

501(c)(3) LOBBYING

Learning from Westin's campaign to
make bunnies the state animal



OUR GOAL

We're going to lobby the Legislature to make rabbits the state animal.



TWO IMPORTANT QUESTIONS:

- 1) What is lobbying? (It's influencing legislation)
- 2) How much can I lobby? (a lot)

WHAT IS LEGISLATION?

Legislation includes any action by Congress, any state legislature, any local council, or similar governing body, with respect to acts, bills, resolutions, or similar items or by the public in referendum, ballot initiative, constitutional amendment, or similar procedure. It usually does not include actions by executive, judicial, or administrative bodies.



Example: Governor vs. Secretary of State

WHAT IS “INFLUENCING” LEGISLATION?

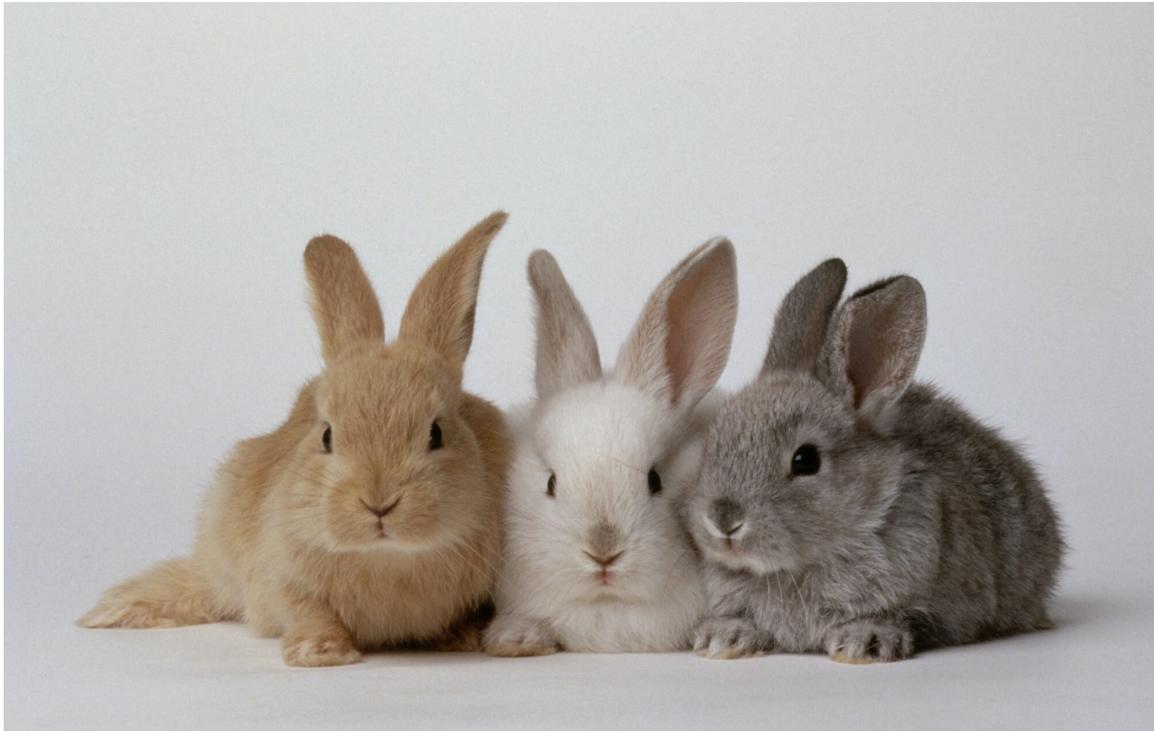
An organization will be regarded as attempting to influence legislation if it contacts, or urges the public to contact, members or employees of a legislative body for the purpose of proposing, supporting, or opposing legislation, or if the organization advocates the adoption or rejection of legislation.

TO COUNT AS LOBBYING:

- 1) You must be addressing member/staff of a lawmaking body (or the public, for a ballot initiative)
- 2) To take specific action
- 3) On a specific piece of legislation

LOBBYING:

"Senator Groene, please vote yes on LB100, a bill making rabbits the state animal."



