



Lobbying Rules for Public Charities

We'll begin at approximately 2:00 PM Eastern Time

Any tech questions? Contact GoToMeeting Technical Support at (888) 259-8414.

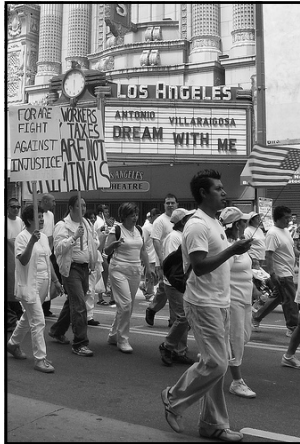
Other questions? Call Christina Peltier at Alliance for Justice at (510)444-6070

Agenda

1. What is "advocacy"?
2. What are the lobbying limits for 501(c)(3) organizations?
3. What is "lobbying"?
4. What are the lobbying exceptions?

What is "Advocacy"?

Organizing	Public Education
Educate Legislators	Nonpartisan Voter Ed.
Partisan Political	Lobbying
Get to Know Legislators	Educational Conferences
Research	Lobbying Exceptions
Organize a Rally	Training
Regulatory Efforts	Litigation



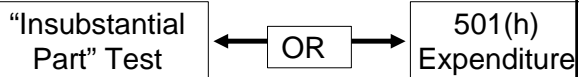
Nonprofits Can and Should Lobby for Policy Change!

Comparing Nonprofits

	501(c)(3)	501(c)(4)	527
Lobbying Activities	Limited	Unlimited	Rare and can be taxable

How do you Determine Your Lobbying Limits?

One of Two tests:



Lobbying Limits

Insubstantial Part Test

- Default Test
- What Is Insubstantial?
- Lobbying Not Defined
- Activities-based
- Non-expenditures count
- Penalty



Lobbying Limits



501(h) Expenditure Test

- IRS Form 5768
- Expenditure-based
- Dollar-based Limits
- Defines Lobbying
- Penalty Less Severe
- \$1 Million Cap
- Churches Cannot Elect

Lobbying Limits under 501h

1. Calculate organization's
2. Overall lobbying limit

Annual Expenditures
(for most organizations)

Annual Expenditures	Overall Lobbying Limit
\$500,000 or less	20%
\$500,000 to \$1 million	\$100,000 plus 15% of excess over \$500,000
\$1 million to \$1.5 million	\$175,000 plus 10% of excess over \$1 million
\$1.5 million to \$17 million	\$225,000 plus 5% of excess over \$1.5 million
Over \$17 million	\$1,000,000

3. Grassroots lobbying limit is 25% of overall limit

Annual Expenditures	Overall Lobbying Limit
\$500,000 or less	20%
\$500,000 to \$1 million	\$100,000 plus 15% of excess over \$500,000
\$1 million to \$1.5 million	\$175,000 plus 10% of excess over \$1 million
\$1.5 million to \$17 million	\$225,000 plus 5% of excess over \$1.5 million
Over \$17 million	\$1,000,000

\$2 million →

\$225,000
+\$ 25,000
\$250,000




Lobbying Limits under 501(h)

Total Lobbying Limits
for most 501(c)(3)s making the 501(h) election with annual expenditures of **\$2 million**



Education & Non-Lobbying Advocacy

Overall Lobbying Limit: \$250,000
Grassroots Lobbying Limit: \$62,500

What is Lobbying?

<p>Direct Lobbying</p> <p>Communication</p> <p>Legislator</p> <p>Expresses a View About Specific Legislation</p>		
		

Legislator			
<p>Direct Lobbying</p> <p>Communication</p> <p>Legislator</p> <p>Expresses a View About Specific Legislation</p>	Federal	➔	Members of Congress
	State	➔	State Legislature
	Local	➔	City Council Members

Legislator		
<p>Direct Lobbying</p> <p>Communication</p> <p>Legislator</p> <p>Expresses a View About Specific Legislation</p>		<p>President, governor, mayor or other executive official who participates in the formulation of legislation</p>
		

Legislator

Direct
Lobbying

Communication

Legislator

Expresses a
View About
Specific
Legislation

When is US Secretary of Homeland
Security Janet Napolitano a
“legislator”?



NOT Legislator

Direct
Lobbying

Communication

Legislator

Expresses a
View About
Specific
Legislation



Special Purpose
Boards:

- School boards
- Planning commissions
- Zoning commissions
- Water districts

Special “Legislator” Rule

Direct
Lobbying

Communication

Legislator

Expresses a
View About
Specific
Legislation





Members of the
general public are
“legislators”


Ballot Measures

- Ballot initiatives
- Referenda
- Constitutional amendments
- Bond measures

Specific Legislation

Direct Lobbying	Still specific legislation even if...	
Communication	<ul style="list-style-type: none"> - not yet introduced - not yet written - not fully fleshed out 	
Legislator		
Expresses a View About Specific Legislation		

Not Specific Legislation

Direct Lobbying		<ul style="list-style-type: none"> ▪ Regulations ▪ Enforcing laws ▪ Executive Orders ▪ Litigation
Communication		
Legislator		
Expresses a View About Specific Legislation		

