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**Testimony of United Neighborhood Houses  
Before the New York City Campaign Finance Board  
Regarding Proposed New Requirements for Advocacy Not-for-Profits**

**Presented by Gregory Brender, Policy Analyst  
October 27, 2011**

Good morning. Thank you for the opportunity to testify. My name is Gregory Brender and I am here on behalf of United Neighborhood Houses. United Neighborhood Houses (UNH) is New York City's federation of settlement houses and community centers. UNH promotes and strengthens the neighborhood-based, multi-service approach to improving the lives of New Yorkers in need and the communities in which they live. A membership organization rooted in the history and values of the settlement house movement, UNH supports its members through policy development, advocacy and capacity-building activities.

A crucial part of our responsibility to our member agencies and the communities which they serve is to be an effective advocate for the services which our member agencies provide. Using the expertise that our member agencies have gained from their on-the-ground experience, we work to educate the general public and policymakers about the importance of human services such as early childhood education, preventive services, after-school programs, senior centers and other programs for older adults and adult literacy and education.

We are proud of the work that we do for our member agencies and the communities that they serve and are thrilled to have the opportunity to work with policymakers on these important issues. Last year alone, our advocacy efforts contributed to successful efforts to baseline funding for senior services and save child care for thousands of low-income families.

We are very concerned about the impact that the new CFB rules will have on our ability to fulfill this part of our mission.

The rules that CFB has presented go beyond the mandate of the Charter amendment and will actually make it harder for organizations like UNH which share your goals of increasing citizen participation in the political process. The rules, as proposed, will regulate speech intended to educate the public on the decisions and policies of elected officials and communication by organizations with their own members.

City leaders depend on nonprofits like UNH to evaluate the impacts of proposed legislation, policy and budgeting on the communities that we serve. For example, UNH helps to lead the Campaign for Summer Jobs. Through this campaign, we organize young people to advocate for funding for the Summer Youth Employment Program. This campaign helps both to secure funding for this crucial program but also to empower a group of New Yorkers who are often politically marginalized to be actively and positively engaged in policy making in their City and State.

Our efforts are never part of a political campaign. We have never supported or opposed a political candidate, and would not be able to do so under federal law. We advocate, we organize and we provide expertise. These activities should not trigger CFB campaign disclosures. Unfortunately, these rules would require us to submit campaign disclosures if we spend as little as \$1,000 issue based advocacy, a sum that could be spent bringing a few buses of teenagers to City Hall.

Reporting would not be a simple process, adding an onerous task to nonprofit staffs already burdened by added responsibilities. The proposed rules require as many as 12 scheduled reports, plus up to 14 more just before the primary or general election. Failure to report, or reporting incorrectly, could lead to lengthy investigations, \$10,000 fines and even criminal prosecution, which in practice would mean nearly all groups subject to the new rules that are willing to take these risks would need to pay for legal counsel to ensure proper filing. We and other nonprofits cannot afford to damage our reputation by subjecting ourselves to a potential CFB investigation.

Another concern is the requirement that organizations spending more than \$5,000 would have to report and make public almost all of their sources of funding, including foundation grants, previously anonymous charitable giving, investment earnings and even membership dues as campaign "contributions."

One especially troubling requirement that we would have to contend with in complying with these regulations is the requirement to declare our advocacy spending as "supporting" or "opposing" particular candidates. UNH participates in issue campaigns but not political campaigns. We encourage New Yorkers to vote but we never tell them who to vote for or against.

In fact, 501c(3) organizations, such as ours, are barred from making endorsements by the IRS, which would mean we would be in the difficult position of either having to violate City law, violate Federal law or stop informing the public about important issues if the issue happens to be discussed by the City Council within three months of an election.

In summary, nonprofit organizations like UNH play an important role in the policy process. The CFB should not interfere with our right to participate in legislative and issue advocacy. The consequences of these actions run counter to the CFB's broad goal of increasing participation in the democratic process.

Thank you again for the opportunity to offer testimony.