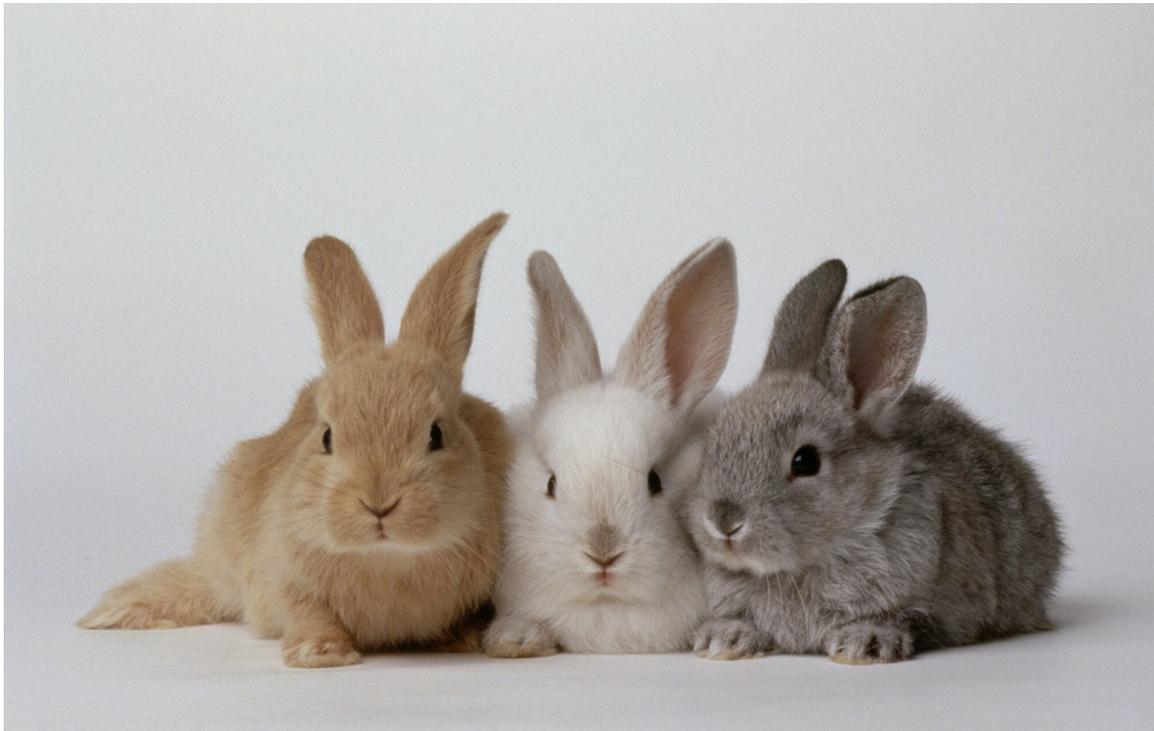
Member of a
lawmaking body

To take a specific action

LOBBYING:

On a specific piece of legislation

"[Senator Groene], [please vote yes] [on LB100, a bill making rabbits the state animal]."



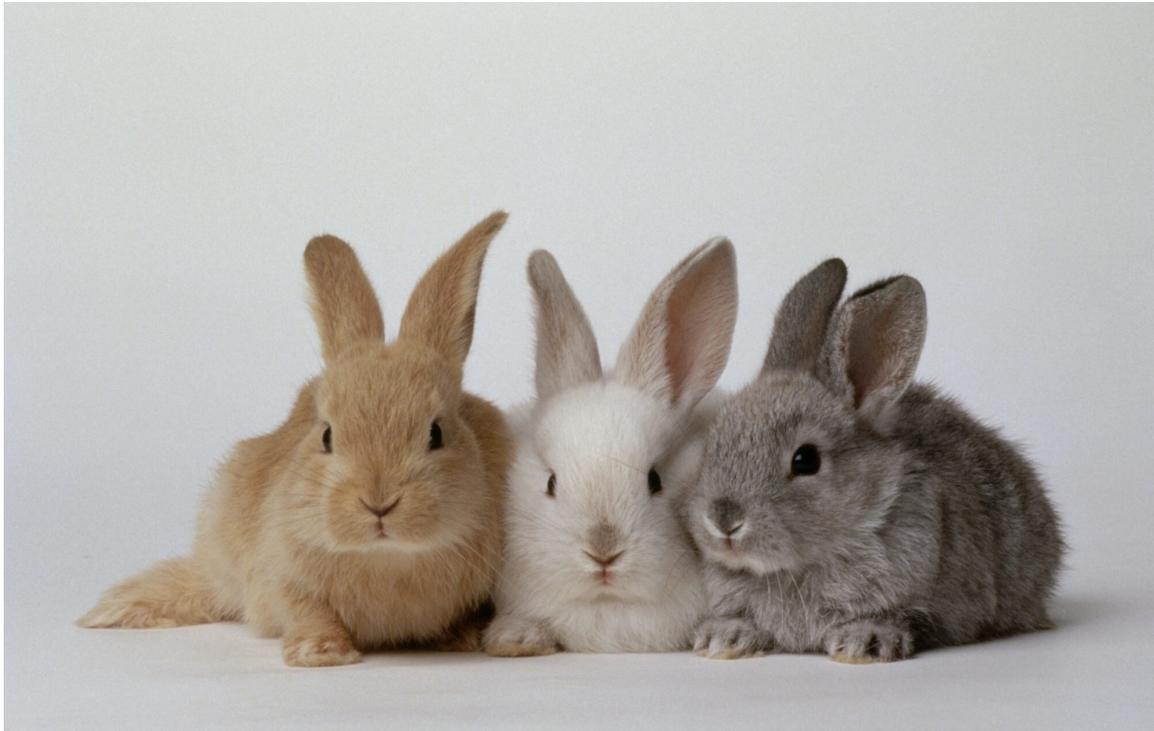
NOT LOBBYING:

"Senator Groene, rabbits are the best. They're soft and they don't bark. Please love them."



