

State Lobbying Registration Thresholds

Nonprofits that lobby must comply with two distinct sets of laws: Federal tax law setting the amount an organization can lobby, and state and federal that impose certain reporting and disclosure obligations. At the federal level, the Lobbying Disclosure Act requires the disclosure of lobbying activities once certain threshholds are met¹. Additionally, most states have separate laws regulating lobbying activities. State lobbying laws add another layer of compliance to consider as you develop your advocacy plans. However, they are almost always straightforward and simple to follow, so should not be an impediment for an organization with proper recordkeeping procedures.

While the definition of lobbying varies by state and differs from the IRS definition, most state lobbying laws primarily focus on the disclosure of direct lobbying (e.g. communicating directly with a legislator or government agency officials), although some states also require disclosure of grassroots lobbying (e.g. asking the general public to contact their legislator).²

Many states require an organization, its employees, and/or consultants (often referred to as "lobbyists") to file registration forms. When registration is required, it often triggers the filing of disclosure reports listing an organization's lobbying expenditures and the issues the lobbyist worked on during a specified period. Registered lobbyists or lobbyist employers might also be subject to additional restrictions. For example, lobbyists might be required to wear an ID badge while at the state capitol, and many states do not allow lobbyists to make campaign contributions. Most states also have a gift ban prohibiting lobbyists from giving gifts above a certain value to public officials or their staff. It is important to understand the gift rules in your state because they will usually apply even if your organization does not meet the thresholds for registration.

Unfortunately, there is no standard law that regulates lobbying in all states and some states (like <u>California</u> and New York) also have different rules regulating lobbying at the local level. Because each state's lobbying laws are different, you should take a moment to familiarize yourself with the laws in each state where your organization is active. The reference chart below can be used to help determine whether your organization's state-level lobbying activity might require you to register and/or report with the appropriate state agency. If your organization must file reports in a particular state, consult with the <u>state law resources</u> section of our website for more information.

Organizational Registration

Organizations whose employees engage in lobbying may have to register as lobbyists – typically this registration is referred to as principal or employer registration. Registration is usually required when an organization has spent a certain amount of money lobbying or when an employee lobbyist registers. For example, in Maine, an organization files a registration form along with its employee lobbyist. These registration rules may apply both if you have an employee who spends time on lobbying activities and if your organization hires a consultant to lobby on your behalf.

² See AFJ's factsheet, What is Lobbying? for the differences between direct and grassroots lobbying



¹ See AFJ's factsheet on the Lobbying Disclosure Act



Lobbyist/Individual Registration

Some states require individual employees or consultants to register. States usually require an individual to file a registration form either before making lobbying contacts or after a certain amount of money or percentage of the employee's time has been spent on lobbying activities. For example, in Ohio, an individual must file a lobbyist registration if lobbying comprises more than 5% of his or her compensated work time.

Grassroots Lobbying

Some states require that organizations or their employees register as a lobbyist when conducting grassroots lobbying campaigns, while other states do not distinguish between grassroots and direct lobbying or do not count grassroots lobbying at all. For example, in North Carolina, an organization spending more than \$3,000 in a calendar quarter on grassroots lobbying must register, but in California the \$5,000 in a calendar quarter expenditure threshold before an organization must register is a combination of amounts spent on both direct and grassroots lobbying.

Summary of state lobbying registration and reporting thresholds (as of September 2015)

AFJ is continually adding to our database of <u>state lobbying resources</u>. If your state is not included in the chart below, look to the agency or department dedicated to disseminating and enforcing the applicable lobbying disclosure rules in your state.

State	Employer Threshold ³	Employee Threshold ⁴	Grassroots Threshold⁵
<u>Arizona</u>	Any organization that sends representatives to lobby must register before employee makes lobbying contact	Employer must list one individual as 'designated lobbyist' and this person must register. 'Lobbyists for compensation' - anyone other than the designated lobbyist who is compensated for primary purpose of lobbying - must also register.	No registration or reporting required

⁵ If a state does not distinguish between direct and grassroots lobbying, the combination of an organization's direct lobbying and grassroots lobbying expenditures will count towards meeting the threshold.



