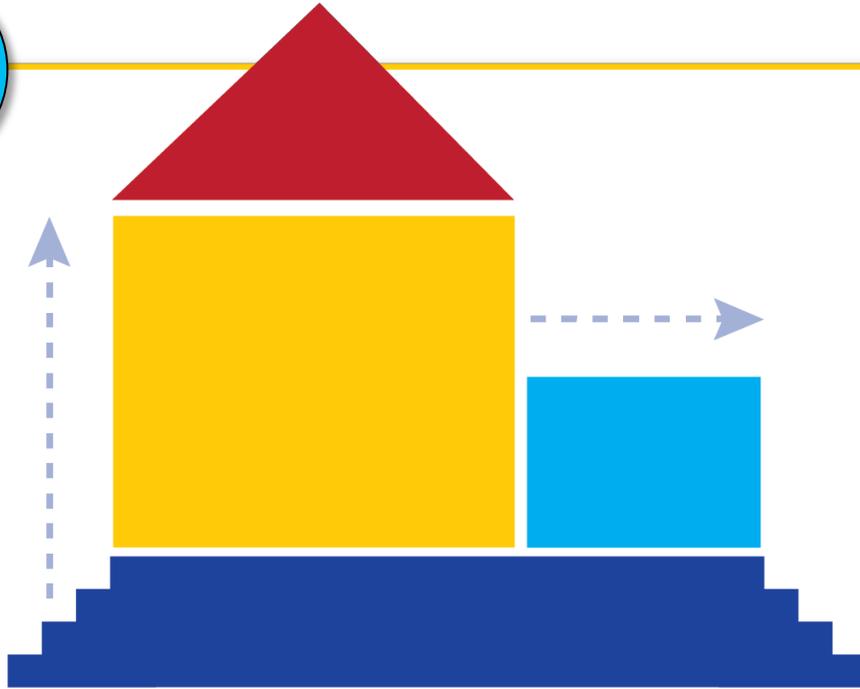


4



BUILD A  
***MOVEMENT!***

USING PUBLIC POLICY TO ACHIEVE YOUR MISSION

## 4. Step-It-Up Advocacy: Lobbying



WASHINGTON NONPROFITS

[washingtonnonprofits.org](http://washingtonnonprofits.org) | (855) 299-2922 | [info@washingtonnonprofits.org](mailto:info@washingtonnonprofits.org)

Part 4 of a series. Download the rest from the Washington Nonprofit Institute:

[wanonprofitinstitute.org/advocacy](http://wanonprofitinstitute.org/advocacy)

## IMPORTANT NOTE

This information is provided for educational purposes only. It does not constitute legal advice. If you are unsure about anything covered in this toolkit, we suggest that you contact the appropriate agency or an attorney. In Washington State, Wayfind is a great place to start: [wayfindlegal.org](http://wayfindlegal.org).

## Thank you!

The following individuals have served as advisors and shared tools to develop this toolkit.

Gabriela Quintana	Amber Johnson, Spokane Neighborhood Action Partners, Spokane
Jon Gould, Children's Alliance, Seattle	Sarah Brooks, Methow Conservancy, Winthrop
Christina Wong, Northwest Harvest, Seattle	Nancy Bacon,
Rene Murry, Youth Development Executives of King County, Seattle	David Streeter & Laura Pierce, Washington Nonprofits
Hikma Sherka, Youth Development Executives of King County, Seattle	David Lawson, Elaine Rose, & Jodi Nishioka, Wayfind

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Seattle Foundation	Youth Development Executives of King County
Campion Foundation	Raikes Foundation

## MORE FINE PRINT

*Build a Movement!* was written for 501(c)(3) nonprofits in Washington State. Much of the information here is also useful for other types of nonprofits, who can also participate in advocacy but may have differing rules or limits. If you are using this resource outside of Washington, make sure you consult the laws that govern advocacy and lobbying where you are. You might start with your state's nonprofit association and the state agency that oversees nonprofit organizations in your state, often the offices of the Attorney General or Secretary of State.

Local jurisdictions have their own rules. In the City of Seattle, for example, you need to register as a lobbyist to try and influence legislation by the City Council. Check with your city or county to make sure you comply with relevant rules. The best ways to check are searching Google with the county or municipality name and the words "lobbying disclosure" (ex. Pierce County lobbying disclosure) or call the local council and ask if they have a lobbying disclosure requirement.

### Washington State Public Disclosure Commission

711 Capitol Way South #206  
PO Box 40908  
Olympia, WA 98504-0908  
(877) 601-2828  
(360) 753-1111  
Email: [pdc@pdc.wa.gov](mailto:pdc@pdc.wa.gov)

Website: <https://www.pdc.wa.gov>

### Internal Revenue Service

(800) 829-4933  
<https://www.irs.gov/help/contact-my-local-office-in-washington>

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## How to use *Build A Movement!*

*Build A Movement!* has 8 parts:

Name	What	Where	
<b>Overview</b>	Information about <i>Build a Movement!</i>	Combined guide	
<b>Groundwork</b>	Common language and core principles of nonprofit advocacy		
<b>Everyday Advocacy</b>	Basic good practices and upkeep	Guide	
<b>Urgent Advocacy</b>	Unexpected advocacy to respond to a challenge or opportunity	Online resource	
<b>YOU ARE HERE</b>	<b>Step-It-Up Advocacy</b>	Guide	
	<b>Activities</b>	A guide on key advocacy activities	Guide
	<b>Tools</b>	Templates and samples ready to use	Online library
	<b>Resources</b>	Links to other organizations	Online list with links

Everything is available on the Washington Nonprofit Institute website:

**[wanonprofitinstitute.org/advocacy](http://wanonprofitinstitute.org/advocacy)**

There is no one place to start. You can choose your own pathway forward.



## Step-it-up Advocacy: Lobbying

*Lobbying is a tool in every nonprofit's toolbox. 501(c)(3) organizations are allowed to lobby. A few rules apply.*

A big fear of many nonprofit leaders is lobbying. You might feel afraid to jeopardize your tax-exempt status with the IRS. You might worry about getting into trouble at the state level with the Public Disclosure Commission. The whole thing feels complicated, so better to stay away, right?