Direct Lobbying	Grassroots Lobbying
Communication	Communication
Legislator	General Public
Expresses A View About Specific Legislation	Expresses A View About Specific Legislation
	Call To Action

Call To Action

**Grassroots
Lobbying**

Communication

General Public

**Expresses a View
About Specific
Legislation**

Call to Action

Call To Action

**Grassroots
Lobbying**

Communication

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Call to Action

Call To Action

**Grassroots
Lobbying**



Communication

General Public

**Expresses a View
About Specific
Legislation**

Call to Action

Call To Action

Action Alert: Oppose Alito's Nomination
 The Judiciary Committee is voting today on the nomination of Sam Alito to the US Supreme Court. Members of the Judiciary Committee who are undecided on Sam Alito's nomination include:

Patrick Leahy	Orrin Hatch
Edward Kennedy	Joseph Biden
Charles Grassley	Herbert Kohl
Arlen Specter	

Grassroots Lobbying

Communication

General Public

Expresses a View About Specific Legislation

Call to Action

Call to Action

- Telling recipient to contact legislator(s)
- Providing address, telephone number, and/or other contact information of legislator(s)
- Providing mechanism to enable communication with legislator(s)
- Identifying legislator(s)

Grassroots Lobbying

Communication

General Public

Expresses a View About Specific Legislation

Call to Action

Grassroots Lobbying

Communication

General Public

Expresses a View About Specific Legislation

~~Call to Action~~

Not Lobbying ←

Grassroots Lobbying



~~TELL THE LEGISLATURE?~~
~~RAISE THE CIGARETTE TAX.~~ ✓ Communication

~~Call the Maine legislature~~
~~House - 1 800 423 2900~~
~~Senate - 1 800 423 6900~~ ✓ General Public

**PROTECT OUR KIDS.
NOT BIG TOBACCO.** ✓ Expresses a View
About Specific
Legislation

✓ Call to Action

Grassroots Lobbying?



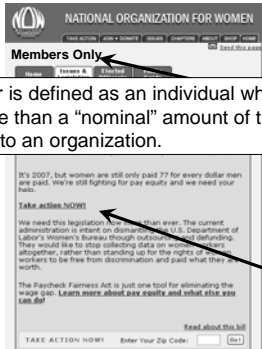
RAISE THE CIGARETTE TAX. ✓ Communication

 ✓ General Public

**PROTECT OUR KIDS.
NOT BIG TOBACCO.** ✓ Expresses a View
About Specific
Legislation

Call to Action

Membership Rule: Direct



A Member is defined as an individual who gives more than a "nominal" amount of time or money to an organization.

✓ Communication

✓ ~~General Public~~

✓ Expresses a View About Specific Legislation

✓ Call to Action

Membership Rule: Grassroots

Members Only

ACTION ALERT Enter Your Zip Code: [Go]

SAB 77 Cents for Every Dollar
Ask Your Senators to Cosponsor the Paycheck Fairness Act

It's 2007, but women are still only paid 77 for every dollar men are paid. We're still fighting for pay equity and we need your help.

Take action NOW!

We need this legislation now more than ever. The current administration is intent on dismantling the U.S. Department of Labor's Women's Bureau through outsourcing and defunding. They would like to stop collecting data on women workers altogether, rather than standing up for the rights of women workers to be free from discrimination and paid what they are worth.

The Paycheck Fairness Act is just one tool for eliminating the wage gap. [Learn more about pay equity and what else you can do!](#)

TAKE ACTION NOW! Enter Your Zip Code: [Go]

or Tell A Friend

- ✓ Communication
- ✓ Members
- ✓ Expresses a View About Specific Legislation
- ✓ Call to Action

Lobbying Exceptions

Must

- include a "full and fair" discussion of the issue, and
- be broadly disseminated

May

- express a view, and
- include an indirect call to action

Lobbying Exceptions

- Nonpartisan Analysis, Study, or Research
- Request for Technical Assistance
- Self Defense
- Examinations and discussions of broad social, economic, and similar problems

Lobbying Exceptions


- Invitation in writing
- On behalf of a governmental body, committee or subcommittee

Lobbying Exceptions

- Nonpartisan Analysis, Study, or Research
- Request for Technical Assistance
- Self Defense
- Examinations and discussions of broad social, economic, and similar problems

Lobbying Exceptions

- A communication with a legislator
- About a legislative action that affects:
 - its powers and duties
 - its tax-exempt status or
 - the deductibility of contributions



Lobbying Exceptions


Nonpartisan Analysis, Study, or Research

Request for Technical Assistance

Self Defense

Examinations and discussions of broad social, economic, and similar problems

Lobbying Exceptions



- Public discussions or communications with legislators that do not address the merits of legislation
- Public discussions or communications with the general public that do not include a call to action

Lobbying Exceptions

Nonpartisan Analysis, Study, or Research

Request for Technical Assistance

Self Defense

Examinations and discussions of broad social, economic, and similar problems

QUESTIONS?

<p>East Coast: Alliance for Justice 11 Dupont Circle, NW 2nd Floor Washington, DC 20036 202-822-6070</p>	<p>West Coast: Alliance For Justice 1611 Telegraph Avenue Suite 1006 Oakland, CA 94612 510-444-6070</p>
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