

Written Comment: SO2023-0002937 re: Lobbyist Registration

Dear Mr. Chairman and Members of the Committee:

As the nonprofit association in Illinois representing all operating nonprofits and foundations in the state, Forefront has been heavily involved in negotiating this compromise ordinance for years, and in particular, over the last 18 months. During that time, we've communicated directly with over 120 nonprofit organizations that are directly impacted,¹ hosted multiple briefings, and notified hundreds of others via broad communication channels. This resulting substitute ordinance makes significant improvements to the existing underlying law and represents a significant compromise that addresses many of the nonprofit community's original concerns. Key improvements to the underlying law include:

- **Small nonprofits are exempted.** Registration requirements only apply to nonprofit organizations when they have total expenses AND net assets of fund balances exceeding \$5 million. This is important for several reasons, not the least of which is because smaller nonprofits are more likely to be led by and serve Persons of Color.
- **Time and expense thresholds apply.** Above the \$5M threshold, registration is required once someone is compensated, or spends >20 hours, or > \$1,250 on lobbying expenses per quarter.
- **Nonprofit volunteers are exempt from registration.** This applies, for example, to uncompensated Board members.
- **The registration fee waiver is codified for exclusive nonprofit lobbyists.** This has been the unofficial practice and will now be codified.
- **Grant administration is not lobbying.** This offers important protection for those that provide essential services for the City.
- **Grassroots events and communications alone do not require registration.** This protects civic engagement.
- **Public private partnerships are protected.** City positions funded in whole or in part by private philanthropy are protected; further, self-defense communications as well as the discussion of social problems and related solutions do not require registration. These changes are important to maintain consistency with federal regulations.
- **Youth/Young Adult/Student exemption(s) included.** This helps mitigate the concerns of certain young adult and higher ed programs and protects civic engagement, even if students are paid.
- **Stipends that support civic engagement are not reportable.** For example, if a nonprofit offers a gas card or child care stipend to support participation in a meeting, such expenses do not count against the expense threshold.

¹ See list, page 3

The above changes are good ones and should remain in place as the ordinance moves through Committee and on to the full Council. **We support this substitute ordinance as it is, with a few reservations.** While we understand there may not be an opportunity for continued changes to the ordinance at this time, we would like to note the following concerns for the record.

- **Expressing support or opposition to the enactment of, and attempting to influence the interpretation of, any Federal and State legislation, rule, or regulation to a City official, employee, or agency should not be defined as lobbying.** The federal and state government already regulate such expressions and have related registration and/or reporting requirements, and that this was overreach. Further, a(12) is redundant to “a(1) a rule.” See definition of Administrative Action; these should be removed.
 - 2-156-010 (a)11, page 1 of 8: “(11) the expression of support for, or opposition to, enactment of any state or federal legislation, rule or regulation”
 - 2-156-010 (a)12, page. Of 8: “(12) the interpretation of any local State, of federal law, rule or regulation”
- **The duty to report should be paired with a requirement to offer “credible evidence.”** Elsewhere in the current law (2-156-308), City Officials are mandated to report the names of people they believe are lobbying without being registered to the BOE. This provision at worst can be used as a retaliatory measure, and minimally, may launch a disruptive investigation even for those that are not in fact out of compliance. We recommended that the City adopt a requirement for “credible evidence” for reports, placing the burden on the reporter. State law contains a similar requirement for credible evidence.
- **Include a “good faith” clause.** We recommend something similar to the federal and state examples, such as this from the state: “In determining the appropriate fine for each violation, the trier of fact shall consider the scope of the entire lobbying project, the nature of activities conducted during the time the person was in violation of this Act, and whether or not the violation was intentional or unreasonable” (emphasis added; See 25 ILCS 170/10).
- **Reduce bureaucratic reporting requirements.** They remain burdensome and out of step with State law. Despite lengthy conversations about these serious concerns and related specific recommendations, few changes to reporting requirements were made in the final substitute. We urge you to consider the recommendations of the Chicago Alliance for Collaborative Effort (CACE) on this point.
- **Make it clear that the City will conduct public education about the new process.** The Board of Ethics should be required, by law, to conduct public education regarding the changes in this ordinance.