**Wrong! Nonprofits have a superpower that few others have.** You know your community and how policy change may impact it for good or ill. You have the ability to tell policymakers and budget writers exactly what is happening or could happen if policies change. You as a nonprofit leader have already stepped forward to be a community hero, to solve a challenge or take advantage of an opportunity. Lobbying is taking that same courage and stepping one more step forward to pass laws and influence policy to make progress towards your goals.

In the **Introduction and Groundwork Guide**, we outline a few pathways your nonprofit may take. If you decide that "Step-It-Up Advocacy" is the right pathway for you, you engage in lobbying. A few things to know:

Lobbying does NOT mean the same thing at the state and federal levels.

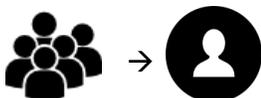
Lobbying involves DIFFERENT RULES at the state and federal levels.

The FOCUS of lobbying registration is different: Washington State is mostly focused on *time* spent lobbying; the IRS is focused on *money* spent lobbying.

TWO GROUPS of individuals make public policy decisions in the state of Washington: elected and appointed officials (legislation, regulation) and voters (ballot measures).

Trying to influence decision-makers (legislators, or voters in the case of ballot measures) directly is called DIRECT LOBBYING. Mobilizing others (such as your supporters) to advocate is called indirect or grassroots lobbying.

### TWO KINDS OF LOBBYING

DIRECT LOBBYING		INDIRECT/ GRASSROOTS LOBBYING
		
Asking elected officials to <i>vote for or against a bill</i>	Asking the public to <i>vote for or against a ballot initiative</i>	Asking the public to <i>contact their elected officials</i> to ask them to vote for or against a bill
You need to track direct and grassroots lobbying differently.		



## A. Lobbying Overview

Here is a high-level overview about lobbying in Washington State and at the federal level. The pages following it provide more detail.

	Washington State	United States
<b>Lead agency</b>	Washington State Public Disclosure Commission (PDC)	United States Internal Revenue Service (IRS)
<b>Focus</b>	Disclosure	Compliance
<b>Scope</b>	Lobbying activities related to Washington state government.	Lobbying activities related to <i>any legislative body</i> : federal, state, or local. It does NOT include “special districts” such as school districts.
<b>Who is the lobbying (reporting) entity</b>	<i>Individuals</i> working within or on behalf of nonprofit organizations. (Note: <i>Organizations</i> report grassroots lobbying.)	501(c)(3) <i>organizations</i>
<b>Definition of lobbying</b>	<p>Attempting to influence the passage or defeat of any matter subject to legislative action. This includes:</p> <ul style="list-style-type: none"> <li>Legislation by the Washington legislature</li> <li>Legislative confirmation of appointive office</li> <li>Initiatives to the legislature</li> <li>Activities related to potential legislation (i.e. looking for sponsors)</li> <li>Activities related to Gubernatorial action on a bill passed by the legislature</li> <li>Regulatory functions of state agencies (i.e. adoption or rejection of any rule, standard, rate)</li> <li>Any other efforts to influence a state agency to propose legislation</li> </ul>	<p>Lobbying is an attempt to influence legislation. This includes acts, bills, resolutions, or similar items by:</p> <ul style="list-style-type: none"> <li>U.S. Congress</li> <li>State legislature</li> <li>Local council</li> <li>Similar governing body</li> </ul> <p>It includes:</p> <ul style="list-style-type: none"> <li>Legislative confirmation of appointive officeholders</li> <li>Referendum, ballot initiative, constitutional amendment, or similar procedure</li> </ul>



What is measured	Washington State	United States
<b>Direct</b>	Register based on: Time & money Report: Time & money	<i>h-election</i> : Money Self-govern: Money and time
<b>Indirect/ grassroots</b>	Money (which includes cost of staff time)	<i>h-election</i> : Lobbying is allowed within spending limits Self-govern: Lobbying must be an insubstantial part of activities
<b>General rule</b>	Individuals attempting to influence policy must register if their activities exceed a certain threshold	Legislative advocacy is allowed <i>with limits</i>
<b>Examples of lobbying in each jurisdiction</b>	Advocating for the adoption or rejection of state legislation Contacting the Governor to ask her/him to take a certain action <i>related to a law</i> Advocating to a certain state government agency to change how they implement a law Urging the general public to contact their state elected officials regarding pending or potential legislation	Contacting, or urging the public to contact, members or employees of a legislative body for the purpose of proposing, supporting, or opposing legislation Advocating for the adoption or rejection of legislation Taking a position for or against a ballot measure
<b>What is NOT considered lobbying</b>	An association's or other organization's act of communicating with the members of that association or organization <i>More detail is provided in the following section.</i>	Actions by executive, judicial, or administrative bodies Educational meetings Prepare and distribute educational materials Consider public policy issues in an educational, non-partisan manner Work with agency to influence implementation of legislation



**B: Is this lobbying?**

<b>Federal Rules</b> <b>(relates to all activity)</b>		
<b>NOT LOBBYING</b> <b>Do all you want!</b>	<b>MAY BE LOBBYING</b> <b>How you do these activities influences whether they are considered lobbying. There are differences between state and federal rules.</b>	<b>YES, LOBBYING</b> <b>These actions are definitely lobbying. You may do them, and there may be compliance or disclosure requirements if you do.</b>
Educate! (Discuss issues without getting into legislation) Build relationships with officials Defend your organization's rights Op-Ed with a position (no call to action) Nonpartisan research that presents both sides and is publicly available Respond to written committee requests Communications sent to a member list Internal discussions about legislation	Meetings with government officials Phone calls with government officials Social media Letters to officials Action alerts Testimony Feedback on bills or regulations Petitions Op-ed writing Letters to the editor Press releases Pitching reporters Site visits Staff time working within your organization on legislation or planning an advocacy campaign  <i>Use the chart on the next page to determine whether these activities are lobbying or not.</i>	Asking an elected official to vote yes or no on a piece of legislation.  Take a position on a piece of legislation and then send a call to action to your members.  Asking voters to vote yes or no on a ballot measure.



