted Dr. Melissa Rands to vice president of academic affairs.

Celebrate your new staff and board members!

MCN member organizations are invited to submit your staff and board announcements to Laura Dunford.

Please include their name, title, and photo if available. MCN cannot guarantee all announcements will appear in *Nonprofit News*.

Speak up for your mission: how to start public policy work



Marie Ellis
Public Policy Director

Every
nonprofit
has a voice in
influencing
policies that
shape your
work and
communities

Here's how to get started.

Step 1: Identify issues & scope

Identify the issues that matter most to your mission and communities you support. What systems or policies make it harder for your community to thrive or for your organization to do its work? What roadblocks come up over and over again? What data can you gather or stories can you share that illustrate your concerns?

You don't need to take on every policy issue that touches your field. Consider how your nonprofit's experience and opinions can add value to the conversation. Knowing your scope will help you set priorities, stay focused, and avoid overwhelm.

Step 2: Bring your team along

Advocacy is one of the most critical tools nonprofits have to advance their mission and create lasting change. Many nonprofits are not aware that they can, and should, engage in this work AND that advocacy is well within the legal boundaries of their 501(c) status.

Start by educating your staff and board about why advocacy matters, and how laws and public policies directly impact your nonprofit and community.

Board members may, at times, discourage engagement in public policy. At worst, boards may be risk adverse to being

"too" political and controversial, or at best may want to protect your time from additional work. However, avoiding advocacy can lead to greater harm, especially when policies threaten your mission or the people you serve. It is important to distinguish that while 501(c)(3) charitable nonprofits must remain nonpartisan (they cannot endorse or oppose political parties or candidates for public office), they can absolutely engage in many other forms of advocacy! We have a constitutional right to speak up against harmful policies that impact our communities and our ability to do our work effectively.

Educate lawmakers about the impact of your work, especially in the communities they represent. This is not considered "lobbying"—there are no limits on educating lawmakers! Share with your board resources like Suzanne's article on page 7 and MCN's Nonprofit Advocate e-newsletter. Work with your board to explicitly carve out advocacy as a core function of your executive's job description. Encourage your staff and board members to speak out independently as individuals—as voters, constituents, and community members.

You and your community are experts, and your voices matters. You have a responsibility to shape the systems that determine what is possible for your nonprofit and communities you serve.

Step 3: Create a Public Policy Agenda

A public policy agenda is simply a list of the issues your organization cares about and wants to influence. It doesn't have to be long—it can start as one or two sentences that set your key priorities. Here are a few examples:

A nonprofit that provides elder healthcare:

"We advocate for increased reimbursement rates for home- and community-based services, caregiver wage supports, and transportation funding for rural seniors."

A nonprofit that provides low-cost childcare: "We support policies that expand access to SNAP and school meals."

A domestic violence nonprofit: "Our policy priorities include increased funding for emergency shelter and legal advocacy, strengthened privacy protections for survivors, and housing-first models that prioritize survivor choice and safety."

Step 4: Find Coalitions

You don't have to do it alone. Chances are, there's already a coalition or working group in your region or sector working on the issues you care about. These groups can be a great entry point—they offer a chance to learn, build relationships, and get involved at your own pace. MCN keeps a list of nonprofit coalitions. Email us with your issue areas and we'll let you know if we're aware of a coalition in that space!

Step 5: Dip a toe into the waters

Many nonprofits begin their advocacy journey by taking small but meaningful steps: signing a letter to lawmakers, sending an action alert to supporters, posting information on social media, or attending MCN's Advocacy 101 training.

Over time, you might build toward something bigger—like adding public policy advocacy responsibilities to an existing role, hiring staff dedicated to advocacy, or developing deeper relationships with your elected officials.

As Suzanne says, "Advocacy doesn't require perfection—it requires heart." No step is too small when rooted in purpose.

2025 Legislature makes budget cuts, moves backwards on health care and child care coverage



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Director, Minnesota Budget Project In 2025, Minnesota lawmakers' primary responsibility was to pass the two-year state budget that started July 1, 2025.

The environment was challenging. Finding common ground was difficult in a Legislature split nearly evenly between the two major political parties.

The state projected surpluses in the near term but a \$6 billion

shortfall for the future FY 2028-29 budget cycle. And federal policymakers were moving budget plans to dramatically shift responsibilities for funding public services to states and cut federal dollars that states receive.