LOBBYING:

"Hey Mike! Please sign my petition to make bunnies the state animal."



NOT LOBBYING:

"Hey Mike! Check out this picture of a rabbit looking like a loaf of bread. Isn't it cute? I wish they were the state animal."

QUESTIONS SO FAR?



HOW MUCH CAN YOU LOBBY?

Important reminder:

These are only rules for 501(c)(3)s and folks acting on their behalf. *As an individual*, you can do whatever you want, whenever you want. (Within the confines of the law, I am not an attorney, etc. etc.)

HOW MUCH CAN YOU LOBBY?

The IRS used to be really vague:

"In general, no organization may qualify for section 501(c)(3) status if a **substantial** part of its **activities** is attempting to influence legislation (commonly known as lobbying).

1. What is substantial?
2. What qualifies as an activity?
3. Why is this so difficult?

HOW MUCH CAN YOU LOBBY?

Now it's really simple.

Organizations other than churches and private foundations may elect the expenditure test under section 501(h) . . . Lobbying activity will not jeopardize its tax-exempt status, provided its expenditures, related to such activity, do not normally exceed an amount specified in section 4911.

HOW MUCH CAN YOU LOBBY?

Now it's really simple.

If your annual expenditures are \$500,000 or less, your lobbying limit is 20% of your organization's expenditures.



The IRS only cares about your expenditures, not your budget!

WHAT DOES THIS MEAN FOR YOU?

- Clearer definitions, easy budgeting, access to certain exemptions.
- Volunteer time doesn't count
- You'll need to distinguish between direct and grassroots lobbying.

HOW TO TRACK LOBBYING EXPENSES

Your main focus is tracking time.



Please don't forget I am neither an attorney nor an accountant, this is not professional legal advice, etc. etc.

I am always happy to try to answer your questions. If I can't, I will connect you with the true professionals at the Alliance for Justice.

HOW TO TRACK LOBBYING EXPENSES

Your main focus is tracking time.

Tracking time includes any research, strategy, and travel in advance of the actual lobbying activity. (Exceptions exist, but that's for another presentation)

HOW TO TRACK LOBBYING EXPENSES

Your main focus is tracking time.

hours tracked x hourly wage = reported lobbying expenditure

HOW TO REPORT LOBBYING EXPENSES

Who gets these reports? What do they need to know?



HOW TO REPORT LOBBYING EXPENSES

Good question, small rabbit!

You'll report annually to the IRS, and

Quarterly to the NADC (Nebraska Accountability and Disclosure Commission)

There is one additional layer of tracking you need to do:

DIRECT VS. GRASSROOTS

Don't worry, you'll get it after 100 tries.

Direct Lobbying:

When you are doing the lobbying

"Hey Senator Groene, remember me?
Please vote yes on LB100!"

Grassroots Lobbying:

When you're asking/telling someone else
to do the lobbying

"Please call Senator Groene and tell him to
vote yes on LB100!"

DIRECT VS. GRASSROOTS

Don't worry, you'll get it after 100 tries.

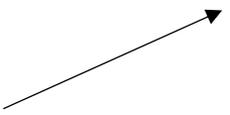
You can only spend up to 25% of your maximum lobbying expenditure limit on grassroots lobbying

DIRECT VS. GRASSROOTS

Don't worry, you'll get it after 100 tries.

You can only spend up to 25% of your maximum lobbying expenditure limit on grassroots lobbying

25% of your lobbying limit, not your lobbying expenditures!



DIRECT VS. GRASSROOTS

Don't worry, you'll get it after 100 tries.

Citizens for Rabbit Recognition

Total 2020 expenditures: \$10,000

Total 2020 lobbying limit: \$2,000

Total 2020 grassroots limit: \$500

$\$10,000 \times 20\%$

$\$2,000 \times 25\%$

DIRECT VS. GRASSROOTS

Don't worry, you'll get it after 100 tries.

Citizens for Rabbit Recognition

Total 2020 expenditures: \$10,000

Total 2020 lobbying limit: \$2,000

Total 2020 grassroots limit: \$500

← You can spend this \$500 even if you spend \$0 on direct lobbying

LOBBYING TIPS

For when you're actually doing the thing.

- 1) Be authentic
- 2) Be clear
- 3) Be kind*

LOBBYING TIPS

For when you're actually doing the thing.

RESPECT THE STAFF

They are human beings. And really smart. And can totally shut you out if you're rude.

QUESTIONS?



If you have questions about c3 lobbying, or if you want to talk through your own lobbying strategy, I'd love to help.

westin.miller@civicnebraska.org
(816) 805-1641