



Heeding the Call: Your Nonprofit's Rights to Advocate and Lobby

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BolderAdvocacy

1. Brainstorm: The possibilities for community change
 2. Be familiar with the differences between 501(c)(3) public charities and other types of nonprofits
 3. Be familiar with 501(c)(3) organizations' rights to advocate for community change
 4. Understand IRS lobbying limits and definitions
 5. Learn your organization's options for measuring lobbying
- AGENDA**

If there were no budget limits...
No rules or laws holding you back...

What would you do to
strengthen your community?
And how would you do it?

Brainstorm





Nonprofits can
advocate and lobby for
policy change.



Nonprofits **should**
advocate and lobby for
policy change!



Unofficial
Working Definition of IRS
LOBBYING

Trying to influence
legislation



TAX-EXEMPT STATUS of NONPROFITS

	501(c)(3) Public Charity	501(c)(4) / (5)/(6)
Examples		
Tax Treatment	Tax-Exempt Contributions tax-deductible - Private Foundation grants	Tax-Exempt
Lobbying Activities	Limited	Unlimited
Electoral Activities	Cannot support or oppose a candidate for office	Secondary activity Must follow election laws

How much **LOBBYING?**
It depends....

Insubstantial Part Test

- 1. Default test for all 501(c)(3)s
- 2. Lobbying is "insubstantial part" of organization's activities, probably about 3-5% of an org's efforts
- 3. No clear definition of lobbying or lobbying exceptions
- 4. Based on paid and unpaid activities
- 5. Severe penalties

1. Contact a legislator to propose, support, or oppose legislation.

2. Urge the public to contact a legislator to in order to propose, support, or oppose legislation.

3. Advocate for the adoption or rejection of legislation.

4. Communicate with the general public and reflect a view on a ballot measure.

Lobbying for organizations using the Insubstantial Part Test

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Lobbying for organizations using the Insubstantial Part Test

Insubstantial Part Test

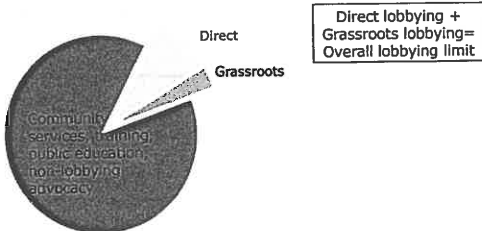
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501(h) Expenditure Test

1. One-time election - IRS Form 5768
2. Clear definition of lobbying
3. Dollar-based formula to calculate lobbying limits
4. Only spending counts, not volunteer time
5. Less severe penalties

TOTAL LOBBYING LIMITS

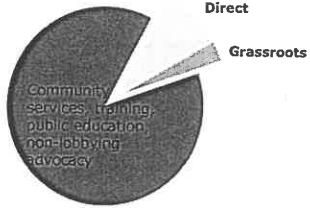
for 501(c)(3)s making the 501(h) election with annual expenditures of **\$172,696**



Overall Lobbying Limit **\$39,539**
Grassroots Lobbying Limit **\$8,635**

TOTAL LOBBYING LIMITS

for 501(c)(3)s making the 501(h)
election with annual expenditures of \$1 million



Overall Lobbying Limit **\$175,000**

Grassroots Lobbying Limit **\$43,750**

DIRECT
communication
legislator
expresses a view
about specific
legislation



GRASSROOTS
communication
general public
expresses a view
about specific
legislation
call to action






Lobbying
for
organizations
using 501(h)



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<p>DIRECT</p> <p>Communication</p> <p>Legislator</p> <p>Expresses a view about specific legislation</p>	<p>U.S. Legislators</p> 
<p>GRASSROOTS</p> <p>Communication</p> <p>General public</p> <p>Expresses a view about specific legislation</p> <p>Call to action</p>	<p>State Legislators</p>  <p>County Board of Supervisors, City Council</p>  <p>And...</p>

<p>DIRECT</p> <p>Communication</p> <p>Legislator</p> <p>Expresses a view about specific legislation</p>	 
<p>GRASSROOTS</p> <p>Communication</p> <p>General public</p> <p>Expresses a view about specific legislation</p> <p>Call to action</p>	<p>The general public are "lawmakers," so ballot measure advocacy counts as direct lobbying.</p>


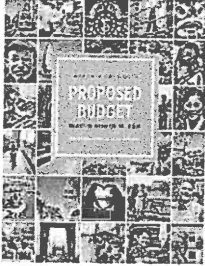
<p>DIRECT</p> <p>Communication</p> <p>Legislator</p> <p>Expresses a view about specific legislation</p>	<p>NOT "LEGISLATORS"</p> <ul style="list-style-type: none"> ▪ School boards ▪ Police, sheriff ▪ Planning commissions ▪ Zoning commissions ▪ Housing authorities ▪ Other government agencies
<p>GRASSROOTS</p> <p>Communication</p> <p>General public</p> <p>Expresses a view about specific legislation</p> <p>Call to action</p>	 

DIRECT
 Communication
 Legislator
 Expresses a view about specific legislation




H.R. 676
 To amend the Employment Retirement Income Security Act of 1974 to require certain health care plans to be self-insured.

GRASSROOTS
 Communication
 General public
 Expresses a view about specific legislation
 Call to action

Specific Legislation for orgs under IPT and 501(h), as well as government agencies

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Preparation for lobbying counts as lobbying

NOT LEGISLATION

- Regulations
- Executive Orders and Executive Actions
- Enforcement of Existing Laws
- Litigation

HHS Services 504 Regulations
 a Federally-Assisted Program, Service, and Activities

IRS Lobbying or not under 501(h)?

