



MNA 2024/2025 Public Policy Agenda and Government Relations Plan

Overall Objective

Charitable nonprofit organizations throughout Michigan improve lives, strengthen communities and the economy, and lighten the burdens of government, taxpayers, and society as a whole.

MNA advocates for nonprofits at many levels of government - federal, state, local, legislative, executive, and regulatory - to educate policymakers and others about the work and impact of nonprofits.

MNA believes that consistent policies that advance diversity, equity, and inclusion enable the work of charitable nonprofits throughout the state and are critical for nonprofits to effectively serve their missions, provide for the public good, and address community needs.

Our work is structured in four broad categories:

I. Tax Policy

Sound tax policies that support nonprofits are one of the most important ways to help secure the resources necessary to effectively serve the public good and address community needs. MNA is committed to preserving the tax-exempt status of organizations contributing to the well-being of their communities and strengthening and expanding incentives for individuals to give their time and money to the organizations whose missions they support. In practice, this commitment means:

- Supporting tax and other incentives that encourage individuals to volunteer their time and contribute resources to the missions of charitable nonprofits.
- Promoting nonprofit relief and recovery efforts of nonprofits through targeted tax incentives for contributions to charitable nonprofits affected by natural disasters or states of emergencies, refundable payroll tax credits and other mechanisms that will help charitable nonprofits retain and pay their employees.
- Opposing the imposition of unreasonable taxes, fees or involuntary fees or payments in lieu of taxes (PILOTS) on tax-exempt organizations.
- Maintaining and – where appropriate – expanding nonprofit sector exemptions from paying state and local property, sales, and use taxes and from collecting sales and use taxes.

II. Public-Private Collaborations

Charitable nonprofits are private organizations that share a commitment with government to improving lives and communities throughout the state. MNA is dedicated to improving government-nonprofit contracting systems, and to strengthening the public-private partnership at all levels through collaboration and direct engagement.

III. Budget & Spending

Budget and spending decisions by governments affect all residents and these decisions can have immediate and significant consequences for the people nonprofits serve and the communities in which they operate, especially those that have been historically underserved and underrepresented.

MNA supports budget and spending decisions at all levels of government that encourage diversity, equity, and inclusion to build stronger, fairer communities and close resource gaps for marginalized people.

MNA opposes the offloading of government services onto nonprofits without paying nonprofits the cost of providing these services.

IV. Promoting Civic and Community Engagement

Charitable nonprofits are at the forefront of educating about and furthering the democratic process. MNA works to promote greater engagement of the citizenry, civic dialogue, open elections, and open government.

MNA supports the longstanding federal policy allowing 501(c)(3) nonprofits to engage in nonpartisan voter registration, voter education, and get-out-the-vote activities so long as organizations are not coordinating their activities with political campaigns, political parties, or political action committees.

MNA aims to correct misperceptions and clarify lobbying laws and regulations to empower 501(c)(3) nonprofits to advocate fully and freely within the law.

Federal background

Through MNA's strong relationships with Michigan's congressional delegation, membership with the National Council of Nonprofits, and other partners such as Nonprofit VOTE, Independent Sector and the Leadership Conference of Civil and Human Rights, Michigan's nonprofit sector's interests are shared and advanced at the federal level.

Federal Goals

1. **Reform government-nonprofit grants processes** to streamline policies and procedures to avoid duplication and waste, develop standardized definitions for contracting and grant language, ensure that payments to nonprofit organizations for direct and indirect costs from the federal government through state and local governments are applied consistently, fairly, and in a timely manner, and eliminate from federal statutes and regulations arbitrary caps on reimbursement of nonprofit indirect, administrative, or overhead costs.
 - o **Support the reintroduction of the Streamlining Federal Grants Act (2023/24 S.2286/H.R. 5934)**
2. **Bureau of Labor Statistics (BLS) Quarterly CEW.** We are calling for releasing quarterly economic data on the nonprofit sector in the same way as other industries,
3. **Pass Charitable Act: (2023/24 S.566)** a bill that allows individual taxpayers who do not otherwise itemize their tax deductions a deduction in taxable years for charitable contributions. The deduction is limited to one-third of the standard deduction allowed to such taxpayers.
4. **Pass Retirement Fairness for Charities and Educational Institutions Act** – a bill that would allow employees that are enrolled in 403(b) retirement savings plans to invest in collective investment trusts (CITs). A CIT is a tax-exempt investment vehicle that provides a diversified, pooled investment option, similar to a mutual fund. Under current law, unlike 401(k) holders, 403(b) plan participants are not able to use this stable, lower-cost investment option in their plan. This legislation would create parity between 403(b) and 401(k) retirement savings plans to help improve retirement security for more than 15 million hardworking employees of nonprofit organizations, such as hospitals, universities, and charities.