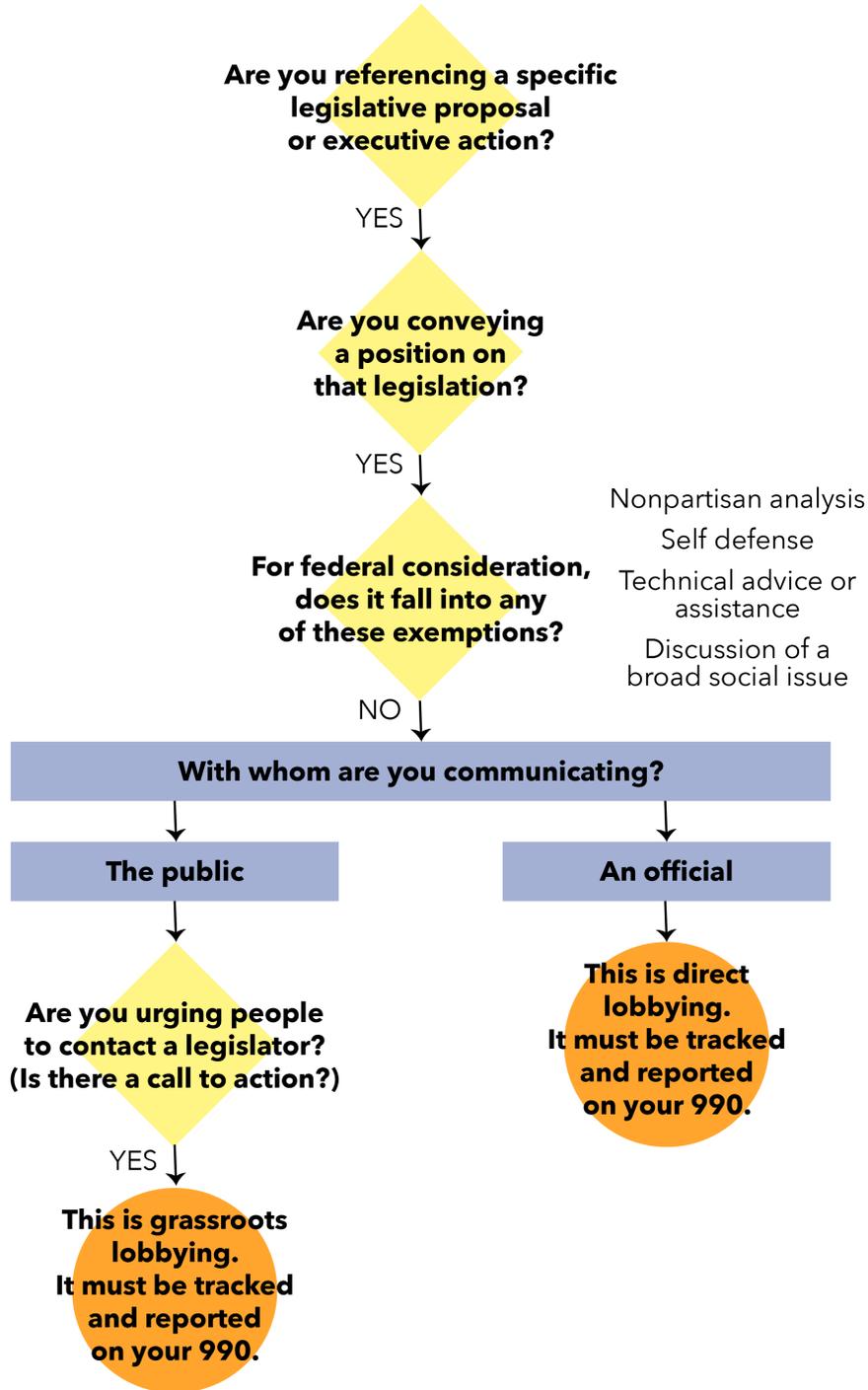
<b>State Rules</b> (relates to activity related to Washington state government)		
<b>NOT LOBBYING</b> <b>Do all you want!</b>	<b>MAY BE LOBBYING</b> <b>How you do these activities influences whether they are considered lobbying.</b> <b>There are differences between state and federal rules.</b>	<b>YES, LOBBYING</b> <b>These actions are definitely lobbying. You may do them, and there may be compliance or disclosure requirements if you do.</b>
Nonpartisan research that presents both sides and is publicly available Respond to written committee requests Communications sent to a member list Internal discussions about legislation Staff time working within your organization on legislation or planning an advocacy campaign	Educate! (Discuss issues without getting into legislation) Build relationships with STATE officials Meetings with government officials Phone calls with government officials Social media Letters to officials Action alerts Testimony Feedback on bills or regulations Petitions Op-ed writing Letters to the editor Press releases Pitching reporters Site visits	Defend your organization's rights when threatened by legislation or regulation in STATE cases Op-Ed with a position on a STATE issue (with or without a call to action) Asking an elected official to vote yes or no on a piece of legislation. Take a position on a piece of legislation and then send a call to action to your members. Asking voters to vote yes or no on a ballot measure. Asking agency staff to change a rule, rate, or standard.

In general, the PDC errs on the side of full disclosure. The best way to determine whether activities in the middle column are considered lobbying by the PDC is to call their customer service staff at (877) 601-2828.



Take any of the “**may be lobbying**” issues from the previous page. Run them through this test:

### The Federal “Is This Lobbying?” Test





## I'm lobbying. Now what?

You are a super hero for your cause! You are so committed to change that you are willing to talk directly with the people making policy decisions. Thank you for your service!

You are lobbying. That makes you a lobbyist. Wait, what? A lobbyist? We all know the "look" of a lobbyist, right?



Draw your face here. You look terrific!

That's right. You have the look of a lobbyist. The look of someone committed to making a difference. Now that you know your role, let's break down what you need to know.

1. **Federal lobbying limits and reporting requirements.**
2. **State lobbying reporting requirements.**

Keep reading to learn more!



## C. Lobbying & the Federal Government

*The IRS measures lobbying by expenditure, not time. If you are doing lobbying work at any level of government, you should consider registering with the IRS. It is easy to do! If your budget is less than \$17 million, you have two options.*

### Registration

Is your budget less than \$17 million\*? You have two options:

#### Choose the Section 501(h) Election.

You choose a more objective standard for lobbying activities. You want the benefit of being more sure that you are following the law and that you face less harsh penalties if you exceed what is allowed.

##### A. Complete IRS Form 5768.

This is sometimes called the “h form” because it refers to Section 501(h) of the tax code.

##### B. Set up a tracking system.

See “Lobbying Tracking Sheet” in the toolbox. This will help you with reporting.

