## LAWREVIEW

## Comply with Chicago's New Lobbying Laws

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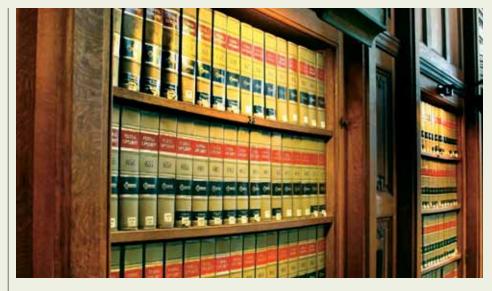


Q: I understand that the City of Chicago recently passed an ordinance changing the city's lobbying laws. Does this ordinance affect nonprofits?

**A.** The City of Chicago Municipal Code regulates lobbying activity in the City of Chicago. The code defines "lobbying" as conduct undertaken in order to "influence any legislative or administrative action" taken by the City of Chicago. In summer 2011, Mayor Rahm Emanuel proposed revisions to the code that would have had a significant negative impact on the way in which nonprofits and their volunteers interact with the city and its elected officials.

The Association Forum took a lead role in working with the Chicago Board of Ethics — the entity responsible for administering Chicago's Governmental Ethics and Campaign Financing Ordinances — as well as the Committee on Committees, Rules and Ethics, chaired by Ald. Richard Mell, to ensure that the mayor's proposed ordinance included key changes reflecting the important work of nonprofits and their volunteer leaders.

In particular, the Association Forum successfully advocated that the definition of "lobbyist" in the proposed ordinance should not include unpaid volunteers advocating on behalf of nonprofit trade or professional associations — therefore avoiding the requirement that such individuals register as lobbyists with the city, file quarterly reports and pay applicable fees.



The final ordinance, adopted on July 28, 2011, excludes from the definition of "lobbyist" volunteers, employees, officers and directors of a nonprofit seeking to influence legislative or administrative action solely on behalf of the nonprofit. However, paid association staff — or other compensated individuals - lobbying on behalf of a nonprofit that is lobbying on behalf of for-profit entities or individuals engaged in a for-profit enterprise are deemed "lobbyists" under the code. Paid association staff lobbying the city on behalf of a trade or professional association or chamber of commerce will be required to register with the city as lobbyists.

Following are a few key provisions of the new law applicable to nonprofits:



- Paid association staff seeking to influence legislative or administrative action on behalf of a nonprofit entity must register annually as lobbyists.
- Unpaid officers, directors, and volunteers do not have to register as lobbyists.
- All registered lobbyists are required to file quarterly reports detailing lobbying activities and disclosing political contributions made to city candidates.
- All lobbyists, including paid association employees, are required to pay a \$350 annual registration fee.

As the new ordinance was effective immediately, all nonprofits that interact with City of Chicago officials should review the ordinance to ensure that their organizations — and members of their staff — are in compliance.

The answers provided here should not be construed as legal advice or a legal opinion. Consult a lawyer concerning your specific situation or legal questions.