Advocacy for Non-Profits

Those electing Section 501(h)

What is not lobbying

• Testifying on legislation as individuals, but not as representatives of the organization.
• Individuals submitting opinion pieces, via print or social media, but not as representatives of the organization.
• Individuals contacting their legislators regarding specific legislation.
• Operative word: Individuals (not organization)
• What is NOT Lobbying – 4 Basic Exceptions:
  – Communication of nonpartisan analysis, study or research
    • Must pass content and distribution tests
      – Cannot refer to specific legislation or encourage direct lobbying and be provided to the general public
  – Communications examining broad social, economic or similar problems
  – Responding to requests for technical advice or assistance from legislators
  – Self-defense communications

• The IRS identifies two types of permitted lobbying for non-profit organizations
  – Direct Lobbying
    • Communications with a legislators
  – Grass Roots Lobbying
    • Communications with the general public
**Direct Lobbying**

• Communications with a legislator, employee of a legislative body or any government employee who may participate in the formulation of legislation.
  – refers to a specific piece of legislation; **and**
  – expresses a view on that legislation

**Grass Roots Lobbying**

• Communications attempting to influence specific legislation by encouraging the public to contact legislators about that legislation
  – refers to specific legislation;
  – reflects a view on that specific legislation; **and**
  – encourages the recipient of the communication to take lobbying action with respect to the specific legislation.
Grass Roots Lobbying

• Regulations specify that a grass roots lobbying call to action must either:
  – state that the recipient should contact a legislator or government employee;
  – provide the address, phone number or similar information of the legislator;
  – provide a means to contact the legislator; or
  – specifically identify the legislators who will vote on this legislation and their current position.

Membership Communications

• Certain communications between organizations and their members are treated differently from non-member communications.
  – Communications which refer to and reflect a view on specific legislation but do not directly encourage members to engage in direct or grass roots lobbying do not create lobbying expenditures.
  – There are other exceptions, but not pertinent at this time for our organization.
Limitations to Lobbying Expenditures

- Overall, lobbying expenditures cannot exceed 20% of the organizations total expenditures.
- Additionally, grass roots lobbying cannot exceed 25% of total lobbying expenses.
  - This limitation is actually pegged to total organizational expenses, so is not directly dependent on direct lobbying expenditure.

Expenditure Examples

- NH HWCA total 2022 projected expenses
  - $45,000
- Total lobbying expenses cannot exceed
  - $9,000
- Total grass roots lobbying expenses cannot exceed
  - $2,250
Lobbying Expenditures

Include

- Lobbying expenses will include:
  - Compensation paid to employees
  - Fees paid for professional services
  - Direct costs such as printing of flyers, advertising, postage, etc.
  - Indirect costs based on general overhead

Reference: