



**To:** Members of the Senate Committee on Elections

**From:** Megan Schmidt, Senior Director of Government Affairs, Philanthropy Roundtable

**Re:** Philanthropy Roundtable Opposition Testimony for SF 905

**Date:** March 26, 2025

Chairman Carlson and members of the committee:

My name is Megan Schmidt, and I am the Senior Director of Government Affairs at Philanthropy Roundtable, and I am writing in opposition to SF 905. The Roundtable is a community of donors who are committed to advancing liberty, opportunity, and personal responsibility through effective charitable giving. Our donors consist of private, community, and family foundations nationwide, including here in Minnesota.

SF 905 is unconstitutional and goes against America's founding principles. Minnesota is home to over 40,000 nonprofit organizations and this legislation is an overreach and would cause considerable harm to those charities. Philanthropy Roundtable supports the right of Minnesotans to give and associate anonymously and believes donor privacy must be robustly protected.

The right of Minnesotans to give freely and anonymously is protected by the First Amendment. Donors may choose to give anonymously for a variety of reasons including religious reasons, reasons of humility, to avoid solicitations, or in fear of reprisal and harassment. The decision by the U.S. Supreme Court in *Americans for Prosperity Foundation (AFPF) v. Bonta* has reaffirmed the robust protection of privacy rights under the U.S. Constitution. The decision in *AFPF v. Bonta* is a significant victory for privacy rights and underscores the fundamental importance of the right to freely associate without fear of government intrusion.

Unfortunately, these rights are now under attack in Minnesota. SF 905 mandates that nonprofit organizations divulge the personal information of some of their donors, such as names and mailing addresses, to the government if these organizations engage in issue advocacy. This directly undermines long-standing safeguards for donor confidentiality established by federal law and decisions of the U.S. Supreme Court. The bill enforces a new requirement on nonprofit organizations that spend over a certain amount compelling them to reveal any donor who directly or indirectly contributed funds during that timeframe. The nonprofit must trace back to the "original source."

A similar law was enacted in Arizona in 2023 and is enshrined in litigation in both state and federal court. Should SF 905 become law, the Minnesota government is likely looking at an expensive legal battle, all at the cost of the state taxpayer. The Arizona law has also proven to be a significant administrative burden on nonprofits and SF 905 would be no different, which could significantly chill charitable giving.

SF 905 disregards fundamental safeguards for freedom of speech by establishing a so-called public entitlement to encroach upon an individual's personal matters. It coerces donors into a dilemma: either stand by the causes and groups they endorse or expose their contributions and private details to the government. This outcome is poised to curtail open expression, intensify unwarranted intimidation, and foster a more contentious political dialogue. The landscape of philanthropy in Minnesota stands as a testament to the remarkable generosity of its citizens, contributing billions to support the diverse array of nonprofit organizations that enrich the state's communities. The value of donor privacy is deeply rooted in the First Amendment and the *AFPF v Bonta* ruling reaffirms the significance of safeguarding privacy and maintaining the right to associate freely without undue government interference.

SF 905 threatens these foundational principles by demanding the exposure of donors' personal information, undermining their autonomy and potentially silencing their voices. This ill-conceived legislation not only jeopardizes the vibrant philanthropic spirit of Minnesota but also risks diminishing the open exchange of ideas and civic engagement. The preservation of donor privacy and the cherished ideals of free expression and association hang in the balance, calling for careful consideration and advocacy to uphold the essence of democracy itself.

Philanthropy Roundtable encourages the committee to vote “NO” on SF 905. Thank you, Chairman Carlson and members of the committee. If you have any questions, you may reach me at [mschmidt@philanthropyroundtable.org](mailto:mschmidt@philanthropyroundtable.org).