5. **AmeriCorps Advocacy** – MNA is an active member of Voices for National Service, a coalition of organizations that advocate for expanding national service, a vital resource for strengthening communities and the nation.
6. **Address challenges and issues that arise throughout the year such as workforce shortages, health care, childcare, broadband access, etc.**

State background

Through MNA's strong state relationships and staffing of the Michigan Nonprofit Caucus and the Nonprofit Council for the Charitable Trusts in the Office of Attorney General, MNA's members have access to policymakers and regulators that ensure that the sector's interests are understood and advanced. In partnership with CMF, MAUW, JCP, MLPP, MCSC, Promote the Vote, CEDAM, Dykema, and our board of directors and committees, MNA has a solid public policy and government relations infrastructure at the state level.

State Goals

1. **Research and gain understanding of the state government-nonprofit grants process** in order to streamline policies and procedures to avoid duplication and waste, develop standardized definitions for contracting and grant language, ensure that payments to nonprofit organizations for direct and indirect costs are applied consistently, fairly, and in a timely manner, and eliminate from statutes and regulations arbitrary caps on reimbursement of nonprofit indirect, administrative, or overhead costs.
2. **Understand and support nonprofit involvement in the distribution of the remaining ARPA dollars.**
3. **Continue recruiting and work for deeper engagement with the Nonprofit Caucus.**
The aim of the Caucus is to serve as a resource for information on the nonprofit sector through which lawmakers can work together on legislative and regulatory issues impacting charitable nonprofits.
 - Complete legislative and committee debriefs on the Nonprofit Relief Fund
 - Assist with legislative priorities – SB808, charitable tax credits, racial classification codes.
4. **Host Nonprofit Day 2025 on February 11, 2025 at Heritage Hall in Lansing.**
5. **Host Regional Legislative Breakfast - date TBD**
6. **Pass legislation to increase audit threshold from \$500K to \$1 million.**
7. **Support CMF in passing the Charitable Tax Credits**
8. **Foster new strategic partnerships** and build on existing, i.e., MI Charitable Gaming Association, Michigan Center for Civic Education, Michigan Chamber of Commerce, SBAM, MAC, MML, MTA, Project on Government Oversight (POGO)
 - Cohost policy event with CEDAM and MLPP on October 15, 2024
 - Work with MAB on their PSA program and grant program to increase awareness of the nonprofits and their work.
9. **Update The Advocacy Primer (last updated in 2013)**
10. **Address challenges or issues that arise throughout the year** such as changes to laws governing nonprofits (Nonprofit Corporations Act, Charitable Organizations Solicitation Act – COSA, Supervision of Trustees for Charitable Purposes Act - STCPA, Dissolution of Charitable Purposes Corp Act), disaggregated data, budgetary proposals, unemployment insurance reimbursement, property tax challenges (PILOTS), SOL/CSC bills, audit threshold legislation, etc.
11. **Staff Nonprofit Council for Charitable Trusts – 4 meetings**
12. **Public Policy Advisory Council - 6 meetings**

Civic and Community Engagement Background

Through MNA's strong relationships with partners such as Michigan Community Service Commission, Nonprofit VOTE, the Leadership Conference of Civil and Human Rights, the U.S. Census Bureau, Michigan's state demographer, the Census Project, FCCP. Promote the Vote, League of Women Voters, and Senator Peters' Homeland Security & Government Affairs committee staff Michigan's civic engagement interests are shared and advanced at the state and federal level.

Civic and Community Engagement Goals

- 1. Continue census and voting issue advocacy, education, training, and communication for nonprofits in MNA's network.**
- 2. Roadmap to Census 2030 – 10-year strategy pending funding.**
- 3. 2024 Nonprofit VOTE Program – managing and implementing program.**
- 4. Host CCE Summit on November 20, 2024 in SE Michigan**
- 5. Partner with ACCESS to pass SB 958 of the Racial Classification Code (RCC)**