

November 6, 2024

**Nonprofit Organizations Registered as Lobbyists or Clients with NYS COELIG:
Be Aware of New Filing Requirements**

Nonprofit organizations that have registered with the New York State Commission on Ethics and Lobbying in Government (COELIG) as lobbyists or clients of lobbyists should be aware of new regulations that may affect the way you submit your COELIG filings.¹ You may need to change the person you designate as a “Responsible Party,” or take action to make clear that your Responsible Party is authorized to act on behalf of the organization. The new rules will also change who has to take the mandatory ethics training, as well as who has to keep and submit records showing that an organization’s individual lobbyists have taken the training.

Changes effective December 1, 2024:

➤ **A Responsible Party must be authorized to bind the organization.**

Since 2018, registered lobbyists and clients have been required to designate a Responsible Party, who can be either the Chief Administrative Officer (CAO) or someone designated by the CAO. That has not changed.

As of December 1, 2024, an organization’s Responsible Party must also have legal authority to bind the organization.² Under New York law, there are many ways that an individual can have legal authority to bind a corporation.³ To name just a few:

- The Board can issue an authorizing resolution;
- The Certificate of Incorporation or bylaws can provide that the person holding that position has authority to bind the corporation;
- A duly authorized officer of the corporation can delegate authority; or
- Authority to bind the corporation can be implicit in the person’s job description.⁴

COELIG staff have said that if a Responsible Party is not an executive level individual, COELIG may ask for proof that the person has authority to bind the organization.

¹ The new regulations amend 9 NYCRR Part 943. The amendments taking effect December 1, 2024 can be viewed at https://ethics.ny.gov/system/files/documents/2024/10/part-943-amendments-cao-change-mem_0.pdf. The amendments taking effect January 1, 2025 can be viewed at <https://ethics.ny.gov/system/files/documents/2024/04/amendments-to-part-943-ethics-training-for-lobbyists-and-clients.pdf>

² 9 NYCRR 943.3(s).

³ Bjorklund et al., *New York Nonprofit Law and Practice* (3d ed. 2020), sec. 5.06[2].

⁴ See *Polish-Am. Media, Inc. v. Jozwiak*, 29 A.D.3d 663, 814 N.Y.S.2d 713 (2006) (president of nonprofit corporation had implied authority to sue on behalf of corporation).

➤ **A Responsible Party must have duties in addition to lobbying compliance.**

A Responsible Party cannot be someone whose sole duty is lobbying compliance.⁵ COELIG will still permit lobbyists and clients to designate an “Authorized Preparer,” who can prepare and save lobbying reports, but a Responsible Party will have to actually submit the reports.

➤ **Consider naming two Responsible Parties.**

All reports must be signed and submitted by a Responsible Party.⁶ While COELIG is removing the option to have reports signed and attested to by someone to whom a Responsible Party has delegated such authority, it is now allowing organizations to designate two different Responsible Parties. That way, if one Responsible Party is unavailable when a report is due, the other one can still sign and submit it.

Changes effective January 1, 2025:

➤ **A Responsible Party will have new duties.**

A Responsible Party must:

- **Take the mandated ethics training.** In addition, the CAO will no longer be required to take the mandated training (unless the CAO is also a Responsible Party).⁷ As before, everyone required to go through the mandated training must do so every three years. The training requirement was first implemented in 2023.
- **Enter training compliance information into the Lobbying Application for themselves and their organization’s individual lobbyists, and retain the form certificates of training for three years.** When a person completes the mandated ethics training, they can generate a signed and attested certificate of completion. A Responsible Party must maintain custody of the certificates (for themselves and all individual lobbyists associated with their organization) for three years after each training.⁸

This Legal Alert describes what we know about the new rules so far. COELIG is likely to roll out additional information about how to comply, so keep an eye on COELIG’s website at <https://ethics.ny.gov>. For help making any necessary updates in the Lobbying Application, contact COELIG:

By phone: 800-87-Ethics (800-873-8442) – Press '1' to speak to the Lobbying Unit

By email: LobbyingHelpDesk@ethics.ny.gov

This alert is meant to provide general information only, not legal advice. If you have any questions about this Alert please contact Senior Policy Counsel Laura Abel at label@lawyersalliance.org or visit our website at www.lawyersalliance.org for further information. To become a client, visit www.lawyersalliance.org/becoming-a-client.

⁵ 9 NYCRR 943.3(s).

⁶ 9 NYCRR 943.9(b)(1).

⁷ 9 NYCRR 943.5(b)(1).

⁸ 9 NYCRR 943.5(b)(3).

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