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**1. GAO REPORT LOOKS AT LOBBYISTS' COMPLIANCE:** The Government Accountability Office (GAO) released a report this week finding that most lobbyists are in compliance with the Lobbying Disclosure Act (LDA), though there continues to be confusion around certain disclosures as well as some “chronic offenders” who habitually fail to file LDA reports.

The GAO [report](#), released March 24, includes the results of an annual audit of quarterly LD-2 reports, which disclose how much money an organization spends on lobbying as well as the specific issues or bills they worked on, and semi-annual LD-203 reports, which disclose contributions from lobbyists to candidates for office.

Based on the audit, GAO estimated that 88 percent of lobbyists filed initial LD-2 reports as required for new lobbying registrations and 93 percent could provide documentation for income and expenses, though 31 percent of filers did not correctly follow LDA guidance to round to the nearest \$10,000 on their reports. The GAO also found that 85 percent of lobbyists filed year-end LD-203 reports in 2014 as required.

According to GAO, some lobbyists are still unclear on the requirement that they disclose “covered positions” in their LDA reports. The reports require filers to disclose whether a lobbyist previously held a government position, and GAO estimated that 21 percent of all LD-2 reports may not have properly disclosed one or more previously held covered positions, such as paid congressional internships or certain executive agency positions.

Although House and Senate officials in charge of administering the LDA have referred thousands of possible violations to the Department of Justice, more than half of those referrals are pending because the U.S. Attorney’s Office can’t locate the lobbyists and haven’t received a response to their initial inquiry. In August last year, the U.S. Attorney’s Office for the District of Columbia finalized a \$125,000 settlement with a lobbying firm, which is the largest civil penalty settlement for noncompliance with the LDA.

**2. ASAE WEIGHS IN ON NC DISCRIMINATORY LAW:** ASAE delivered a letter to North Carolina Governor Pat McCrory this week opposing a law he signed that bans local jurisdictions from enacting ordinances to protect the rights of LGBT citizens.

The law, locally called HB2, was passed by North Carolina legislators in a special session to block civil rights protections for gay and transgender people that had been enacted in Charlotte. It was then quickly signed into law by Gov. McCrory.

The law triggered a backlash of opposition from dozens of corporations doing business in the state, and the National Basketball Association has threatened to pull the all-star game from Charlotte next year if the measure is not repealed.

In its March 29 letter, ASAE said the law “denies fundamental rights to LGBT citizens and threatens to give rise to state-sanctioned discrimination.”

ASAE also said the law could cause serious harm to the state’s meetings and conventions business if it goes unchanged.

ASAE also opposed a similar bill in Georgia. That bill was vetoed on Monday by Gov. Nathan Deal, who said the bill did not reflect Georgia’s spirit and welcoming nature.

“Our people work side by side regardless to the color of our skin, or the religion we adhere to,” Deal said. “We are working to make life better for our families and our communities. That is the character of Georgia. I intend to do my part to keep it that way.”

**3. TAX-EXEMPT AUDITS FALL OFF AT IRS:** The Internal Revenue Service (IRS) audited less than 1 percent of returns from tax-exempt organizations last fiscal year, according to agency data released this week.

The IRS processed nearly 790,000 returns from tax-exempt organizations and selected roughly 6,400 for audit in fiscal year 2015, which is nearly 1,700 fewer than the previous fiscal year, according to the [IRS Data Book](#) released March 30.

Audits related to nonprofit political activity fell by more than half from the previous year, although the IRS has indicated political activity will be a focus for the agency in the coming year, Bloomberg BNA reported.

In an opening letter to this year’s Data Book, IRS Commissioner John Koskinen said that fiscal year 2015 marked the fifth consecutive year of reductions to the IRS budget, forcing the agency further reduce staffing and the total number of examinations it conducted.

“With more than a 15-percent reduction in full-time-equivalent staffing compared to 5 years ago, operations across a number of areas were downsized, including the total number

of individual tax return examinations, which decreased by 22 percent over the last 5 years,” Koskinen said.

**4. ONE MONTH LEFT FOR POWER OF A AWARDS:** ASAE’s [Power of A Awards](#) are the industry’s highest honor, recognizing the association community’s valuable contributions on the local, national and global level. The awards shine a spotlight on the outstanding accomplishments of associations and industry professionals for efforts to enrich lives, create a competitive workforce, prepare society for the future, drive innovation and make a better world.

There is exactly one month left to enter your association’s great work. And, it’s easy to enter. Simply [log on](#) to submit your entry. Silver, Gold and Summit level awards will be bestowed by a committee of seasoned industry professionals, and six Summit winners will be recognized at ASAE’s Summit Dinner on October 5 at the National Building Museum in Washington, DC.

The Power of A Awards are open to associations of all types, association management companies that submit applications on behalf of their association clients, and industry partners that undertake initiatives in coordination with associations.

For more information about the awards, please contact us at [publicpolicy@asaecenter.org](mailto:publicpolicy@asaecenter.org).