

2023 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.

Uphold and Advance the Role of the Nonprofit Sector

Increase and improve nonprofits' access to government funding, with particular focus on small organizations, rural organizations, and organizations that serve communities of color.

- **Lead:** Position the state to create a standardized state grants system and to increase grants management capacity for all state agencies, in order to advance equity, streamline systems, and improve access.
- **Lead:** Promote inclusion of an equity article in a state infrastructure bill that provides funds for capital investment projects at community-based nonprofits led by and serving communities of color around the state.

Ensure appropriate government oversight that supports nonprofits' ability to fulfill their missions.

- **Lead:** Oppose unreasonable oversight proposals such as limiting who can sit on nonprofit boards, dictating caps on nonprofit salary, and restricting which nonprofits can apply for state funds.

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

- **Lead:** Advance a state-run paid family and medical leave program.
- **Lead:** Promote inclusion of nonprofit employers in a state tax credit for employers providing employee health insurance coverage.

Strengthen and maintain tax policies that enhance the nonprofit sector's ability to maximize its partnership with the community.

- **Support:** Tax incentives for charitable contributions that treat donors and types of giving equitably, including promoting expansion of the state's non-itemizer charitable deduction.
- **Support:** Simplify the process of nonprofits' sales tax exemption for construction materials, allowing more funds to be spent on the nonprofits' capital projects.
- **Monitor:** Tax exemptions for nonprofit organizations.

Protect Minnesota's charitable assets and promote needed philanthropic reforms, focusing on reforms that advance racial equity by getting more funds to working nonprofits and that promote transparency in philanthropy.

- **Monitor:** Philanthropic and charitable organizations that are under current scrutiny by state agencies or the public.



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

Promote a fairer tax code and address racial and income disparities in economic well-being by strengthening tax credits for lower-income Minnesotans, and ensuring people of color have equitable access to tax policies that support building income and wealth.

- **Lead:** Create a Minnesota Child Tax Credit to significantly reduce child poverty and improve family economic security.
- **Lead:** Expand the Renters' Credit, our state's property tax refund for low- and modest-income renters, by simplifying the process for applying, making more Minnesotans eligible, and increasing the average amount of credit that Minnesotans can qualify for.
- **Lead:** Expand the state's Working Family Tax Credit for lower-income workers and families.
- **Support:** End barriers based on immigration status to qualifying for homestead status, the homeowner Property Tax Refund, and Working Family Credit.

Advocate for a robust and fair revenue system that sustainably funds public investments in a more equitable future.

- **Lead:** Oppose replacing the state's current income-targeted approach to Social Security income tax exemption with an unlimited exemption for Minnesotans of all income levels, which would cost more than \$1 billion per biennium and give the largest tax cuts to high-income households.
- **Support:** Progressive revenue-raising proposals to fund crucial public services for the long term.

Support: Use the historic opportunity presented by projected state budget surpluses to invest in a stronger, more equitable future, addressing long-standing racial and income disparities and disinvestment.

Support: Expand access to affordable health care by addressing coverage and affordability gaps in public health care programs and the private market, and advance equitable health outcomes.

- Expand the ability of Minnesotans to purchase affordable health insurance through a MinnesotaCare buy-in.
- Expand MinnesotaCare eligibility to include undocumented Minnesotans.
- Ensure those who access affordable health care through Medicaid remain eligible for at least 12 months (known as continuous eligibility).
- Protect Minnesotans' access to Medicaid as coverage protections end with the ending of the national COVID public health emergency.

Support: Expand access to affordable child care through the Child Care Assistance Program and other public programs through increasing funding to reach more families, reducing costs and barriers to families, increasing reimbursement rates paid to child care providers, and improving wages and job quality for child care workers (who are disproportionately women and people of color).

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

- Expand access to paid sick time to workers statewide.
- Driver's license access for all, regardless of immigration status.

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

- Driver's license access for all.
- Immigrants with ITINs are able to access tax benefits that support their ability to thrive (see above).
- Minnesotans regardless of immigration status get the affordable health care they need (see above).

Support: Restore a measure of inflation in the state's budget forecasts.

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Build a Strong Democracy and Encourage Civic Participation

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

- **Support:** Support preparations for the 2030 Census, including investment in the state's demographer's office.
- **Support:** Expand trust in and access to voting, including voting rights restoration for people with felony convictions, automatic voter registration, and pre-registration for 16- and 17-year-olds.
- **Support:** Bolster access to policymaking processes particularly for communities historically excluded from these processes, including encouraging the Legislature to continue hybrid hearings that allow the public to testify from wherever they are at.

MCN is a statewide association of 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 390,000 nonprofit employees, over 9,000 nonprofit organizations, and 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 the past 25 years, the Minnesota Budget Project has been one of the ways MCN has pursued its vision for a healthy, cooperative, and just society.

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.



Minnesota Council of Nonprofits

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*Capital investment; government oversight,
contracts with nonprofits; nonprofit tax issues*

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*Paid Family and Medical Leave; minimum wage;
building a stronger democracy; volunteer issues*



Minnesota Budget Project

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Tax policy; tax credits for workers & families

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Budget process; job standards; immigrant & refugee policies

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Affordable health care and childcare