

Understanding the Differences Between Direct Lobbying and Grassroots Lobbying

The 1976 lobby law provides ample leeway for charities to lobby, and for the most part is clear as to what actions constitutes lobbying. However, occasionally some charities are not certain about the differences between *direct* lobbying and *grassroots* lobbying. Both kinds of lobbying provide very effective ways of influencing public policy so it is important to understand how the law differentiates between the two and how it essentially encourages both kinds of lobbying.

In general, your organization is engaging in *direct lobbying* when you *state your position on specific legislation to legislators or other government employees* who participate in the formulation of legislation, or urge your members to do so. You are participating in *grassroots lobbying* when you *state your position to the general public and ask the general public to contact legislators or other government employees* who participate in the formulation of legislation. How lobbying is defined, in both cases, is quite liberal. Following is information explaining the differences between grassroots and direct lobbying, including some of the advantages of each.

Differences in the Lobbying Expenditure Limits for Grassroots and Direct Lobbying

Generally, organizations that elect the 1976 lobby law may spend 20% of the first \$500,000 of their annual expenditures on *direct* lobbying (\$100,000), 15% of the next \$500,000, and so on, up to one million dollars a year.

The amount of expenditures permitted for grassroots lobbying is more limited. An organization may spend only one-fourth as much on grassroots lobbying, as on direct lobbying. So, for example, if the group's annual permissible lobbying expenditures were \$100,000, it could spend only \$25,000 on *grassroots* lobbying. But it could spend the remaining amount of \$75,000 on *direct* lobbying.

How the Lobby Law Definitions Benefit Both Grassroots and Direct Lobbying

Direct Lobbying – As mentioned above, generally, you are conducting *direct* lobbying only when your organization states its position on specific legislation to legislators or other government employees, such as staff, to legislators or government agencies who participate in the formulation of legislation, or urge your members to do so. For example, a charity staff person urging a city council member to vote for an ordinance would be an illustration of direct lobbying. Or, the leadership of a youth service organization asking their membership to contact their Congressional delegation, urging them to pass the Younger American's Act, would be direct lobbying.

Also important, there are eight legislation-related activities, which charities may conduct that are not considered lobbying by the IRS. Those eight activities vastly expand the contacts a *(more)*

charity may have with a legislator without those contacts counting against its direct or grassroots lobbying expenditure limits. (See Charity Lobbying in the Public Interest “one-pager” entitled Public Policy Related Activities that are Not Lobbying).

Grassroots Lobbying – The most important point to make about grassroots lobbying is that generally, it occurs only when you state your position to the general public **and** ask the general public to contact legislators or other government employees who participate in the formulation of legislation. The key to this liberal interpretation of grassroots lobbying is that you can state your opinion on legislation to the general public as strongly as you want and it is not lobbying as long as you don’t issue a call to action to the general public to contact legislators.

The broad freedom that charities have under the law to conduct grassroots lobbying is illustrated by this strong and broadly disseminated advertisement that the IRS says would **not** normally be considered grassroots lobbying, because it lacks such a call to action. “The State Assembly is considering a bill to make gun ownership illegal. This outrageous legislation would violate your constitutional rights and the rights of other law-abiding citizens. If this legislation is passed, you and your family will be criminals if you want to exercise your right to protect yourself.”

The organization Effective National Action to Control Tobacco has run ads that are clearly aimed at legislators but they forgo a call to action and, therefore, the ads do not constitute lobbying. Their ads read, in part, “The Results Are In: America Wants Action on Tobacco Now.” (The ad follows with information on why the public wants action, what does the public want, and when do they want it?). The ad ends: “It’s time to end the nation’s tobacco epidemic. Let’s get it done. It’s a life saver for America’s kids.”

The key point is that getting the general public behind your legislation is extremely important to the success of your initiative. The ads outlined above illustrate how you can encourage that support without incurring grassroots lobbying expenditures that count against the total you are permitted to spend on grassroots lobbying. You can run very strong, focused ads that don’t constitute lobbying. Then, if needed to accomplish your lobbying objective, your group can run ads that do include a call to action. Those ads would count against your lobbying expenditure limits.

A Final Point – Groups sometimes confuse urging their *members* to lobby, with urging the ***grassroots*** to lobby. They mistakenly think that contacting their members, who may number hundreds of thousands, to urge them in turn to contact members of the legislature, constitutes grassroots lobbying, simply because those members reside at the grassroots. A group contacting its members on behalf of legislation is conducting direct lobbying. *It is only when an organization reaches beyond its members to get action from the general public, that grassroots lobbying occurs.*