##### C. Reporting

If you choose the Section (h) Election, you report your activities on your annual IRS Form 990. That means two things:

1. Check the appropriate boxes on **IRS Form 990 Part IV** (or Parts V/VI in the 990 EZ).
2. Complete **IRS Form 990, Section C**. It can be found here: <https://www.irs.gov/pub/irs-pdf/f990sc.pdf>. See X for an annotated Section C.

**The table on the right shows how to calculate your 501(h) lobbying limit. See the following page for samples of the IRS forms.**

#### Choose to self-govern the “no substantial part” limitation.

You decide not to track how much time or money you spend on lobbying. You believe it to be so insubstantial that it will not jeopardize your IRS status. (The IRS could revoke your exemption if lobbying is a “substantial part” of your activities.)

**You do not need to do anything more.**

***Be careful! There is no federal definition of “substantial.” Most experts suggest you choose the Section 501(h) Election. The IRS favors Section 501(h) and won’t penalize an organization for making the election.***

How to calculate your 501(h) lobbying limit	
Annual expenditures	Overall lobbying limit
\$500,000 or less	20%
\$500,000 to \$1 million	\$100,000 + 15% of expenditures over \$500,000
\$1 million to \$1.5 million	\$175,000 + 10% of expenditures over \$1 million
\$1.5 million to \$17 million	\$225,000 + 5% of expenditures over \$1.5 million
Over \$17 million	\$1 million

*\*If your budget exceeds \$17 million, seek the advice of a CPA or lawyer.*



Form **5768**

(Rev. September 2016)

Department of the Treasury  
Internal Revenue Service

**Election/Revocation of Election by an Eligible  
Section 501(c)(3) Organization To Make  
Expenditures To Influence Legislation**  
(Under Section 501(h) of the Internal Revenue Code)

► Information about Form 5768 and its instructions is at [www.irs.gov/form5768](http://www.irs.gov/form5768).

For IRS  
Use Only ►

Name of organization	Employer identification number
Number and street (or P.O. box no., if mail is not delivered to street address)	Room/suite
City, town or post office, and state	ZIP + 4

**1 Election**— As an eligible organization, we hereby elect to have the provisions of section 501(h) of the Code, relating to expenditures to influence legislation, apply to our tax year ending \_\_\_\_\_ and all subsequent tax years until revoked.  
(Month, day, and year)

**Note:** This election must be signed and postmarked within the first taxable year to which it applies.

**2 Revocation**— As an eligible organization, we hereby revoke our election to have the provisions of section 501(h) of the Code, relating to expenditures to influence legislation, apply to our tax year ending \_\_\_\_\_ and all subsequent tax years (until a new election is made).  
(Month, day, and year)

**Note:** This revocation must be signed and postmarked before the first day of the tax year to which it applies.

Under penalties of perjury, I declare that I am authorized to make this (check applicable box) ►  election  revocation on behalf of the above named organization.

\_\_\_\_\_  
(Signature of officer or trustee) (Type or print name and title) (Date)

**General Instructions**

Section references are to the Internal Revenue Code.

Section 501(c)(3) states that an organization exempt under that section will lose its tax-exempt status and its qualification to receive deductible charitable contributions if a substantial part of its activities are carried on to influence legislation. Section 501(h), however, permits certain eligible section 501(c)(3) organizations to elect to make limited expenditures to influence legislation. An organization making the election will, however, be subject to an excise tax under section 4911 if it

the election or revocation applies in item 1 or 2, as applicable, and sign and date the form in the spaces provided.

**Eligible organizations.** A section 501(c)(3) organization is permitted to make the election if it is not a disqualified organization (see below) and is described in:

1. Section 170(b)(1)(A)(ii) (relating to educational institutions),
2. Section 170(b)(1)(A)(iii) (relating to hospitals and medical research organizations),
3. Section 170(b)(1)(A)(iv) (relating to organizations supporting government schools),

- b. An integrated auxiliary of a church or of a convention or association of churches, or
- c. A member of an affiliated group of organizations if one or more members of such group is described in a or b of this paragraph.

**Affiliated organizations.** Organizations are members of an affiliated group of organizations only if (1) the governing instrument of one such organization requires it to be bound by the decisions of the other organization on legislative issues, or (2) the governing board of one such organization includes persons (i) who are specifically designated representatives of another such

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .	<b>1</b>	
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? . . . . .	<b>2</b>	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .	<b>3</b>	
<b>4 Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .	<b>4</b> ✓	



## D. Lobbying in Washington State

*Washington State rules about what constitutes lobbying are different than the federal rules and definitions. The focus is on disclosure. You can register as a lobbyist if you want the ability to do a wider range of policy work. **However, most nonprofits can expand their policy work and still be below the State's threshold for having to register.***

Washington State has a strong democratic tradition. Our part-time legislature draws on leaders from across the state as they balance day jobs with legislative service. The initiative process is designed to give people greater influence over the policies that govern life in our state. Nonprofits have opportunities to influence the shaping and implementation of both legislative and ballot measures.

There are four topics to explore when it comes to nonprofits and advocacy in Washington.

1. Lobbying in Washington State
2. Using free tools provided by the Washington Legislature
3. Lobbying without leaving home
4. Going to Olympia

### 1. Lobbying Rules in Washington State

**Washington State rules about what constitutes lobbying are different than federal rules and definitions.** *This is really important because most resources available to nonprofits focus only on federal lobbying. Because there is a lot to know, we've broken it down into four parts:*

- A. Who regulates lobbying in Washington?
- B. What is lobbying in Washington?
- C. Do I need to register as a lobbyist?
- D. What matters in reporting?



#### A. Who regulates lobbying?

States regulate campaigns, candidates, and lobbyists. Washington voters passed Initiative 276, creating the **Washington State Public Disclosure Commission (PDC)**, in 1972, declaring "*The public's right to know of the financing of political campaigns and lobbying and the financial affairs of elected officials and candidates far outweighs any right that these matters remain secret and private.*"

The advocacy work of nonprofits falls under the jurisdiction of the Public Disclosure Commission (PDC). Nonprofits are subject to the same rules as any other lobbyists.

#### B. What is lobbying in Washington State?

**In Washington State, there is a strong focus on disclosure and transparency.** The state does not *limit* the amount of lobbying activity that you can engage in, but they do require that you *disclose* (report) a broader range of activities.

The PDC defines lobbying broadly as **any activity that is "attempting to influence" state policymakers (including legislators and other state employees)**. Therefore, most of the activities listed on page 6 in all the columns may be considered lobbying.