A major theme of the legislative session was whether to protect and build on the potentially transformational policies enacted in the last budget—such as Universal School Meals, a nation-leading Child Tax Credit, Paid Family and Medical Leave, and more—or roll back some of these investments in broader prosperity.

The budget passed in June reduced general fund spending by \$1.3 billion in FY 2026-27 and by \$3.4 billion in FY 2028-29, compared to what total funding would be if no changes were made. This smaller budget results from reducing funding for some services compared to prior years, funding for some services not keeping up with inflation or the cost of providing services, and some revenue increases. These figures do not reflect recent federal budget changes.

The budget cuts will not be felt across the board. Nonprofits who partner with state government may see their funding reduced, increased, or stay even, and the same variation will be seen in other services your community counts on.

MCN's 2025 policy agenda included a goal of advancing budget policies that create a more equitable Minnesota. Unfortunately, Minnesota lost ground this session in some crucial ways.

Health care

Our own health and the health of our neighbors and

communities are interconnected. But because options are limited, immigrants lack health insurance at a higher rate than for the state as a whole. Recognizing this, in 2023, Minnesota policymakers passed legislation so that, starting January 1, 2025, undocumented Minnesotans who met all other eligibility requirements could enroll in MinnesotaCare, a premium-based public health insurance option for working-class people.

However, as part of reaching a budget agreement this year, legislative leaders and Governor Tim Walz agreed to end MinnesotaCare coverage for undocumented adults. These Minnesotans will lose access to life-saving care, treatments to manage chronic conditions, and preventative care to stay healthy. This decision will shift costs to hospitals that are already financially strained. And it will take a toll on our economy, since health coverage is an important element of keeping workers healthy and on the job.

Child care

Having reliable, affordable child care is essential for children to thrive, parents to succeed at work or school, and employers to attract and retain the workers they need.

Unfortunately, Minnesota policymakers did not renew the funding increase for Early Learning Scholarships temporarily enacted in 2023. Funding will drop by roughly \$100 million for FY 2026-27, making it harder to meet the needs of kids and families.

Policymakers made some future improvements to the Child Care Assistance Program (CCAP), including capping co-payments so no family pays more than 7 percent of their incomes. CCAP brings down the monthly cost of child care for over 23,000 Minnesota children.

More on state budget decisions

Learn more about the Minnesota Budget Project, an initiative of MCN, and subscribe to their e-newsletter for analysis, advocacy opportunities, and important news nuggets.



www.mnbudget.org

H.R. 1 'Big Beautiful Bill' impact on nonprofits

Below is MCN's testimony from an August 7, 2025 Nonprofit Listening Session with Congresswoman McCollum. MCN's full analysis of H.R.1.

H.R. 1 is a direct threat to the wellbeing of Minnesotans.

This bill does not trim excess—it guts essential services and forces already stretched nonprofits to absorb the impact of federal abandonment—an expectation that is both unrealistic and dangerous.

It shifts demand for critical health and human services onto nonprofits, while simultaneously driving up our costs and slashing the funding we rely on. This is not just a budgetary maneuver—it is a decision to undermine the public safety net, destabilize local economies, and leave communities behind.

Nonprofits do extraordinary work. We step in when crises arise. But we cannot replace the scale, reach, or reliability of government safety net programs. No matter how generous, institutional philanthropy covers only a fraction—about 10 percent—of what the federal government provides.

On top of that, Minnesota nonprofits are already under strain. According to MCN's new 2025 Current Conditions report:

- 70 percent have seen demand increase.
- 82 percent report rising business expenses.
- Nearly half report declining funding from government and foundations alike.

This environment is already unsustainable—and this bill will make it worse. The fallout will include:

- Fewer services and more unmet needs, especially in rural and suburban communities that make up two-thirds of Minnesota's nonprofit sector.
- Layoffs and furloughs that hurt both workers and the communities they serve—nonprofit professionals make up 13 percent of Minnesota's workforce.
- Disruptions to mission-critical services, as payment delays or cuts force nonprofits to pause or shut down programs.
- Permanent harm to essential safety net systems. For some, it could mean the difference between life and death.

This bill will force hard decisions for state policymakers, having to weigh cutting other vital services or raising new revenue just to preserve what is left. MCN will be joining advocates asking state policymakers to reject this law's skewed priorities and instead prioritize meeting Minnesotans' basic needs for health care, food, and economic security.

