

Lobbying Disclosure Act Thresholds: Does Your Organization Need to Register?

At the federal level, the Lobbying Disclosure Act (LDA) imposes registration and reporting obligations on individuals and entities that lobby various federal officials once certain thresholds have been exceeded. The LDA applies to any entity that lobbies, whether 501(c)(3), 501(c)(4), union or for-profit. The thresholds under the LDA do not limit your organization's lobbying, but rather impose certain disclosure and reporting obligations. Registering under the LDA will not affect an organization's tax-exempt status. See AFJ's factsheet, "[Understanding the Lobbying Disclosure Act](#)" for additional information on the LDA.

What are the Thresholds?

Organizations¹ must register under the federal LDA if they meet all three of the following criteria:

1. An employee will make more than one lobbying contact on behalf of employer, **and**
2. An employee will spend more than 20% of his or her time on lobbying over any three month period, **and**
3. An organization will spend more than \$13,000 on lobbying in a calendar quarter

All three of these criteria must be met before the organization is required to register. For example, if an organization has an employee who makes multiple lobbying contacts and spends more than 20% of her time on lobbying between January and March, but the organization only spends \$10,400 over that same period, the organization will not need to register.

Making More Than One Lobbying Contact

In order to be required to register under the LDA, at least one of the organization's employees must make more than one lobbying contact on behalf of the organization. A lobbying contact is any oral or written communication (including an electronic communication) to a covered legislative branch official or a covered executive branch official² made on behalf of the organization regarding:

- The drafting, amending, introduction of or voting on federal legislation (including legislative proposals)
- The formulation, modification, or adoption of a federal rule, regulation, executive order, or any other program or policy, or position of the United States government
- The administration or execution of a federal program or policy (including the negotiation, award, or administration of a federal contract, grant, loan, permit, or license)
- The nomination or confirmation of a person for a position subject to confirmation by the Senate.

¹ The registration rules discussed in this resources apply only to organizations with in-house employees working on lobbying activities. Different rules apply to entities that are paid to lobby on behalf of someone else.

² See [Section 3](#) of the *LDA Guidance* document from Clerk of the U.S. House of Representatives for more information on the definition of covered executive and covered legislative officials.

A lobbying contact does not include any communication that is:

- Grassroots lobbying, speeches, articles, publications, or other public education activities, mass media advertisements (including radio or television), social networking
- Testimony given before a committee, subcommittee, or task force of Congress, or that is submitted for inclusion in the public record of a hearing conducted by such a committee
- A comment on regulations published in the Federal Register for public comment

Spending More Than 20% of Time on Lobbying Activities

Even if an employee makes more than one lobbying contact, the registration obligation is only triggered if that employee is also expected to spend more than 20% of his or her time on lobbying activities over any three-month period. Lobbying activities include:

- Lobbying contacts and any efforts in support of lobbying contacts
- Planning and preparation activities
- Research and other background work that is intended, at the time of its performance, for use in lobbying contacts
- Coordination with the lobbying activities of others

Lobbying activities do not include efforts to encourage activism by the general public in support of a lobbying effort (for example, grassroots lobbying by 501(h)-electing public charities). The examples listed in the previous section as not being lobbying contacts (testimony before a committee, etc.) also do not count towards the 20% of time threshold. State and local lobbying efforts also fall outside of the definition of lobbying activities although such activities may be subject to lobbying disclosure laws at the [state](#) or local level.

The LDA creates an *optional* alternative test for calculating time and money spent on lobbying in Section 15 of the LDA. Section 15 allows 501(c)(3) public charities that have made the [501\(h\) election](#) to use 501(h) definitions for executive branch lobbying for the purpose of estimating and potentially reporting lobbying. These organizations may use the 501(h) definitions both in determining whether registration is necessary and in their reporting under the LDA. In practice, this means that fewer contacts with executive branch and administrative agency employees will count toward the time and expenditure thresholds. Organizations that engage in a significant amount of administrative advocacy would likely benefit from using this optional method for calculating lobbying. Taking advantage of this method might enable an employee to treat less of his or her time as being for lobbying activities than would be required using LDA definitions. This could mean the difference between an employee who meets the 20%-of-time threshold and one who doesn't. It could therefore also mean the difference between an organization that is required to register under the LDA and one that isn't.³

Spending More Than \$13,000 on Lobbying in a Calendar Quarter

An organization whose employee(s) make more than one lobbying contact and spends more than 20% of time on lobbying activities must register only if the organization's total expenses in connection with lobbying activities exceed \$13,000⁴ during a calendar quarter. All of an organization's expenses for the lobbying activities described above must be counted in order to determine whether the monetary threshold has been exceeded, including, for example, expenses associated with non-

³ For more details on the section 15 alternative reporting method, see [Section 4](#) of the *LDA Guidance* document provided by the Clerk of the U.S. House of Representatives.

⁴ This monetary threshold is adjusted for inflation every four years; the next adjustment is scheduled for 2021.

lobbyist employees who engage in lobbying activities, a portion of the organization's overhead expenses allocable to lobbying activities, costs to travel to meetings with covered officials, and payment to outside consulting firms. The LDA creates an *optional* alternative test for calculating money spent on lobbying in Section 15 of the LDA. See more on Section 15 above.

How and When Must an Organization Register?

An organization must register within 45 days after the date one of its employees qualifies as a lobbyist by meeting the three criteria listed above. The 45-day period is triggered on the date an employee who has already made one lobbying contact on behalf of the organization makes a second lobbying contact. Registering and reporting under the LDA is done electronically. The first step is for an organization to obtain a user ID number and password from the Secretary of the Senate's website. Once the organization receives its user ID number and password, it will be able to electronically file the registration form (Form LD-1). More details on the registration process may be found at the [website](#) of the Clerk of the House of Representatives.

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