³ Unless otherwise noted, applies to organizations hiring lobbyist consultants as well as their own employees.

⁴ Unless otherwise noted, expenditure thresholds also include costs reimbursed by the employer.



State	Employer Threshold ³	Employee Threshold ⁴	Grassroots Threshold ⁵
<u>California</u>	At least one consultant or in-house employee lobbyist; OR exceed \$5,000 (combined direct & grassroots lobbying expenditures) in a calendar quarter	Consultant is compensated \$2,000/calendar month or \$5,000/quarter; in-house employee spends more than 1/3 time in calendar month spent direct lobbying	Exceed \$5,000 (combined direct & grassroots lobbying expenditures) in a calendar quarter
<u>Colorado</u>	No registration	Anyone compensated to lobby, regardless of amount spent, must register with Secretary of state. Volunteer lobbyists are also required to register with the Chief Clerk of the House of Representatives.	No grassroots lobbying threshold
<u>Florida</u>	File lobbyist authorization form when employee registers	Anyone compensated to lobby (regardless of amount spent) or principally employed for governmental affairs	No registration or reporting required
<u>Illinois</u>	Employing a lobbyist	Anyone compensated to lobby; OR uncompensated individual spending more than \$500 on lobbying expenditures per year	No registration or reporting required
<u>lowa</u>	No registration, but must file a report once a year if organization compensates a lobbyist	Individual spends more than \$1,000 per year on lobbying expenditures; OR receives compensation to lobby; OR is the designated representative of an organization or government agency that attempts to influence legislative or executive action	No registration or reporting required





State	Employer Threshold ³	Employee Threshold ⁴	Grassroots Threshold ⁵
<u>Kansas</u>	No registration	Employment involves lobbying "to considerable degree;" OR employee appointed as representative of organization to do direct lobbying; OR lobbyist spends more than \$100 on lobbying expenditures a year	No distinction between direct and grassroots lobbying
<u>Kentucky</u>	Compensating anyone to lobby	Anyone compensated to lobby, regardless of amount spent	No registration or reporting required
Maine	File jointly with employee lobbyist	Exceed 8 hours lobbying per month	Exceed \$15,000 per calendar month in grassroots lobbying expenditures
<u>Michigan</u>	Exceed \$2,375 in lobbying expenditures in 12 months; OR \$600 in 12 months, if lobbying efforts directed only at one official	Combined compensation and reimbursements for lobbying exceeds \$600 in 12-month period	No registration or reporting required
<u>Minnesota</u>	No registration, but must report lobbying activities if paying a lobbyist \$500 or more; OR spend \$50,000 a year on lobbying activities	Compensated at least \$3,000 per year to lobby; OR spends more than \$250 on lobbying expenditures in a year	No distinction between direct and grassroots lobbying
<u>Missouri</u>	No registration required, but must file report if employee meets threshold	Anyone employed as a lobbyist; OR compensated to lobby; OR makes \$50+ expenditures in calendar year to public officials\employees in connection with lobbying activity; OR uncompensated individual designated to act as lobbyist by organization	No distinction between direct and grassroots lobbying ⁶

_

⁶ Missouri law does not define "grassroots lobbying" activity. Traditionally, the Missouri Ethics Commission has not sought to regulate it. However, the statutory definition of "lobbying" includes acting to influence government officials, without distinguishing between direct or indirect contacts. Cautious grassroots lobbying organizations should consider asking their compensated agents that work on grassroots lobbying to register as lobbyists, particularly given the minimal reporting obligations applicable to these types of activities.





