



Quick Guide for Lobbying and Advocacy

A Women Work! Resource — Fall 2000

Many nonprofit 501(c)(3) organizations are understandably hesitant about getting involved with politics. They are unsure of what activities are allowed and how much money they can spend, and they worry about losing their tax-exempt status. By following federal guidelines, organizations can have a hand in mobilizing potential voters and lobbying for legislation that is important to their interests.

MOBILIZING VOTERS

According to the Center for Community Change, two-thirds (2/3) of Americans who are eligible to vote but who are not registered have household incomes below the national median income. Of those with incomes below \$15,000, only 47% are registered. Low-income people, therefore, have less of a voice in our government. Voter registration efforts through your program can help make a change.

Why should our organization promote voter registration?

The population that your program likely serves - low-income Americans - have low voter participation rates. They can often feel disenfranchised and think that the government works against them rather than for them. Participating in the political process can be empowering. Taking pride in government and feeling connected to the community can also result from voter participation.

How difficult is the registration process?

Registering new voters is extremely easy, thanks to the "Motor Voter law" passed in 1995. Registration forms are now widely available at motor vehicle departments and social service agencies. In addition, every state is required to accept a standard nationwide voter registration form.

What special effort would be required of our organization?

Five short steps need to be followed for your voter registration drive:



1. Call your state election official and ask for voter registration forms. To find the phone number for your state's election official, go to www.vote-smart.com, click on "voter registration," then click on your state. Or check the government pages of your phone book.
2. Ask every client who comes in your office if they would like to register to vote.
3. If they say yes, offer to help them complete the voter registration form.
4. Know the answers to commonly asked questions. For example: Where do I vote? How do I get an absentee ballot? Do I have to choose a political party to register?
5. Mail the registration forms for your client.

What rules govern how we conduct our voter registration?

The most important rule for nonprofits to remember is that you **cannot do anything to overtly influence the outcome of an election**. You can **never** endorse a candidate, let a candidate use your office to copy literature, or use a candidate's name to encourage people to vote. In addition, your employees **cannot** work for candidates or political organizations while they are at work.

What can we do to educate newly registered voters about the candidates?

One of the easiest ways to educate voters about the candidates is to create a list of each candidate's voting record. This is only a good idea, however, if your organization publishes this kind of information on a regular basis, whether or not there is a current campaign.

If you do not habitually publish voting record information, you cannot put out a special publication at election time.

Public forums may be one of the safest methods of educating new voters. To hold a forum, all the candidates must be treated fairly. You must invite all significant candidates for any given position to the forum, give each an equal opportunity to present their views, and allow for a broad range of issues to be discussed. If a candidate chooses not to attend, you may still hold the forum as long as all were invited.

While someone from your organization should be the moderator, independent persons (such as journalists or the general public) should ask the questions. If you have a regular newsletter, you may publish the results of the forum, giving every candidate equal coverage and avoiding comments that favor one candidate over another.

LOBBYING

What are charities allowed to do?

Charities are allowed to work to pass legislation, but with some limitations. Generally, the limitations are on where the money comes from, and what part of your total expenditures this spending represents.

However, an exception to rules regarding total expenditures is allowed if you are trying to lobby because the issues involved would affect the existence of your organization or its tax-exempt status. **This is called self-defense lobbying, and it is not subject to limits on spending.**

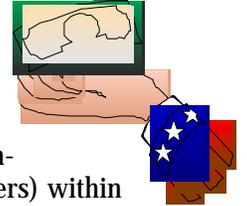
Other types of lobbying, however, are subject to spending limits. Nonprofits are limited by Section 501(c)(3) of the Internal Revenue Code, which prohibits nonprofits from spending a substantial part of their budgets on lobbying. **Though the law does not define “substantial,” spending less than 5% of your budget is considered safe.**

However, if you think you may need to go over that limit, you can elect to do so under the 1976 lobby law. It is a simple matter of filing Form 5768 with the IRS and keeping track of your expenditures. Electing to come under this law enables you to spend a greater percentage of your budget on lobbying. You may spend 20% of your first \$500,000 on lobbying, 15% on the next half million, 10% on the next, and 5% of the remainder, as long as your total expenses do not go over \$1 million.



Nonprofits must adhere to any restrictions set by their funders. Generally, funds received from state, federal, or foundation funders are prohibited for lobbying purposes. **Other forms of income, such as donations or membership dues, are considered unrestricted and may be used to lobby.**

What are the restrictions for organizations that receive federal funds?



A nonprofit may use its unrestricted funds (such as donations, membership dues, proceeds from fund raisers) within the limits set by section 501(c)(3) of the Internal revenue code for lobbying purposes.

As a general rule, nonprofits may not use their federal funds to lobby. Specifically, federal grant funds may not be used to lobby on legislative matters at the federal or state level. Federal contract funds may not be used to lobby at the federal, state, and local levels. Federal funds may not be used for electioneering purposes either.

Lobbying, for federal funds purposes, is defined as:

- Any attempt to influence the introduction, enactment, or modification of federal or state legislation either directly or through grassroots communications.
- Legislative liaison activities such as attending hearings and analyzing the effects of legislation, when done in support of or in “knowing preparation” for a lobbying activity.
- Any attempt to influence elections, referenda, initiatives, or similar procedures as well as making contributions to entities that exist to influence elections.