Let's look at three key parts to this:

Three Key Parts of Lobbying		
<b>WHAT</b>	<i>any activity</i>	Any means ANY, so consider conversations, invitations, emails, or meetings that involve contact with state policymakers
<b>WHY</b>	<i>attempting to influence</i>	The timeframe and scope used by the PDC is very broad. You need to consider any actions that could contribute to a policymaker's thinking on <i>current or potential policy now or in the future</i> . You need to think about <i>why</i> you are doing what you are doing.
<b>WHO</b>	<i>state policymakers (including legislators and other state employees)</i>	The focus of this influence includes anyone directly making policy (legislators and legislative staff) and those working within executive offices implementing policies.

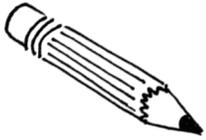
Remember that the state laws only relate to activity focused on influencing the policies and activities of state government.

Here are some examples to consider. **Test your knowledge! Use the center column to answer Yes, No, or Maybe.**

Activity	Is it lobbying?	Washington State rules say
Your organization hosts a public open house for a new facility and a legislator attends.		No, as long as you don't discuss policy proposals. The event is open to the public, so they can attend.
You invite your state legislative delegation to tour your homeless shelter.		Yes. You are educating them about your issues and hoping it will influence their decisions in the future.
You run into a legislator at a community picnic.		Only if you take the opportunity to lobby them or educate them about a specific issue.
You talk with agency staff about their contracting practice and ask for a change in that practice.		Maybe, if a rate, rule or standard is involved.
You ask the Department of Commerce to change how they interpret a regulation.		Yes. You are requesting a change to the regulation.
Your organization completes a mental health needs assessment for your community and emails it to legislators.		Yes. You are educating them about your issues and hoping it will influence their decisions in the future.
You are contacted by a policymaker and asked to provide information about the issue you work on.		No. If the policymaker requests the information, it is not lobbying to provide it.
You testify at a public hearing on a bill.		Yes, unless you were invited to testify by a member of the committee holding the hearing or testifying is the extent of your lobbying activity.



**Because many situations are not black and white, call the PDC directly to discuss what you are doing and whether you need to register.** The PDC offers technical assistance to help you determine whether an activity qualifies as lobbying subject to disclosure.



## REFLECTION

**Are you lobbying according to Washington State's definition of it?**

A large, empty light blue rectangular area intended for reflection or writing.

*If you are not lobbying, you can stop here. You are lobbying? Keep reading to see if you need to report your activities.*



### C. Do I need to REGISTER as a lobbyist with the PDC?

It is one thing to know if you are lobbying. It is another to know if you need to *register* as a lobbyist. There are three steps to finding out.

1. Review Washington State's DEFINITION of lobbying
2. Check for any EXEMPTIONS that apply to your situation
3. See if you will exceed the TIME OR MONEY THRESHOLDS

#### DEFINITION

Turn back to page 12 to review the definition. Ask yourself these two questions:

**Why are you meeting with the legislator or state employee? Do you hope, now or in the future, to have influence over a legislative or state budget issue?**

**If yes, the activity should be considered lobbying and subject to disclosure if over the registration threshold.**

The PDC interprets "attempting to influence" very broadly. Activities that might qualify include inviting a legislator to visit your nonprofit to learn more about your work, sharing nonpartisan research with a legislator to educate him or her or raise awareness about a social issue, or meeting with a legislator to request a specific action on legislation or meeting with the Governor's staff to request inclusion of funds in the state budget.

**Would I be meeting with this person "but for" them being a legislator (or other policymaker)?**

**If no, the activity is probably lobbying.**

Even if you don't have a specific advocacy ask at this time, building a relationship with a legislator because you hope that will give you access or make them more receptive to later asks, the PDC considering this activity something you should disclose.

If you are interacting with a legislator for other reasons not related to their position, it only becomes lobbying if you discuss legislative or governmental action. For example, you might belong to the same Rotary Club or congregation, or attend a social event together, and that is only reportable if you discuss policy issues.

#### EXEMPTIONS

You and your organization may NOT have to register if you meet certain exemptions:

- You only appear before a **public session** of committees of the legislature and public meetings of state agencies
- You **are asked to join** an activity (testify, attend a meeting, etc.) by an agency
- You are **volunteering** your time and **spend no money** on behalf of a public official or state employee and are not reimbursed for your personal expenses.
- You are a **journalist** working on news or editorials

#### TIME OR MONEY THRESHOLDS

You and your organization will need to register if your activities meet any of these thresholds:

- Time** - You engaged in lobbying for more than 4 days or partial days in a 90-day period.  
(See worksheet for additional information)



- ❑ **Compensation** – You are a paid staff person, or you are a volunteer who is being reimbursed for expenses such as mileage to attend a lobbying activity. (See worksheet for additional information)
- ❑ **Spending** – You spend over \$35 on gifts, food or entertainment for the policymaker you lobbied.

Note: You may end up reading the statute and see the word AND, suggesting that you would need to meet more than one of these thresholds at one time. Even though the statute says AND, in practice the PDC interprets it to mean OR. Contact the PDC with questions.

Remember that Washington State and the Federal government have different standards to determine what constitutes lobbying. Federal exemptions do not apply to state level lobbying.

