



November 8, 2018

### Legal Alert: NY State Lobbying Disclosure Rules for Coalitions

If two or more organizations pool money for the primary purpose of lobbying, NY's Joint Commission on Public Ethics (JCOPE) now considers them to be a "coalition" subject to new lobbying reporting rules.<sup>1</sup>

*What obligations do a coalition and its members have?*

A "coalition" that spends \$5,000 or more in a calendar year on lobbying has two choices:

#### Option 1: Coalition reports

The coalition registers as a lobbyist or client, identifies a responsible party, and discloses all members that spend \$5,000 or more to lobby through the coalition or otherwise. Under this option:

- Coalition members do not need to report their contributions to the coalition on their lobbyist or client reports.
- An individual member that spends and receives less than \$5,000 for lobbying without counting contributions to the coalition does not need to register or report as a lobbyist or client. This makes the coalition reporting option particularly attractive to organizations that make a large contribution to a coalition for the primary purpose of lobbying.
- A coalition can use a JCOPE-provided survey to find out which members it needs to report.

#### Option 2: Members report

If the coalition does not register as a lobbyist or client, then each member that spends \$5,000 or more to lobby through the coalition or in some other manner must disclose in its lobbyist or client report the name of the coalition and amount of all contributions to the coalition. Under this option:

- The coalition itself does not need to track or disclose its members' contributions. Instead, each member is responsible for its own compliance.
- A member must register and report as a lobbyist or client if its total lobbying expenditures exceed \$5,000, even if all or most of those expenditures are made through the coalition.

This rule **does not apply** to groups that:

- don't pool money;
- pool money for a primary purpose other than lobbying;
- or
- have a parent/subsidiary or national/regional relationship, or are subsidiaries of the same parent.

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<sup>1</sup> 19 NYCRR 943.9(h)(3).

*What types of activities count as lobbying?*

The NYS Lobbying Act defines “lobbying” as an attempt to influence actions by state, county and municipal legislators and agency officials in New York State, in connection with:

- legislation (and the introduction of legislation) – budget legislation and discretionary funding included in the budget count!
- agency rules, regulations, actions having the force of law, procurement, and ratemaking
- approval or veto of any legislation by the governor
- Executive order by Governor or Mayor
- tribal-state agreements.<sup>2</sup>

*Where can I find more information about the obligations of organizations that lobby?*

Lawyers Alliance’s [FAQ’s About Nonprofits and Lobbying](#) is available on our website.

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***This alert is meant to provide general information only, not legal advice. Lawyers Alliance staff are available to help qualified nonprofits with their business, transaction and compliance legal needs. Please contact Senior Policy Counsel Laura Abel, (212) 219-1800 x283, [label@lawyersalliance.org](mailto:label@lawyersalliance.org), or visit [www.lawyersalliance.org](http://www.lawyersalliance.org) for further information.***

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<sup>2</sup> N.Y. Leg. Law § 1-c(c).