

To: New York State Senate Finance Chair Krueger and Assembly Ways & Means Chair Weinstein
From: Chai Jindasurat, Vice President, Policy, Nonprofit New York
Re: Written Testimony Urging Government Operations and Ethics Relieve the Legislative Advocacy Burden on Nonprofits
Date: Wednesday, February 9, 2022

Good Morning,

My name is Chai Jindasurat and I am providing testimony on behalf of Nonprofit New York, a membership-based organization representing 1,000 501(c)(3) nonprofit organizations in the greater New York City area. Nonprofit New York works to strengthen and unite the nonprofit sector. We encourage robust advocacy by nonprofits to engage in the lobbying and legislative advocacy process. As such, we urge the legislature to relieve the administrative and financial burden on small nonprofits created by the current “lobbying threshold” by raising the threshold to \$10,000.

Nonprofits Have a Legal Right to Lobby Yet Fewer Than 3% Exercise This Right

All nonprofits have a constitutional and legal right to engage in lobbying.¹ However, according to the National Council of Nonprofits, fewer than 3% of nonprofits engage in lobbying.²

Nonprofit Advocacy Brings More Voices Into the Policymaking Process

Nonprofits often represent under-represented communities, and deeply understand the challenges faced by the communities nonprofits serve. In a time when New Yorkers and nonprofits face economic uncertainty, record unemployment, racial injustice, a looming eviction crisis, affordability, and other challenges, policymakers need to hear more from nonprofits, not less.

New York State’s Lobbying Regulations Are Costly and Burdensome

New York’s lobbying rules are complicated and burdensome, and nonprofits are the most tightly regulated of all sectors that lobby. An organization that plans to spend \$5,000 in a year doing legislative advocacy must: register as a lobbyist and submit bi-monthly reports on their activities to the state (and city); file a minimum of 6 reports each year; and risk paying late filing fees ranging from \$75 to \$2,000 per filing.³ **This causes many nonprofits to decide not to lobby at all - taking their voices, and the voices of their communities, out of the conversation.** Reporting lobbying activity can be expensive - **big lobbyists spend upwards of \$500 a month on reporting alone.** Small nonprofits simply can’t afford that. A grassroots organization would have to register as a lobbyist and

¹ 26 U.S.C. § 501(c)(3)

² National Council of Nonprofits. (2019). [Nonprofit Impact Matters](#).

³ 19 NYCRR Part 943 - [Comprehensive Lobbying Regulations](#).

file reports for the next two years, even if all it does is take community members to Albany one time. For small budget organizations, this threshold is a penalty and burden.

Nominally Raising the Lobbying Threshold Will Not Reduce Transparency

Lobbying filers who spent less than \$10,000 in 2020 collectively spent 1% of total spending,⁴ which means that **99% of all lobbyists will still have to report**, even with this higher threshold. **Raising the threshold will not compromise transparency** for professional lobbyists, or even those nonprofits that do a lot of lobbying as a part of their work. In fact, raising the threshold will allow JCOPE to use more resources to monitor lobbyists who are spending the most money. Analysis of the most recent lobbying spending is included as an addendum to this testimony.

Raising the Threshold Has Broad Support Across the State

To date, over [110 organizations](#) across New York have endorsed [S6398](#) (Biaggi)/[A6943](#) (González-Rojas), current pending legislation that would raise the threshold to \$10,000, because it would alleviate the administrative burden for smaller, grassroots nonprofits to engage in the legislative advocacy process. Endorsing organizations range from arts and culture, social service, Black, Indigenous, and People of Color (BIPOC) organizations, good government, and labor unions. A list of signatories is also included as an addendum to this testimony.

Raising the threshold will encourage more nonprofit advocacy and alleviate the administrative burden placed on grassroots organizations' advocacy. Nonprofit New York and the over 110 signatories strongly urge the state legislature to support this common sense reform in the budget legislation.

Sincerely,



⁴ New York State Joint Commission on Public Ethics. (2021). Lobbying Datasets. Retrieved from <https://jcope.ny.gov/lobbying-datasets>. Filers spending less than \$10,000 spent a total of \$1.86M in 2020, compared to \$266.7 million in total spending. For major spending comparison, the top 100 spenders accounted for 3% of filers and 23% of total spending at \$61M.