#### *D. What matters in reporting?*

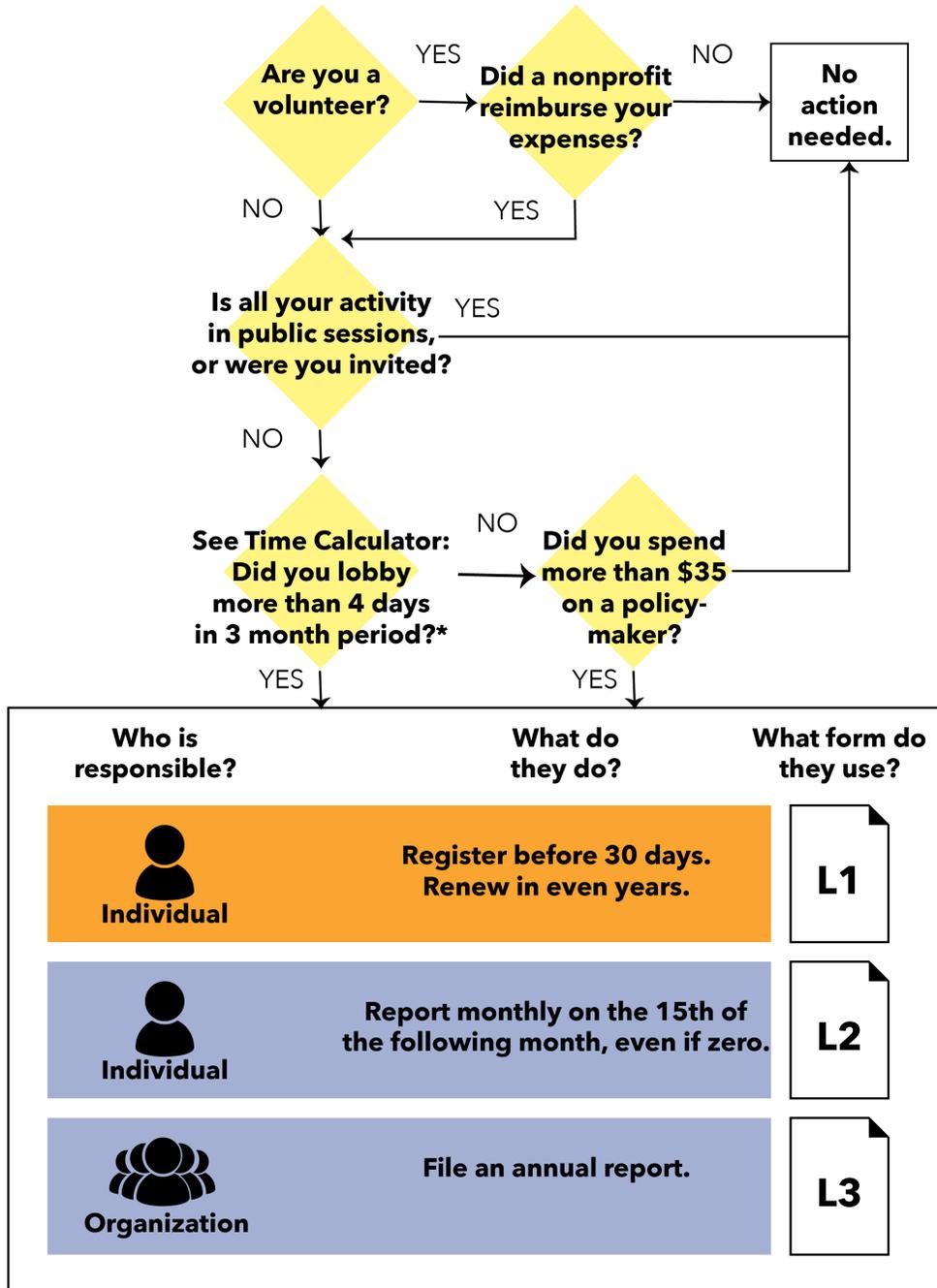
**The PDC primarily tracks individuals, not organizations.** This means that an individual registers as a lobbyist, they track hours and expenses and reports them monthly, and the organization that they are paid by submits an annual report confirming the expenditures. **The PDC cares about the time that individuals spend in lobbying efforts, related expenditures, and what they are doing.**

Note: Although the PDC information is focused on describing the lobbying reporting threshold for an individual, in practice, the PDC interprets this lobbying threshold to apply collectively to all individuals affiliated with your organization.

The flowcharts on the following pages will help you determine whether you and your organization need to register and report your activities. Go back to page 7 to understand the difference between direct and grassroots lobbying.



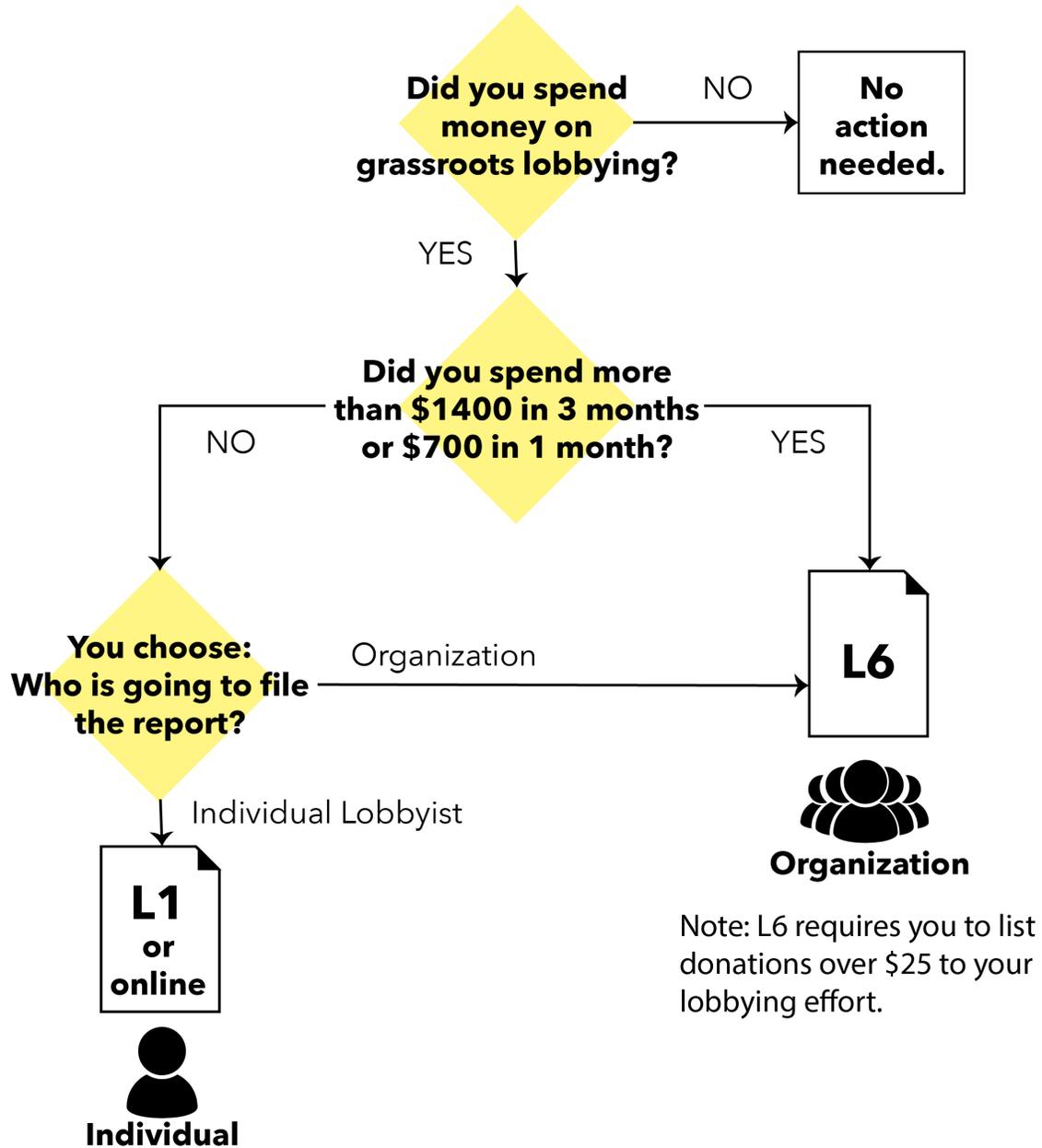
**What counts as Legislative, Agency, or Executive Lobbying (also known as “Direct Lobbying”) in the eyes of Washington State?**