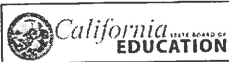
- Asking the City Council to improve its rent control ordinance: **LOBBYING**, under IRS rules
- Talking to healthcare providers (both public and private) about policies to decrease institutional racism: **NOT LOBBYING** under IRS rules
- Urging the County Sheriff to ask for \$ in the county budget for officer training about unconscious bias and urging the Sheriff to stop reporting undocumented immigrants to ICE: **Partially LOBBYING** and **Partially NOT LOBBYING** under IRS rules

IRS Lobbying or not?



LOBBYING, under IRS rules

IRS Lobbying or not?



California Department of Education Sacramento, Recognizes Black History Exhibits by Grandmothers Who Help, as meeting the California Content Standard of Education, - Herbert Palmer, Asale A. Kinnaada, Jack O'Connell, Sunnie Dye, February 2009

NOT LOBBYING under IRS rules

**Grassroots
Lobbying**

DIRECT
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Call to action

Call to Action

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TELLING TO CONTACT
legislator(s) *or*

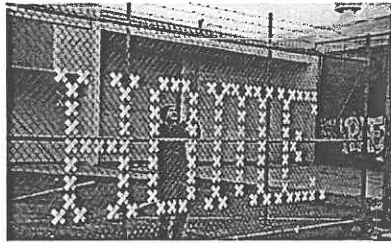
PROVIDING CONTACT INFO,
like phone number, e-mail address,
mailing address, and/or other
contact info of legislator(s) *or*

PROVIDING MECHANISM
to enable communication
with legislator(s) *or*

IDENTIFYING
legislator(s)

IRS Lobbying or not?

San Francisco Chronicle



Speak out: Urge your state lawmakers to create permanent funding for affordable housing investments by supporting SB2 and AB71.

LOBBYING, under IRS rules

DIRECT

Communication

Legislator

Expresses a view about specific legislation

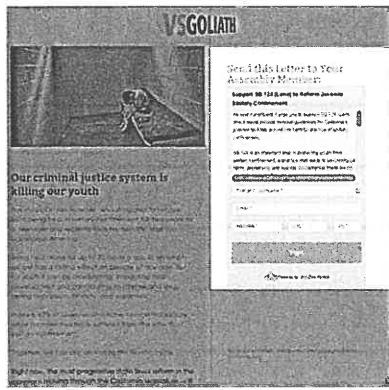
GRASSROOTS

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Call to action



DIRECT

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Legislator

Expresses a view about specific legislation

GRASSROOTS

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General public

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Call to action

Under 501(h), these are **NOT** calls to action:

"Learn more"

"Take action"

"Support our efforts"

"Get involved"



Not Lobbying

<p>DIRECT</p> <p>Communication</p> <p>Legislator</p> <p>Expresses a view about specific legislation</p>	<p>TELLING TO CONTACT legislator(s) <i>or</i></p> <p>PROVIDING CONTACT INFO, like phone number, e-mail address, mailing address, and/or other contact info of legislator(s) <i>or</i></p>
<p>GRASSROOTS</p> <p>Communication</p> <p>General public</p> <p>Expresses a view about specific legislation</p> <p>Call to action</p>	<p>PROVIDING MECHANISM to enable communication with legislator(s) <i>or</i></p> <p>IDENTIFYING legislator(s)</p>

TOTAL LOBBYING LIMITS
for 501(c)(3)s making the 501(h)
election with annual expenditures of **\$1 million**

Overall Lobbying Limit	\$175,000
Grassroots Lobbying Limit	\$43,750

- Nonpartisan analysis, study, or research
- Request for technical assistance
- Self defense
- Examinations and discussions of broad social, economic, and similar problems

Lobbying EXCEPTIONS

Limits lobbying for 501(c)(3)s at all levels of government

Disclosure of State lobbying

Disclosure of City lobbying

Lobbying LIMITS vs. DISCLOSURE

For more information:

advocacy resource

ACT! ADVOCACY CAPACITY TOOL

POWER CHECK COMMUNITY ORGANIZING CAPACITY TOOL

ACT! Quick ADVOCACY CAPACITY TOOL

BOLDERADVOCACY

Las Cadenas Publicas (Las Cadenas Publicas)

Las Cadenas Publicas (LCP) es un programa de asistencia técnica a las organizaciones sin fines de lucro que les ayuda a comprender mejor sus necesidades y a desarrollar estrategias para abordarlas. El programa de asistencia técnica de LCP es un programa de asistencia técnica que se ofrece a las organizaciones sin fines de lucro que están interesadas en obtener más información sobre el programa de asistencia técnica de LCP. El programa de asistencia técnica de LCP es un programa de asistencia técnica que se ofrece a las organizaciones sin fines de lucro que están interesadas en obtener más información sobre el programa de asistencia técnica de LCP.

IRS Lobbying KEY POINTS:

- 501(c)(3)s can and should lobby; they just have to stay within their annual lobbying limits.
- Houses of worship may lobby. They need to track paid and volunteer lobbying, but they don't need to report it.
- Many 501(c)(3) organizations will benefit from using the "501(h) expenditure test" to determine their lobbying limits.
- Many activities that influence policy will not even count as "lobbying."
- Contact Alliance for Justice for help!

QUESTIONS?



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