State	Employer Threshold ³	Employee Threshold ⁴	Grassroots Threshold ⁵
<u>Montana</u>	Exceed \$2,500 per calendar year in lobbying expenditures	Exceed \$2,500 per calendar year in compensation for lobbying	No registration or reporting required
<u>Nevada</u>	No registration	Anyone who communicates directly with a member of the legislative branch, on behalf of someone other than him\herself, to influence legislative action, whether or not compensated	No registration or reporting required
New Mexico	No registration, but must sign authorization form for lobbyist employee	Anyone compensated specifically to lobby; OR lobbies on a "substantial and regular basis" on behalf of organization	Exceed \$2,500 in expenditures for "advertising campaign" per calendar year
New York ⁷	Exceed \$5,000 in lobbying expenditures per calendar year	Exceed \$5,000 in compensation for lobbying activities per calendar year	No distinction between direct and grassroots lobbying
North Carolina	No registration, but must sign authorization for lobbyist employee	Lobbying exceeds 5% of actual duties in 30 day period; OR contracts for payment for lobbying; OR represents a person or governmental unit for payment but is not directly employed by that person or governmental unit	If individual not already registered, must register as 'solicitor' if grassroots lobbying alone exceeds \$3,000 in 90 day period
North Dakota	No registration, but must sign authorization for lobbyist employee	Registration required before attempting, directly or indirectly, to influence decisions made by legislators or the passage, amendment, defeat, or veto of any legislation	No distinction between direct and grassroots lobbying
<u>Ohio</u>	When employee qualifies as lobbyist	Lobbying exceeds 5% of total compensated work time	No registration or reporting required

⁷ In some jurisdictions (e.g., New York City), city and/or county measures may also apply to certain lobbying activities.



State	Employer Threshold ³	Employee Threshold ⁴	Grassroots Threshold⁵
<u>Oregon</u>	No registration	Exceeds 24 hours of lobbying in calendar quarter; OR exceeds \$100 in lobbying expenditures in calendar quarter	No distinction between direct and grassroots lobbying
<u>Pennsylvania</u>	Exceed \$2,500 in lobbying expenditures per quarter	Exceeds 20 hours of lobbying on behalf of employer per quarter	No distinction between direct and grassroots lobbying
South Dakota	File jointly with employee lobbyist	Anyone compensated to lobby, regardless of amount	No distinction between direct and grassroots lobbying
<u>Texas</u>	No registration	Exceed \$500 in lobbying expenditures per calendar quarter; OR receive \$1,000 or more in calendar quarter for compensation or reimbursement of lobbying expenditures	No registration, but if made by already registered individual, grassroots lobbying must be reported
<u>Virginia</u>	No registration	Spending \$500 or more on lobbying expenditures per calendar year; OR receive \$500 or more in compensation for lobbying	No distinction between direct and grassroots lobbying
Washington	No registration, but must sign authorization for lobbyist employee	Lobbying exceeds any portion of 4 days in any 3 month period; OR spending more than \$35 on any state official or employee	Exceed \$1,000 in a 3 month period, or \$500 in a 1 month period





State	Employer Threshold ³	Employee Threshold ⁴	Grassroots Threshold ⁵
Wisconsin	Employee communicates with state officials to influence state legislation or administrative rule- making on behalf of employer on 5 or more days during any 6-month reporting period	Anyone who is compensated for attempting to influence state legislation or administrative rules on behalf of a business or organization on 5 or more days within any 6-month reporting period	No registration or reporting required

The information contained in this fact sheet and any attachments is being provided for informational purposes only and not as part of an attorney-client relationship. The information is not a substitute for expert legal, tax, or other professional advice tailored to your specific circumstances, and may not be relied upon for the purposes of avoiding any penalties that may be imposed under the Internal Revenue Code. Alliance for Justice publishes plain-language guides on nonprofit advocacy topics, offers educational workshops on the laws governing the advocacy of nonprofits, and provides technical assistance for nonprofits engaging in advocacy. For additional information, please feel free to contact Alliance for Justice at 866-NPLOBBY.

www.bolderadvocacy.org | www.allianceforjustice.org