This is not the time to be silent. Nonprofits must speak out. While this is a federal law, Minnesota's state legislators, the governor, and lieutenant governor need to hear the on-the-ground impacts of how proposals to cut funding and services will impact people nonprofits serve. Nonprofits have the stories, data, expertise, and moral clarity to show why a strong public safety net matters.

Together, we can remind lawmakers that "big beautiful" policy is actually about creating thriving communities for everyday people who contribute so much towards a prosperous Minnesota. Let us remind our lawmakers: strong communities are built by investing in people—not by cutting them loose.



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Annual Conference preview: navigating crisis as state associations

Coming this fall to MCN's 2025 Annual Conference, October 9-10 in St. Paul, president & CEO Nonoko Sato is convening four leaders from nonprofit associations from conservative states for a keynote panel that moves our focus from a power deficit toward the power we can generate with our communities, values, and operating as a collective.

Woven throughout their discussion will be reflections on how crisis has shaped their leadership styles, the importance of joy in building new futures, and what is possible from their unique geographical positions. As a preview of the <u>Annual Conference Keynote</u>, each leader was invited to respond to a series of questions. Here is a sampling of their answers.

Q: This year's conference theme is Perennial: Here, Rooted, and Unwavering. In moments of crisis, what grounds you and keeps you rooted professionally?

"Staff members and I were recently reading *Reboot* by Jerry Colonna, and I realized that the reason I lead like I do is that I felt unseen and unheard in my childhood. As a more mature person, I realized I can use that experience to ensure I stand up for others who feel unseen and unheard. In moments of crisis, even more of us feel this way. It's important to create a community and a space for nonprofit leaders to unwaveringly say, 'Here I am! I won't be ignored!" -Danielle Dunbar, Alabama Association of Nonprofits

"My family and my story. I chose to work in this sector...to focus my efforts around helping children. I experienced trauma as a child, and it has never left me, but for the support of caring and attentive adults in my life, my story could have ended differently. I continue to view the world through the lens of 'we must show up for those who need us most."

-Ellen Collins, Mississippi Alliance of Nonprofits & Philanthropy

Q: What kind of future are you building for your state's nonprofits?

"I'm hopefully building a future where Tennessee nonprofits don't just understand public policy; they're practically writing it! And since Tennessee is like three states rolled into one, connecting nonprofits across the state—not just in their regions—is a big goal for me."

-Kevin Dean, Tennessee Nonprofit Network

"I hope we are creating a community where we can each share our voice, rely on each other to learn and grow, and ensure that Alabamians know what they'd lose if our nonprofits are shut down. I also hope we're drawing more dollars from outside of Alabama to help us rise to where others have been for a long time. We have no shortage of dreams."

-Danielle Dunbar, Alabama Association of Nonprofits

Q: What advice have you received that has been most helpful to you as you navigate this moment as a state association leader?

"I think the best advice is what we share at CNE. Find your people, gather them up, and connect with them so that you have other trees in the forest to hold you up. Be humble in your learning and know that the wisdom is in the room. And fail forward; we all fall sometimes. It's part of the learning process. If you're not falling and failing, frankly, you're not trying and you're not learning."

-Mariane Asad Doyle, Center for Nonprofit Excellence (CNE)

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Collectively Healing: Breaking the Cycle of White Supremacy

9:30 a.m. - 12 p.m. | Virtual

Succession and Transition Planning: How to Begin

11 a.m. - 12 p.m. | Virtual

Sept. 4 Elevate Your Success with UST Innovative Workforce Solutions

11 a.m. - 12 p.m. | Virtual | FREE

Sept. 9 <u>Grantwriters Incubator</u> 9:30 a.m. - 11 a.m. | Virtual | FREE

Sept. 9 - 11 Practical Leadership 1.0: Cultivating Thriving Supervisory Relationships

10 a.m. - 12 p.m. | Virtual

Sept. 11 Advocacy 101: Easy and Effective 10 a.m. - 12 p.m. | Virtual

Sept. 16

The Evolving Federal Grant Landscape:
What You Must Know

1:30 p.m. - 3 p.m. | Virtual | **FREE**

Sept. 18 Beginning Grantwriting

9 a.m. - 12 p.m. | Virtual

Sept. 18

A New State Lobbying Handbook:
Seeking Your Input

1 p.m. - 2:30 p.m. | Virtual | **FREE**

Sept. 25

<u>Cancel Culture and Bridging Toward</u>
<u>Belonging in Progressive Organizations</u>

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