As with any rule, there are exceptions. **Federal funds may be used for the following lobbying activities:**

- Providing technical and factual information on issues related to the performance of the grant or contract in response to a documented request from a legislative body.
- State lobbying when done to reduce the cost of or avoid material impairment of the organization’s authority to perform the grant or contract.
- Any lobbying activity specifically authorized by federal law.

PROTECTING YOUR NONPROFIT STATUS

DO elect to come under the safe-harbor provisions of section 501(h) of the Internal Revenue Code if your charity will spend any resources on lobbying. Making this decision will keep you safe from losing your tax-exempt status. It's easy to do. Just request **Form 5768** from the IRS to make a 501(h) election.

You can obtain a copy of this form at your local library, contact the IRS at 800-829-3676 to receive the form by mail, 703-368-9694 to order via fax, or go to their website and download the form at <ftp.fedworld.gov/pub/irs-pdf/f5768.pdf>.

DON'T use resources for lobbying until you either have 501(h) status or have received legal advice on which activities are permissible under federal law.

You Can Make A Difference

DO let your elected officials know what issues are important to you! People and organizations working together CAN make a difference in local, state, and national policy. After all, it is people like you who convince government officials to allocate money to displaced homemaker and single parent programs!

DON'T think that your voice will not make a difference. On the contrary, legislators need your input to understand the issues of their constituency.

Decide What Issues are Important to You

DO choose issues that tangibly affect your organization and the people it serves, as well as give you the opportunity to build your organization. Issues that draw press attention or attract other organizations as allies can help make your organization more visible and powerful. Other issues may actually get funding for your programs to use. Examples of such issues may be welfare, housing, or workforce investment.

DON'T choose an issue that is "unwinnable." For example, if you are a small community-based organization lobbying for international disarmament, you may be setting yourself up for failure.

Choosing Your Lobbying Method

DO engage in both direct and grassroots lobbying, using every resource available to you. Direct lobbying may entail meeting with a legislator or staff member to express your views, or asking your members or clients to write letters to their legislators. Grassroots lobbying

involves influencing the public to express your view to the government. You can use phone and fax trees to mobilize interested parties to take up your cause. Distribute flyers in your offices, grocery stores, clinics, and other places where low-income women, displaced homemakers, or other women in transition might gather.

DON'T just meet with your legislator once and assume that you got your message across. It often takes a network of people sending letters, making phone calls, and scheduling meetings for your issue to be noticed and addressed.

If Your Legislator Does Not Agree With Your Issues

DO be creative in how you frame your issue. For example, some legislators that do not want to provide "handouts" for the poor are absolutely willing to provide "opportunities" for low-income families. Others are wary of "too much government involvement," but like programs that "highlight a public/private partnership" instead. Above all, be persistent!

DON'T assume that your legislator knows much about your issue. They may disagree simply from being misinformed. Provide information to the legislator's office. Offer to have him or her visit your organization. Suggest that the legislator hold a discussion group with the low-income women that you serve, as well as employees from your organization.



TIPS FOR MEETING A LEGISLATOR

- When you call to arrange an appointment, you will most likely speak to the legislator's scheduler. Be persistent with the scheduler in insisting that you meet with the legislator personally. If you meet with a staff person instead, be sure that it is the legislative assistant who is assigned to your issue.
- **Take a small group of people.** Your message is more powerful when a group conveys it, and being in a group can help you overcome any nervousness you may have. *Be sure to organize your presentation beforehand.*

- **Introduce yourself and your organization to the legislator or staff person.** Explain what your organization does and how it affects the legislator's constituency. You may also want to ask the legislator to come visit your site or a special event you may be planning.
- **Assert your position on specific issues and ask the legislator specific questions.** Do not ask them to support vague ideas, such as "help for low-income folks." Instead, *ask them to vote for or co-sponsor a particular bill that supports state displaced homemaker legislation, training programs for women, or some other issue that is important to you.* Request that they send letters to other legislators in support of your key issues. By asking them to do specific actions, you can later verify whether or not they followed through.
- **After the meeting, send a follow-up letter thanking the legislator for their time in meeting with you.** Review what was said in the meeting, and remind the legislator of any promises that were made regarding voting or letter-writing. You may also want to send some information about your organization or the issues that were discussed in the meeting.

LOBBYING RESOURCES

IRS Form 5768

ftp.fedworld.gov/pub/irs-pdf/f5768.pdf
703-368-9694 to order via fax-on-demand
800-829-3676 to order via U.S. Postal Service

Handbook on Tax Rules for Voter Participation Work by Section 501(c)(3) Organizations

www.independentsector.org/clpi/handbook_tax.html
888-860-8118 (toll-free)

Links to Info on 501(c)(3) organizations and Lobbying

www.independentsector.org/clpi.educate_voters.html

How to Lobby Without Regrets: A Guide to the Rules Governing Lobbying by Charities

www.communitychange.org/lobby_no_regrets.htm
(202) 342-0567

How to be HEARD: A Guide to Advocacy for Community Organizations

www.communitychange.org/howheard.htm
(202) 342-0567

VOTER REGISTRATION RESOURCES

Voter Registration Form

fecweb1.fec.gov/votregis/vr.htm

For Voting Information

www.vote-smart.org/index.phtml

- Click on "Voter Registration" for information about voting in your state
- Click on "Voting Records" to see how your federal and state officials have voted

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Federal Election Commission website, www.fec.gov

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