ADDENDUM: Analysis of 2020 New York State Lobbying Expenditures

	Clients that spend under \$10,000	Clients that spent \$5,000 to \$9,000	All Clients	Clients that Spent Over \$10,000	Top 100 Spenders	Top 200 Spenders
Number	476	213	3,528	3,052	100	200
% of total #	13%	6%	100%	87%	3%	7%
Total Spending	\$1,863,705	\$1,533,681	\$266,986,956	\$265,123,251	\$60,983,340	\$87,112,527
% of All Spending	0.70%	0.57%	100%	99%	23%	33%

Data from JCOPE's 2020 Annual Report Dataset for Clients (jcope.ny.gov/2020-annual-report-and-related-data).

99% of all lobbying expenditures will still be reported if the threshold is raised

ADDENDUM: [S6398](#) (Biaggi)/[A6943](#) (González-Rojas) Endorsing Organizations

82nd Street Academics	New Economy Project
ABENY	NEW Pride Agenda
AE3INC	New York City Anti-Violence Project
American Indian Artists, Inc. (AMERINDA)	New York City Arts in Education Roundtable
ARC XVI Fort Washington, Inc.	New York Immigration Coalition
Asian American Arts Alliance	New York Public Interest Research Group (NYPIRG)
Asian American Federation	New York State Tourism Industry Association
Association of Legal Aid Attorneys - UAW Local 2325	New Yorkers for Culture & Arts
Astor Services for Children & Families	Nonprofit New York
Big Reuse	Nonprofit Westchester
Black Artist Collective	NYC Alliance Against Sexual Assault
BRC	Oliver Scholars
Brooklyn Defender Services	Paul J. Cooper Human Resource, Inc.
Center for Community Alternatives, Inc.	People In Need, Inc.
Center for Employment Opportunities	Philanthropy New York
Chenango Health Network	Piatigorsky Foundation
Child Care Council of Westchester	Princess Janae Place, Inc.
Children's Aid	Sabater Foundation
Children's Rights, Inc.	Sand Hill Cemetery
Chinese-American Planning Council	South Bronx Rising Together
Chocolate Factory Theater	Southwest Brooklyn Industrial Development Corporation (SBIDC)
Citymeals on Wheels	St. George Theatre Restoration
College and Community Fellowship	Staten Island Not for Profit Association
Coney Island Prep	Strong Economy For All Coalition
Correctional Association of New York	Support Center for Nonprofit Management
Dance/NYC	The Alliance of Resident Theatres/New York
Dancewave	The Bridgespan Group
Eglise Baptiste d'expression Francaise de Mt Vermont	The Children's Agenda
Equity Advocates	The Climate Museum
Faith in New York	The Korean American Family Service Center
First Steps To Heal, Inc.	The Laundromat Project
Flatbush Development corporation	The Local Development Corporation of Crown Heights, Inc.
Gender Equality New York, Inc.	The Maternity and Early Childhood Foundation
Girl Vow	The Sex Workers Project of the Urban Justice Center
Habitat for Humanity of Otsego County, Inc.	Trippinz Care, Inc.

Habitat for Otsego County, Inc.	Truth Pharm
Health and Welfare Council of Long Island	Union Settlement
Health People	United Auto Workers Region 9A
Hour Children	United Community Center of Westchester, Inc.
Howl Arts, Inc.	United Neighborhood Houses
Human Development Services of Westchester	United Way of Buffalo and Erie County
Human Services Council	United Way of New York City
Huntspoint Alliance for Children	United Way of the Dutchess-Orange Region
JMacforFamilies	United Way of Westchester and Putnam
José Limón Dance Foundation, Inc.	Unity House of Troy
Lawyers Alliance for New York	Universe City NYC
Liberated Success, Inc.	Urban Green Council
LIFE Progressive Services Group, Inc.	Urban Pathways
Lifting Up Westchester	UrbanGlass
Literacy Assistance Center	Veteran In Command
Make the Road NY	Violence Intervention Program
Mission: Cure	Volunteers of Legal Service
Mixteca Organization, Inc.	We Run Brownsville
Mohawk Valley Latino Association	West Indian Day Carnival Association
Mount Vernon Neighborhood Health Center	Women's Empowerment Coalition of NYC
New Destiny	