



Chapter 4: Coalitions

JCOPE has defined a Coalition as a group of otherwise-unaffiliated entities or members who pool funds for the primary purpose of engaging in Lobbying Activities on behalf of the members of the Coalition.

A Coalition shall **not** include any organization qualified as exempt under sections 501(c)(5) or (c)(6) of the Internal Revenue Code.

Is a Coalition required to register and report with JCOPE?

No. A Coalition that expends or incurs more than \$5,000 in annual **Reportable Compensation** and **Expenses** related to **Lobbying Activity** has an option to either (1) File as a Coalition or (2) if not, then its members must disclose their Contributions to the Coalition, if applicable, as described below:

1. File its own Lobbying Report(s) as a Coalition:

- Identify a Responsible Party;
- Submit Filing(s) identifying itself as a Lobbyist and/or a Contractual Client;
- Maintain an up-to-date record with the Commission disclosing all Coalition members who exceed \$5,000 in cumulative annual **Lobbying Compensation** and **Expenses** and list such members as Beneficial Clients on the Filing.

NOTE: If the Coalition files its own Lobbying Reports, a member's contribution to a Coalition is **not** considered a Lobbying expenditure for purposes of determining whether the member itself must register as a Lobbyist and/or file Bi-monthly or Client Semi-Annual Reports.

To determine whether such member exceeds \$5,000 in cumulative annual **Reportable Compensation** and **Reportable Expenses**, and would thereby need to be listed as a Beneficial Client, the Coalition may use, and rely upon in good faith, the responses to a Questionnaire provided by the Commission.

OR

2. NOT file its own Lobbying Report(s) as a Coalition:

- If the Coalition does NOT file its own Lobbying Reports, a member's contribution to a Coalition is considered a Lobbying expenditure for purposes of determining whether the member itself must register as a Lobbyist and/or file Bi-monthly or Client Semi-Annual Reports.
- Each member who is required to file a Lobbying Report (either through the Coalition activity and/or other Lobbying Activity engaged in by the member) must disclose in such Report their own contribution to such Coalition, including the contribution amount and name of

the Coalition to which it contributed.

What if my only Lobbying Activity is my member contribution to a Coalition and the Coalition chooses not to file its own Lobbying Reports?

For members whose only Lobbying Activity relates to the Coalition:

- If your Contribution to the Coalition is *\$5,000 or less*, then no filing requirements apply;
- If your Contribution is *over \$5,000*, you must register as a Lobbyist on your own behalf.

For members who already engage in **Lobbying Activity** besides the Coalition activity, the member's Contribution is listed as an expense to the named Coalition, in whatever Lobbying Report (Bi-monthly or Client Semi-Annual) is appropriate for the member to file based on its other **Lobbying Activity**.

Are Coalitions required to disclose Source of Funding information?

A Coalition that lobbies on its own behalf and opts to file as a Coalition would be its own Lobbyist, Contractual and Beneficial Client. Any Coalitions that are Beneficial Clients must submit Source of Funding (SoF) disclosures, if applicable. Therefore, in its Client Semi-Annual Report, the Coalition, as the Beneficial Client, must indicate whether it has SoF disclosures to report:

1. **SoF reporting is required** (the Coalition must also meet the separate SoF threshold)
 - If indicated, the Coalition must complete the SoF Filing and identify their Sources.
2. **SoF reporting is NOT required.** The Coalition must identify the applicable reason/option:
 - Beneficial Client is a 501(c)(3) or government organization;
 - Beneficial Client has no applicable Contributions;
 - Beneficial Client is under the spending threshold;
 - Exemption application is pending or previously approved.

See **Chapter 8: Source of Funding Disclosures** and **19 NYCRR Part 943.9(h)(3)** of the Commission's Regulations for information related to Coalitions.

Are Coalition Members required to disclose Source of Funding information?

Yes, *if* they constitute a Beneficial Client **and** meet the Source of Funding threshold triggering disclosure.

Regardless of which filing method a Coalition elects to utilize, or how a member reports its contribution if required, each Coalition member that expends more than \$5,000 in cumulative annual **Reportable Compensation** and **Reportable Expenses** is considered a Beneficial Client and, therefore, are subject to SoF disclosure requirements.

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A member's contribution to a Coalition **always** imputes back to the member for purposes of determining whether the member, as a Beneficial Client, meets the Source of Funding (SoF) disclosure threshold.

See **Chapter 8: Source of Funding Disclosures** and **19 NYCRR Part 943.9(h)(3)** of the Commission's Regulations for information related to Coalitions.

Questionnaire for Coalitions

This questionnaire may be used, and relied upon in good faith, by a Coalition seeking to determine whether any of its members (which could be an individual or an entity) exceed \$5,000 in cumulative annual **Lobbying Compensation** and **Expenses** and would thereby need to be listed as a Beneficial Client on the Coalition's Filings, pursuant to Part 943.9(h)(3) of the Commission's regulations. The Coalition Questionnaire can be found in the '2019 Filing Information and Requirements' section of the website. From the main navigation menu, select '*Lobbying*' → *Filing Information and Requirements* → *2019 Filing Information and Requirements* → *Registration Form, Agreement Form, Sample Letters and Questionnaire (table of contents item)*.