

# 2026 MCN Public Policy Agenda



Nonprofits and communities play a crucial role in shaping the development of public policy – the set of laws, regulations, and government actions designed to guide government, businesses, and citizens in addressing societal problems and achieving public goals.

**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. At the beginning of each year, MCN board of directors reviews, discusses, and affirms the Public Policy agenda.

## 2026 Policy Agenda priorities:

**Uphold and protect the role of the nonprofit sector.**

**Advance budget, tax, and economic policies that create a more equitable Minnesota.**

**Build a strong democracy and encourage civic participation.**

### Agenda Definitions

**Lead:** MCN and/or Minnesota Budget Project is playing a leading role in advocacy to advance this policy, and is allocating significant resources toward this effort.

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

**Monitor:** MCN and/or Minnesota Budget Project is watching this issue and may weigh in.

### For more information about policy agenda items, please contact:

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*Policies regarding government grant contracts*

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*Tax policy; tax credits for workers and families*

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*Policies impacting immigrants and refugees, food assistance, state budget policy*

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*Affordable health care, child care*

# 2026 MCN Public Policy Agenda

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## *Policy priority*

### **Uphold and protect the role of the nonprofit sector.**

**Work to ensure the nonprofit sector is adequately and fairly regulated and remove unnecessary burdens for funding and long-term success.**

- **Lead:** Strengthen state government's grantmaking capacity to advance equity, streamline systems, and improve access to state funding for nonprofits by both promoting and defending existing policies that achieve these goals and advancing reforms to policies and practices that inhibit these goals.
- **Lead:** Oppose proposals that seek to unfairly target and punish nonprofits, in particular for organizations that focus on politicized topics such as social justice, equity and belonging, and/or 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 including against politicized or inconsistent enforcement.
- **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:** Encourage 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 demonstrate clear public benefit and maintain public trust.

**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, including ensuring that nonprofit workers can access wage and job quality standards that promote economic security.
- **Monitor:** Ensure nonprofits are considered and included in proposed policies that impact businesses broadly.

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

- **Lead:** Support proposals to protect nonprofit 501(c)(3) status from federal actions that threaten charitable advocacy and civic engagement.
- **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.

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# 2026 MCN Public Policy Agenda

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## ***Policy priority***

### **Advance budget, tax, and economic policies that create a more equitable MN.**

#### **Advocate for a robust and fair state tax system that sustainably funds public investments in a more equitable future.**

- **Lead/support:** Raise state revenues to replace lost federal funding and to fund crucial public services for the long term.
- **Lead/support:** Protect funding for public services by opposing expensive and unfair tax cut proposals that would erode state resources and give the largest tax cuts to high-income households.

#### **Protect Minnesotans' health and economic well-being as the state responds to massive federal funding cuts and policy changes to Medicaid, SNAP, and other basic needs services enacted in the 2025 federal budget reconciliation bill (H.R. 1).**

- **Lead/support:** Protect Minnesotans' access to affordable health care through Medicaid and other public health care programs.
- **Support:** Protect Minnesotans' access to food support through SNAP and other public services.
- **Support:** As Minnesota implements harmful federal changes to basic needs services, policymakers should minimize harm and unnecessary red tape and make our public programs more user-friendly.
- **Support:** Protect public services that Minnesotans count on from further federal threats to affordable health care and food support.

#### **Support: Protect immigrants' access to public services and tax benefits, and their human rights. 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 federal "Public Charge" rules and other policies that make it harder for immigrants to access public services, keep their families together, and move forward on their path to citizenship.
- Oppose the expanded use of public dollars for immigration detention and deportation.

#### **Protect and strengthen income-boosting tax credits for lower-income Minnesotans that advance economic well-being and narrow racial and income disparities.**

- **Lead/support (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.
- **Monitor:** Support 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.

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

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

#### **Expand and protect public investments 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:** Push back against federal efforts to cut funding or access to affordable child care.

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# 2026 MCN Public Policy Agenda

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## *Policy priority*

### Build a strong democracy and encourage civic participation.

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

- **Support:** Defend the federal prohibition on nonprofits endorsing or opposing political candidates or parties, particularly the National Council of Nonprofits' effort "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.



**Minnesota Council of Nonprofits**  
[www.minnesotanonprofits.org](http://www.minnesotanonprofits.org)



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 10,000 nonprofit organizations, and the millions of Minnesotans who engage with nonprofits every year.



**Minnesota Budget Project**  
[www.mnbudgetproject.org](http://www.mnbudgetproject.org)



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.