This flow chart simplifies lobbying for understanding. If you have questions, we encourage you to call PDC staff for clarification of your situation.



## Grassroots Lobbying Campaigns





## TIME CALCULATOR

The rule provides a registration exemption for people who lobby *no more than four days (or parts of four days) in any three-month period and expend more than \$35.* (RCW 42.17A.610).

### What does that mean?

Three things to know:

- Key units of measurement are: days + people.
- Any contact counts: email, phone, in-person visit, etc.
- The PDC looks collectively at everyone in your organization.

Here are some examples:

What happens	How it counts	What you need to do
2 people go into 1 meeting.	2 days	You have 2 more days before you have to register.
4 paid staff members from one nonprofit travel together to Olympia and fan out to meet with 4 different legislators.	4 days	You have reached your limit. Consider registering as a lobbyist.
1 person attends 4 meetings in 1 day.	1 day	You have 3 more days before you need to register.
1 person emails 3 people over 2 days.	2 days	You have 2 more days before you need to register.
1 person emails the same person every day for 5 days.	5 days	You have exceeded your limit. While you should have registered as a lobbyist after the 4 <sup>th</sup> email, next best is to register now.
Your organization releases a report and sends it to every legislator on the same day.	1 day	
Your organization hosts a Lobby Day in Olympia that mobilizes volunteers to meet with legislators.	Exceeds limit, due to expenditures of staff time and supplies	You need to register and report prior to the event (one per organization). If this is your only activity, you can file for one month and then deactivate your account.

## 2. Using free tools provided by Washington Legislature

Washington makes advocacy easier by making a few tools available to the public. Nonprofits can use these systems to keep up with what is happening in Olympia

There are two tools to pay attention to:

- A. Bill searcher/ bill tracker
- B. Gov delivery email system



**Bill searcher / bill tracker.** You can find or track bills using this website. This allows you to track the progress of a bill through committees and both houses and weigh in with the right people at the right time.

<https://app.leg.wa.gov/DLR/user/login.aspx?ReturnUrl=%2fDLR%2fbilltracking>

**Gov-delivery email system.** You can use this tool to get updates on bills, hearing schedules, news, and other items from the legislature. You can subscribe to receive either emails or texts.

<https://public.govdelivery.com/accounts/WALEG/subscriber/new>

### 3. Lobbying without leaving home

You don't have to be in Olympia to influence legislators. You can lobby in the following ways:

- A. Talk to your legislators and their staff when they are in district
- B. Make phone appointments to meet with legislators
- C. Submit written comments by letter or email

**Talk with your legislators when they are in district.** You can make appointments to meet with your legislators when they are in district. You can also attend their town hall meetings or other public events that they will be at.

**Make phone appointments with legislators.** If you want to speak with your legislators, but cannot meet with them in person, try asking their staff to set up a phone appointment.

**Submit written comments – Letter or email.** If you are unable to meet with an official, you can always send a letter or an email. Emails can generally be sent through a contact form or email address on the official's site. Letters can be sent through the U.S. mail, however there may be security processes that slow down delivery to the official or their staff. Therefore, if you are going to send a letter, it is best to contact the office and ask for an appropriate email address and send a pdf of the letter.

### 4. Going to Olympia

When the legislature is in session, you may want to visit the Capitol to lobby. While in Olympia, you might visit legislators and legislative staff, visit state agencies or testify at a hearing.

To have the most impact:

- Schedule meetings in advance
- Bring written materials to leave behind
- Review the tips for effective communication in the **Introduction and Groundwork Guide.**

Check out our "Visiting Olympia" tool for ideas to make your trip easier and more enjoyable.



## E. Lobbying Dates and Forms

A. Circle the column(s) that relates to you.

	<b>Washington State</b>		<b>Federal</b>
General information	Register before lobbying occurs or within 30 days of beginning lobbying activities, whichever occurs first.  Renew on even-numbered years between October and December.		You have two options:  1. <b>h-election</b> (recommended). Take the "h-election," so called because it falls under section 501(h) in the IRS tax code. This is a one-time action that stays in place unless you revoke it.  2. <b>Self-govern</b> . Register within the tax year of when the lobbying took place.  IRS Form 5768 can be filed anytime.  IRS Form 990 is due the 15th day of the 5th month after your fiscal year ends. For calendar year taxpayers, that means May 15.
	<b>Individuals</b>	<b>Organizations</b>	
When you have started to lobby	Register online or complete PDC <b>Form L1</b> within 30 days or before lobbying occurs. Employer must sign.	PDC <b>Form L6</b> .	<b>IRS Form 5768</b> within tax year.
Monthly reporting	<b>Report online</b> or complete <b>Form L2</b> monthly, due the 15 <sup>th</sup> of the following month.	<b>Form L6</b> , due the 10 <sup>th</sup> of the following month.	
Annual report		<b>Form L3</b> , due by Feb. 28.	<b>IRS Form 990, Schedule C.</b> Check the appropriate boxes on the <b>IRS Form 990, Part IV, V, or VI.</b>
End reporting	Amend registration. Uncheck inactive months.	Check "Final Report" on your final <b>Form L6</b> .	After a full year of no lobbying, do not check the boxes on IRS Form 990.

B. Just starting? Write the form you will submit in the correct month.

C. Federal lobbying? Write "start" and "end" to note your tax year.

D. Complete the rest of the calendar. What form do you need to send in when?

E. Remember to transfer these dates to your work calendar on the following page!



## Work Calendar

Month	State	Federal
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

## Form Legend

### STATE

Filing online is recommended. The electronic filing system is available at:

<https://accesshub.pdc.wa.gov/user/login?current=home>

**L1:** Lobbyist Registration

**L2:** Lobbyist Monthly Expenditure Report

**L3:** Lobbyist Employer's Annual Report

**L6:** Grass Roots Lobbying Report

### FEDERAL

**Form 5768:** Election/Revocation of Election by an Eligible 501(c)(3) Organization to Make Expenditures to Influence Legislation (501h election)

**IRS Form 990:** Return of Organization Exempt from Income Tax

**Schedule C:** Political Campaign and Lobbying Activities

Forms available here: <https://www.irs.gov/charities-non-profits/current-form-990-series-forms-and-instructions>, <https://www.irs.gov/forms-pubs/form-5768-election-revocation-of-election-by-an-eligible-section-501c3-organization-to-make-expenditures-to-influence-legislation>

## F. Ballot Measures & Disclose Act

*Ballot measures involve special consideration* **if you are spending \$25,000 or more.**

A ballot measure happens when voters decide policy by voting for or against something that appears on a ballot. There are three big ideas to keep in mind:

- A. In Washington State, nonprofits are allowed to analyze and advocate for or against ballot measures, *with limits and disclosure requirements.*



- B. The Disclose Act governs how nonprofits can engage in both campaigns for office AND ballot measure campaigns.
- C. **\$25,000 is an important threshold in Washington State.** If you plan on spending *more than this amount* on a ballot measure, PDC rules apply.

How do you track your involvement in ballot measures?

### 1. Federal Tracking

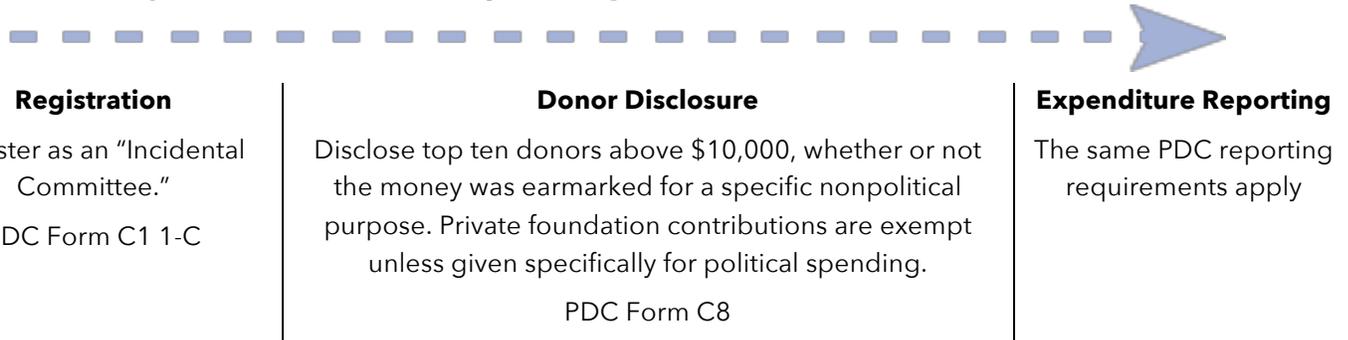
The IRS considers ballot measure work to be part of your direct lobbying limit, since voters are the decision-makers. Because of this, you will need to track your ballot measure expenditures as you would with direct lobbying.

### 2. State Tracking

Washington State does not limit the amount of resources nonprofits can devote to ballot measure work. However, there are disclosure requirements that you need to know about if you are planning to engage in ballot measure activities. Below is an overview of the rules for nonprofits that were adopted on November 29, 2018 as “emergency rules” by the PDC. Technically, the “emergency rules” are temporary. The PDC will engage in permanent rulemaking in 2019.

**Note:** If you plan to engage in ballot measure campaign spending over \$25,000 through your 501(c)(3), inform your \$10,000+ donors about the law and explain to them that there is a possibility they will be publicly identified as supporting your ballot measure work. This may require you to adjust your fundraising and donor relations plans.

#### Are you a 501c3, c4 or PAC providing \$25,000 or more to a ballot measure?



#### *Dissolution as an Incidental Committee*

According to the emergency rules adopted November 29, 2018:

Each incidental committee is automatically dissolved at the end of the calendar year in which it was registered, or upon completion of all reporting requirements for that year, whichever is later.

This means that your nonprofit must register each year it plans to spend more than \$25,000 on ballot measure work.



# Step-It-Up Advocacy Summary

## Lobbying Key Points

- Lobbying is a superpower that nonprofits have to better achieve their mission.
- There are some important differences between lobbying definitions and reporting at the state and federal level. While the PDC tracks individuals and the time and money they spend lobbying, the IRS tracks organizations and money spent.
- You report any lobbying at any level of government to the IRS. You only report state-level lobbying in Washington State to the PDC. You report local lobbying if required to by local jurisdictions.

## Lobbying in Washington State

- There are several opportunities for influence within the Washington legislative process.
- Washington State offers nonprofits a range of tools to help access government.
- The Public Disclosure Commission oversees lobbying in Washington State. It tracks time and money spent by individuals engaged in lobbying and the organizations that employ them.
- Check local jurisdictions for lobbying rules.

## Next Steps

- Decide if your organization is lobbying. If you aren't sure, ask an expert.
- Determine if your organization is lobbying at the local, state, or federal level. Register where you need to. Put reporting deadlines on your calendar.
- Bring learning about lobbying into the life of your organization. Make sure your board and staff know what they can and can't do.



## Tools

- IRS Form 5768, Form 990 & Schedule C
- PDC Forms L1, L2, L3, and L6
- Lobbying tracking form
- How to Request a Meeting with a Public Official
- Ways to Build Relationships and Interact with Officials
- Tips for Navigating the PDC's website



## Resources

- Stand For Your Mission: <https://standforyourmission.org/>
- Bolder Advocacy: <https://www.afj.org/our-work/issues/bolder-advocacy>