



# BOARD/GOVERNANCE POLICY

Title: <b>Lobbying and Political Activity</b>	Number: (insert policy #-optional)
Cross Reference: (include other policies that may relate)	
Approved by: Illinois State Council Board of Directors	Origination Date: 1/1/2011
Revised by: Illinois State Council Board of Directors	Approval Date: 11/4/2017
	Revision Date: 11/4/2017

## **POLICY:**

- 1.1 Illinois State Council is prohibited from conducting any political activity as a 501(c)(3) federal tax-exempt organization.
- 1.2 Illinois State Council is permitted to engage in direct and grassroots lobbying within limits as a 501(c)(3) federal tax-exempt organization.

## **STANDARDS/CRITERIA:**

- 2.1 Political activity is the attempt to influence the selection, nomination, election, or appointment of an individual to a federal, state, or local public office or office in a political organization, or the election of a presidential or vice-presidential elector.
- 2.2 Direct lobbying is the attempt to influence legislation through communication with members or employees of a legislative body or with governmental officials or employees who may participate in formulating legislation.
- 2.3 Grassroots lobbying is the attempt to influence legislation by affecting the opinions of the general public or any segment thereof.
- 2.4 The IRS Code states that no “substantial part” of the activities of a 501(c)(3) organization can be devoted to lobbying.
- 2.5 Under 1990 regulations issued by the IRS, Illinois State Council may file a 501(h) election with IRS Form 5768, which then defines the substantiality standard. The regulations establish spending ceilings on total lobbying expenditures and on the amount of expenses allowable for grassroots lobbying.
- 2.6 In general, 501(c)(3) organizations with up to \$500,000 in exempt-purpose expenditures may spend up to \$25,000 in grassroots lobbying and a total of no more than 20% of its exempt-purpose expenditures for all lobbying expenditures. The State Council’s exempt-purpose expenditures are expenditures incurred to directly promote excellence in emergency nursing and emergency care. Other expenditures, such as investment management fees, unrelated business expenses, and certain fundraising costs are not considered exempt-purpose expenditures by the IRS.