

1 H.734

2 Introduced by Representative Boutin of Barre City

3 Referred to Committee on

4 Date:

5 Subject: Elections; campaign finance; lobbying; nonprofit organizations

6 Statement of purpose of bill as introduced: This bill proposes to adopt  
7 transparency requirements for nonprofit organizations that engage in advocacy,  
8 lobbying, and other activities that attempt to impact or influence public policy,  
9 including disclosure and reporting of advocacy organization expenditures of  
10 more than \$10,000.00 annually for Vermont-focused issue advocacy; require  
11 nonprofit organizations to annually disclose any affiliated entities and major  
12 funders; and create new categories of lobbying entities called “advocacy  
13 organizations” and “grassroots lobbying entities.”

14 An act relating to nonprofit transparency in lobbying and elections

15 It is hereby enacted by the General Assembly of the State of Vermont:

16 Sec. 1. SHORT TITLE

17 This act may be cited as the “Vermont Nonprofit Advocacy Transparency  
18 and Accountability Act of 2026.”

1 Sec. 2. PURPOSE

2 The purpose of this act is to strengthen transparency, accountability, and  
3 fair play in the political and advocacy activities of nonprofit organizations  
4 operating in Vermont, particularly those engaging in issue advocacy,  
5 grassroots lobbying, influencing public policy, and elections.

6 Sec. 3. 17 V.S.A. § 2901 is amended to read:

7 § 2901. DEFINITIONS

8 As used in this chapter:

9 (1) “Advocacy organization” means any entity exempt under 26 U.S.C.  
10 § 501(c) that spends more than \$10,000.00 per year on issue advocacy,  
11 grassroots lobbying, public policy, or election campaigns related to Vermont.

12 (2) “Affiliated entity” means an entity that shares staff, board members,  
13 office space, or financial resources with another nonprofit.

14 (3) “Candidate” means an individual who has taken affirmative action to  
15 become a candidate for State, county, local, or legislative office in a primary,  
16 special, general, or local election. An affirmative action shall include one or  
17 more of the following:

18 \* \* \*

19 (2)(4) “Candidate’s committee” means the candidate’s campaign staff,  
20 whether paid or unpaid.

21 (3)(5) “Clearly identified,” with respect to a candidate, means:

1

\* \* \*

2

~~(4)(6)~~ “Contribution” means a payment, distribution, advance, deposit, loan, or gift of money or anything of value, paid or promised to be paid for the purpose of influencing an election, advocating a position on a public question, or supporting or opposing one or more candidates in any election. As used in this chapter, “contribution” shall not include any of the following:

7

\* \* \*

8

~~(5)(7)~~ “Election” means the procedure whereby the voters of this State or any of its political subdivisions select a person to be a candidate for public office or to fill a public office or to act on public questions, including voting on constitutional amendments. Each primary, general, special, or local election shall constitute a separate election.

13

~~(6)(8)~~ “Electioneering communication” means any communication that refers to a clearly identified candidate for office and that promotes or supports a candidate for that office or attacks or opposes a candidate for that office, regardless of whether the communication expressly advocates a vote for or against a candidate, including communications published in any newspaper or periodical or broadcast on radio or television or over the internet or any public address system; placed on any billboards, outdoor facilities, buttons, or printed material attached to motor vehicles, window displays, posters, cards,

1 pamphlets, leaflets, flyers, or other circulars; or contained in any direct  
2 mailing, robotic phone calls, or mass electronic or digital communications.

3 ~~(7)(9)~~ “Expenditure” means a payment, disbursement, distribution,  
4 advance, deposit, loan, or gift of money or anything of value, paid or promised  
5 to be paid, for the purpose of influencing an election, advocating a position on  
6 a public question, or supporting or opposing one or more candidates.

7 \* \* \*

8 ~~(8)(10)~~ “Four-year general election cycle” means the 48-month period  
9 that begins 38 days after a general election for a four-year-term office.

10 ~~(9)(11)~~ “Full name” means an individual’s full first name, middle name  
11 or initial, if any, and full legal last name, making the identity of the person who  
12 made the contribution apparent by unambiguous reference.

