



MINNESOTA COUNCIL
ON FOUNDATIONS

a community of grantmakers

Chair Pratt
Senator Dahms
Senator Frentz
Senator Rarick
Senator Senjem

Chair Noor
Representative Ecklund
Representative Long
Representative Stephenson
Representative Swedzinski

May 16, 2022

Re: Nonprofit Relief and Recovery Is Still Needed

Dear Jobs, Energy, and Commerce Conference Committee Members,

We ask the Conference Committee to include a Nonprofit Relief Fund in your conference report, as proposed in the Governor's supplemental budget request. This bipartisan proposal was also brought forth by Senator Carla Nelson in the Senate (SF 3593) and Representative Athena Hollins in the House (HF 4749). This proposed fund would provide critical relief to nonprofits to help them, and the communities they serve, recover from the impacts of the pandemic.

The Minnesota Council on Foundations (MCF) is a membership association for grantmakers in Minnesota with more than 150 foundations from across the state in its membership. A key priority for MCF is to promote charitable giving and a strong nonprofit sector. Grantmakers know that a strong nonprofit sector is essential to a full and inclusive economic recovery in Minnesota.

Nonprofits, which employ 14% of Minnesota's workforce, have been impacted by the pandemic in many ways. Some nonprofits have faced skyrocketing demand for services that remains high today, often while also facing COVID-related staff and volunteer shortages. Many experienced unprecedented workplace health, safety, and technology costs, as nonprofits made operational adjustments to stay open and serve exploding community needs safely during the pandemic. Others were forced to close for a period of time, leading to canceled in-person fundraising events and other critical revenue generation opportunities.

At the same time, nonprofits received limited federal COVID relief, and state COVID relief programs often excluded most nonprofits, choosing to focus on the limited slice of nonprofits that 'earn revenue similar to businesses.' This meant that many of the social service nonprofits, culturally-specific nonprofits, and smaller nonprofits in Greater Minnesota had very limited access to relief and recovery resources. **A Nonprofit Relief Fund will finally provide nonprofits with the designated relief dollars they need to recover.** An investment in nonprofit relief is critical to our state's full economic recovery and supports the nonprofit sector's ability to support our community through difficult times now and into the future.

Sincerely,

Katina Mortensen
Director of Public Policy