

Can Nonprofits Lobby? Yes!

Should Nonprofits Advocate? Always!



How Nonprofits Can Lobby and Advocate

Championing your mission is a top board and organizational role and responsibility. Legislators depend on informed and committed voices to help them understand the impact of their decisions.

Lobbying vs. Advocacy

Many people confuse lobbying with political activity.

Lobbying involves making a specific policy ask such as: vote for a certain bill, increase funding for a certain program in the budget, vote against a certain bill. Policy work focuses on issues.

Political activity involves making a specific political ask, contributing to a certain candidate, encouraging voting for Candidate A, or not voting for Candidate B. Political activity also involves making statements about candidates or parties.

ADVOCATING DO'S:

- Be fact-based and objective in all your activities.
- Continue normal advocacy activities during election cycles.
- Advocate your issue.

Advocacy includes the range of activities used to influence legislation, administrative rules or policies.

Examples:

- **Monitoring:** Watching bills
- **Coalition work:** Lending your organization's name to a coalition
- **Education:** Holding forums
- **Grassroots organizing:** Mobilizing stakeholders and clients
- **Direct lobbying:** Contacting legislators, government agencies and the govern

NONPROFIT DON'T: Support or oppose any candidates or political parties in any way.

What is the consequence if you make a mistake? Examples:

- If a nonprofit fails to report certain expenditures for lobbying—say the executive director spent three weeks lobbying legislators at the Capitol for funding in next year's budget but didn't report it, then the nonprofit may face a fine.
- If the nonprofit engages in political or partisan activity, then the nonprofit 501-3-c organization may jeopardize their tax-exempt status. Examples include sending a "vote for Candidate A" message in a newsletter or asking Candidate B to give a speech the week before the election or allowing your staff to distribute flyers about candidates on work time. The IRS may revoke your tax status.

The key is to NEVER-EVER-EVER use any organizational resources to support or oppose a candidate or party. **You may support an issue**, but not a candidate or political party.

Putting Good Practices in Place

Vision: First, the board needs to discuss the vision and goals of advocacy. Is there a specific policy the organization needs to support or oppose to protect its interests? Does the board see public policy advocacy work as a strategic activity to complement its other work?

Board Resources

- Do the by-laws speak to how policies are recommended or approved? Does policy work go through a committee structure or directly to the board? If a specific committee is involved, how frequently will it meet and how are decisions made?
- Is there a membership role and what is their comfort or strength with the process and/or issues?
- Is there a board-authorized charge and/or approval process?
- Culture: what is your board/organization's comfort level with lobbying or advocating?

Staff Resources

- Staff competency: What roles can staff provide in support of issues?
- Resources available to staff: Are there educational resources, issue-related experts, other supports?
- Reporting, if applicable, know the rules:
 - IRS 990
 - State and local authorities

Lobbying Rules, Law, and Tips for 501-c-3s:

- Staff or organizations that spend a substantial amount of time or resources to affect specific law, policy, contract, etc., should register, track and report their time and expenses.
- Federal: Most nonprofits don't engage at a level to register.
- State: If a nonprofit spends more than \$500 lobbying state legislators or \$1000 lobbying state executives, they need to register and track their time and expenses.
- Local: Few Indiana locales have local ordinances. Know yours.
- Expenditures are reported on IRS 990 and others.
- Check grant requirements to ensure funding sources allow lobbying or use unrestricted funds.

"Think like a wise man but communicate in the language of the people" ~ William Butler Yeats

Indiana Nonprofit Resource Network provides affordable, accessible, and high quality training and custom consulting services such as board retreats. Visit <http://www.inrn.org> for more information.

You may freely copy and distribute this document, but please give us credit.

Share this document:

