

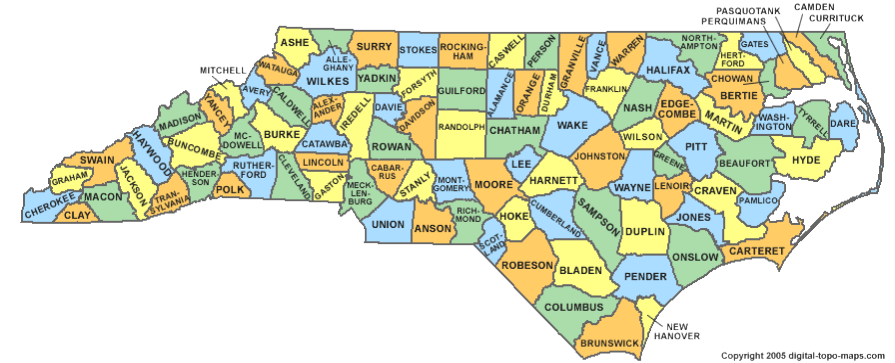
# Advocacy for 501(c)(3) Nonprofits

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# Connect Learn Advocate



# Important Disclaimers

*If you can read this fine print, you are sitting too close to your screen!*



# Nonprofit Advocacy



# Quick Quiz

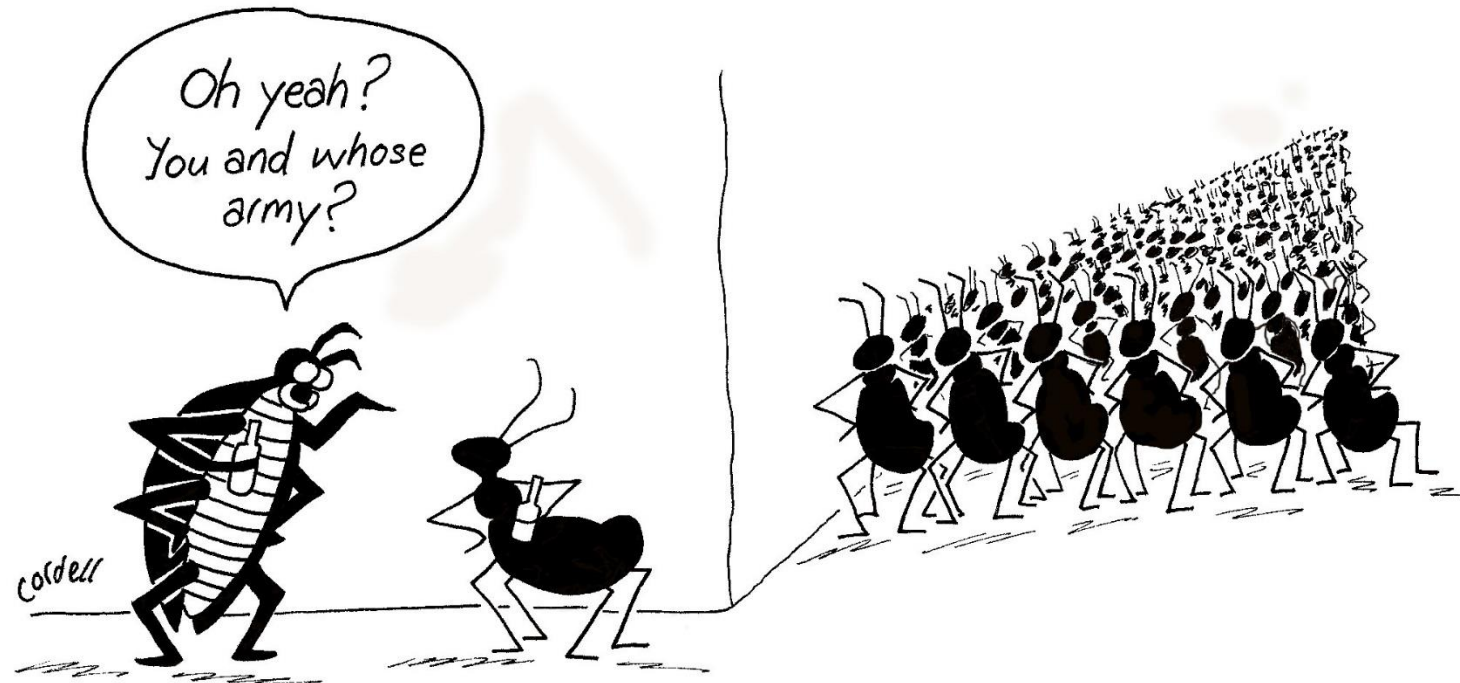
1. What is nonprofit advocacy?
2. Can 501(c)(3) nonprofits lobby?
3. Can 501(c)(3) nonprofits endorse candidates?
4. Can a nonprofit employee or board member volunteer for a political campaign?