13 (12) “Grassroots lobbying” means the act of urging the public, via  
14 media or mass communications, to contact legislators to influence legislation,  
15 public policy, or election outcomes.

16 ~~(10)(13)~~ “Independent expenditure-only political committee” means any  
17 one or more individuals, or any corporation, labor organization, public interest  
18 group, or other entity, excluding a political party, that accepts contributions or  
19 makes expenditures in any amounts within any two-year general election cycle  
20 for the purpose of supporting or opposing candidates, influencing an election,  
21 or advocating for or against a public question; conducts its activities entirely

1 independent of candidates; does not give contributions to candidates, political  
2 committees, or political parties; does not make related expenditures; and is not  
3 closely related to a political party or to a political committee that makes  
4 contributions to candidates or makes related expenditures. “Independent  
5 expenditure-only political committee” includes any “self-funded individual,”  
6 meaning an individual who receives no contributions from any other source for  
7 the purpose of supporting or opposing candidates, influencing an election, or  
8 advocating for or against a public question.

9                   ~~(14)~~ “Mass media activity” means a television commercial, radio  
10                   commercial, internet advertisement, mass mailing, mass electronic or digital  
11                   communication, literature drop, newspaper or periodical advertisement, robotic  
12                   phone call, or telephone bank, that includes the name or likeness of a clearly  
13                   identified candidate for office.

14                   (12)(15) “Party candidate listing” means any communication by a  
15                   political party that:

16 \* \* \*

17                   ~~(13)~~(16) “Political committee” or “political action committee” means  
18                   any formal or informal committee of one or more individuals or a corporation,  
19                   labor organization, public interest group, or other entity, not including a  
20                   political party, that accepts contributions or makes expenditures in any  
21                   amounts in any two-year general election cycle for the purpose of supporting

1 or opposing one or more candidates, influencing an election, or advocating a  
2 position on a public question in any election, and includes a legislative  
3 leadership political committee.

4 ~~(14)~~(17) “Political party” means a political party organized under  
5 chapter 45 of this title and any committee established, financed, maintained, or  
6 controlled by the party, including any subsidiary, branch, or local unit thereof,  
7 and shall be considered a single, unified political party. The national affiliate  
8 of the political party shall be considered a separate political party.

9 ~~(15)~~(18) “Public question” means an issue that is before the voters for a  
10 binding decision.

11 ~~(16)~~(19) “Single source” means an individual, partnership, corporation,  
12 association, labor organization, or any other organization or group of persons  
13 that is not a political committee or political party.

14 ~~(17)~~(20) “Telephone bank” means more than 500 telephone calls of an  
15 identical or substantially similar nature that are made to the general public  
16 within any 30-day period.

17 ~~(18)~~(21) “Two-year general election cycle” means the 24-month period  
18 that begins 38 days after a general election.

19 ~~(19)~~(22) “Legislative leadership political committee” means a political  
20 committee established by or on behalf of a political party caucus within a  
21 chamber of the General Assembly.

1 Sec. 4. 17 V.S.A. § 2974 is added to read:

2 § 2974. PUBLIC REPORTING BY ADVOCACY ORGANIZATIONS:

3 AUDITS

4 (a) Any advocacy organization expending more than \$10,000.00 annually

5 on Vermont-focused issue advocacy or grassroots lobbying shall:

6 (1) file, on a quarterly basis, reports with the Secretary of State listing:

7 (A) the total amount expended on advertisements, mailers, digital

8 media, and canvassing;

9 (B) donors who contributed over \$1,000.00 during the reporting

10 period; and

11 (C) the names of any affiliated entities; and

12 (2) include on all public communications a disclaimer reading:

13 “Paid for by [organization name], not authorized by any candidate.”

14 (b) Advocacy organizations that either receive or earn annual revenue over

15 \$1,000,000.00 shall perform an audit of their finances, at minimum,

16 biannually. The organization shall file the results of these audits with the

17 Secretary of State within three months after completion.

18 (c) The Secretary of State shall design and make available any form

19 required by this section.

20 Sec. 5. EFFECTIVE DATE

21 This act shall take effect on passage.