We are tremendously grateful to City officials and staff, in particular Chairman Martin, Jamie Cernek, Laura Reimers, and their predecessors, for their time and for making room for continued negotiations, problem solving, and stakeholder input before moving this final ordinance. Forefront is available to answer any related questions.

Holly Ambuehl, Director of Policy and Government Affairs, Forefront

Forefront directly briefed (or partnered closely with) the following stakeholders:

826CHI	Heartland Alliance
A Just Harvest	Housing Action Illinois
Access Contemporary Music	Ignite
After School Matters	Illinois Equal Justice Foundation
AIDS Foundation of Chicago	Illinois Institute of Technology
Albany Park Theater Project	Illinois State Alliance of YMCAs
Alliance to End Homelessness in Suburban Cook County	Illinois Tech
Alternatives, Inc.	Impact for Equity
American Lung Association	Impact Solutions, Inc
Ami Gandhi	Jackalope Theatre Company
Arabella Advisors	Jewish Council on Urban Affairs
Arts & Business Council of Chicago	Jody Adler
Arts Alliance Illinois	John D. and Catherine T. MacArthur Foundation
Asian Americans Advancing Justice - Chicago	Joyce Foundation
Association House of Chicago	Justin Hayford
Big Brothers Big Sisters of Metro Chicago	Kids Above All
Big Dipper Projects, Inc.	La Casa Norte
Blancarte Strategies	Lawrence Hall
Brave Space Alliance	Lawyers for the Creative Arts
BUILD, Inc.	Literacy Works
Carole Robertson Center for Learning	Lookingglass Theatre Company
Casa Central Social Services	Metropolitan Family Services
Catholic Charities of the Archdiocese of Chicago	Metropolitan Peace Initiatives
Center for Neighborhood Technology	Metropolitan Planning Council
Chicago Architecture Center	Michael Best
Chicago Beyond	MSR Global Inc.
Chicago Cares	Mujeres Latinas en Accion
Chicago Children's Advocacy Center	Neighborhood Boys & Girls Club
Chicago Coalition for the Homeless	Neighbors for Environmental Justice
Chicago Community Trust	New Moms
Chicago Fire Department	North Lawndale Employment Network
Chicago Foundation for Women	Northwestern Medicine
Chicago International Puppet Theater Festival	Northwestern University
Chicago Jobs Council	Nourishing Hope
Chicago Lawyers' Committee for Civil Rights	ONE Hope United
Chicago Rehab Network	ONE Northside
Chicago Women in Trades	Pierce Family Foundation

Chicago Youth Centers	Polk Bros. Foundation
Chinese American Service League (CASL)	Preservation Chicago
Chinese Mutual Aid Association	Ricardo Cifuentes
Coleman Foundation	School of the Art Institute of Chicago
Comer Family Foundation	Shriver Center on Poverty Law
Common Cause Illinois	St. Leonard's Ministries
Crossroads Fund	Syrian Community Network
DANK Haus	TASC, Inc. (Treatment Alternatives for Safe Communities)
Deborah's Place	The Chicago School
Democracy Capacity Project	The Golden Connect
Educators for Excellence	The Night Ministry
Eighth Blackbird	The Otho S.A. Sprague Memorial Institute
El Valor	The Resurrection Project
Elevate	The Reva & David Logan Foundation
Erie Neighborhood House	Thinkinc.
Every Step of the Way Resource Center	Thresholds
Facing Forward to End Homelessness	University of Chicago
Family Focus	University of Illinois Chicago
Forward Momentum Chicago	Urban Gateways
Free Spirit Media	Wagenmaker & Oberly
Friends of the Parks	West Side Heroin/Opioid Task Force
Goodman Theatre	Woods Fund Chicago
Grand Victoria Foundation	YMCA of Metropolitan Chicago
Greater Chicago Food Depository	YWCA Metropolitan Chicago
Healthy Communities Foundation	