

## Community Foundations and Advocacy

### **Community Foundations can support lobbying**

As public charities, community foundations can participate in and support lobbying. Unlike private foundations that are generally restricted from lobbying, community foundations can themselves participate in and fund a limited amount of lobbying.

### **Community Foundations may lobby, within limits**

Community Foundations, like all public charities, are limited in how much lobbying they fund and participate in and that limitation is determined based on how the foundation measures its lobbying activity. The foundation can choose to measure its lobbying under the “insubstantial part test” or the 501(h) “expenditure test”. The insubstantial part test allows public charities to engage in an insubstantial amount of lobbying, however, there are no clear definitions for what that limit is. The 501h expenditure test provides clear definitions of lobbying and allows public charities to spend as much as 20% of their budget on lobbying activity.

### **Community Foundations can specifically make grants for lobbying**

Community foundations may make grants to nonprofits to be used for a lobbying purpose. If a community foundation instructs a nonprofit to use their grant for lobbying, the grant counts against the community foundation’s lobbying limit.

### **Community Foundations may support election-related activities**

Community foundations, like all public charities, are absolutely prohibited from engaging in activity that supports or opposes a candidate for public office, however, they *may* support nonpartisan voter education activity (i.e. candidate education, get-out-the-vote, and voter registration activities). Private foundations have special restrictions for funding voter registration activities. These restrictions are not applicable to community foundations.

### **Community Foundations can support nonpublic charities advocacy activities**

Community foundations are permitted to fund the work of non-public charities if it is an activity that the foundation could participate in itself. For example, a community foundation could provide a grant to a 501 (c)(4) organization to engage in nonpartisan voter registration activity but could not provide a grant to the same organization to produce a partisan voter guide because the community foundation is not allowed to support or oppose candidates for office.

**For more information on these and other advocacy rules, read Alliance for Justice's new publication, *Investing in Change: A Funders Guide to Supporting Advocacy*. It provides the legal information that staff and board members of community foundations need to plan and implement their legislative branch, executive branch, judicial branch, and electoral advocacy. Additional topics in *Investing in Change* include grant agreements and advocacy, building grantees’ advocacy capacity, and evaluation of advocacy.**

Note: This handout provides general guidelines only, and should not be relied upon as legal advice. Organizations should consult with their attorneys to receive guidance on how the law applies to their specific activities.

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