# *What is advocacy?*

# ***Advocacy includes conversations with:***

- Co-workers
- Clients
- Funders
- Media
- Elected officials
- Volunteers
- Business leaders
- Others

# Why nonprofit advocacy matters



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Many missions | 100 counties | One voice



# Common barriers to nonprofit advocacy

***1. Our board says we  
can't do it.***

***2. We're a 501(c)(3)  
nonprofit, so it's not legal  
to advocate.***

***3. We would love to advocate, but we're stretched thin simply providing our existing services.***

# 4. *Our funders won't let us advocate.*

# Some basic legal information

# Lobbying

# Lobbying

## *How much lobbying can you do?*

*(as a 501(c)(3) nonprofit)*

### *Two answers:*

1. An “insubstantial” amount
2. 501(h) election – expenditure test



# Lobbying

- Direct Lobbying
  - Communication
  - Specific legislation
  - Expresses a viewpoint
- Includes action at federal, state, or local level

# Lobbying – 501(h) expenditure test

## *Limits on lobbying expenditures*

- 20% of the first \$500,000 of an organization's exempt purpose expenditures, plus
- 15% of the second \$500,000, plus
- 10% of the third \$500,000, plus
- 5% of the remainder of such expenditures,
- with a cap of \$1 million in annual lobbying expenses

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# Lobbying

- Grassroots Lobbying
  - Specific legislation
  - Expresses a viewpoint
  - Call to action
  - Goes out to general public
- Limit is 25% of limit for direct lobbying (under the 501(h) expenditure test)

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# Not lobbying

- Education of the public without a call to action on specific legislation
- Discussions with executive branch officials
- Nonpartisan analysis, study, or research
- Requests for written testimony from committees
- Self-defense
- Examinations of broad social or economic issues

# Tips on lobbying

- The 501(h) election focuses on lobbying expenses
- So there is virtually no limit on lobbying by volunteers, board members, and clients

# Tips on lobbying

- NC law requires some nonprofits to register as lobbyists with the NC Secretary of State
- These registration and reporting requirements only apply to nonprofits that pay contract lobbyists in Raleigh or that have staff who spend at least 5% of their time lobbying state officials

# Special note on ballot measures

- 501(c)(3) nonprofits *can* advocate for or against *ballot measures*
- This type of advocacy is *direct lobbying*

# Lobbying synopsis

1. It's legal for 501(c)(3) nonprofits!
2. Your nonprofit will never get close to the legal limits for nonprofit lobbying!
3. Your nonprofit *probably* doesn't need to register with the state to lobby

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# *Partisan political activity*

**All 501(c)(3) nonprofits  
must remain nonpartisan**  
**There are no *Democratic* charities  
or *Republican* charities**

# Johnson Amendment

- Provision in Section 501(c)(3)
  - Charitable nonprofits, foundations, and churches can't:
    - Support or oppose candidates for office
    - Make campaign contributions
    - Coordinate activities with political campaigns

# Why is it called the “Johnson Amendment”?



*An amendment,  
pushed by Lyndon  
Johnson many years  
ago, threatens  
religious  
institutions.*

*We're going to  
get rid of that  
law ... we're  
going to get rid  
of it so fast.*



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# Why keeping partisan politics away from nonprofits is best for everyone

- It protects the public's trust in nonprofits
- It ensures that tax-deductible contributions go to mission-related work, not to partisan politics
- It prevents politicians from pressuring nonprofits
- It prevents funders from pressuring nonprofits

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# Why keeping partisan politics away from nonprofits is best for everyone

A real-life example ...

# What your nonprofit *can* do

- Nonpartisan voter registration
- Nonpartisan voter get-out-the-vote activities
- Promoting the 2020 U.S. Census
- Nonpartisan voter education ...
  - ... about election process
  - ... about policy issues
  - ... interacting with candidates in a nonpartisan way



# What about your staff and board members?

- Talking about candidates (or politics generally)
- Volunteering for campaigns
- Making campaign contributions
- Running for office

# *Partisan* politics synopsis

1. Don't do it!
2. Despite what the President may want you to believe, it's not legal for 501(c)(3) nonprofits!

# Advocacy

# Advocacy

***How much advocacy can you do?***

*(as a 501(c)(3) nonprofit)*

***Answer:***



# *Funding for advocacy work*

# Basic rules on funding lobbying and advocacy

- Private foundations can't earmark money for lobbying
- But ...
  - ... *Other funders* can fund lobbying activities
  - ... There is no limit on how much *advocacy* a foundation can support
  - ... *General operating support* can be used for lobbying and other types of advocacy

# Effective advocacy

# CHOOSE YOUR OWN ADVENTURE®



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# Some preliminary questions

1. What are your nonprofit's top three goals for 2019?
2. What are your nonprofit's top three goals for the next decade?
3. What changes would bring these goals closer to becoming a reality?
4. What actions would make *your nonprofit* more effective in achieving its mission?

# Important advocacy questions

## *Who is your audience?*

- Government officials
- Lawmakers
- The public
- The media

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# Important advocacy questions

## *Who are your most effective messengers?*

- Constituents of elected officials
- Business leaders
- Your board members
- Your clients
- People with common interests and ideals

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# Important advocacy questions

## *What advocacy tools are available?*

- Direct lobbying
- Petitions and grassroots phone calls and tweets
- Rallies and protests
- Candidate forums and voter guides
- Fact sheets for elected officials

# Important advocacy questions

## *What advocacy tools are available?*

- Personal conversations
- Stories
- Research and data
- Public education
- Empowering your clients to use their voices

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# Important advocacy questions

## *How can you be an effective advocate?*

- Tell your story
  - Real-life examples
  - Statistics and other objective information
- Have a simple and clear message
  - Elevator speech
  - One-page fact sheet

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# Important advocacy questions

*How can you be an **ineffective** advocate?*

- Send lots of form letters and mass emails
- Be unclear or imprecise
- Offend your audience

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# Two approaches to nonprofit advocacy

- ***Cooperation/common ground/neutral expertise***
  - Pro: Better chance for limited success
  - Con: Potentially sacrificing the “perfect” policy solution
- ***More aggressive tactics***
  - Pros: Stronger positions; more attention
  - Cons: Potential to alienate policymakers and the public; potential backlash



# Next steps

# *1. What is the “audience” for your advocacy?*

## *2. What is your most effective message(s)?*

# *3. Who might be your best messengers?*

# *4. What advocacy tools would be most effective?*

***5. Are you more likely to  
succeed through cooperative or  
aggressive advocacy?***

1. Who is your audience?
2. What is your message?
3. Who are your best messengers?
4. What advocacy tools would be most effective?
5. Are you more likely to succeed through cooperative or aggressive advocacy?