

## 501(c)(6) Frequently Asked Questions

**1. I read the memo in the Board agenda, but can you further explain the 501(h) election?**

**Answer:** The 501(h) election is simply a different way of reporting lobbying expenses to the IRS. The 501(h) election sets specific, dollar thresholds for lobbying expenses, compared to the more amorphous requirements of the alternative “no substantial part test” (i.e., no substantial part of the organization’s total expenditures may be devoted to lobbying.) The 501(h) thresholds are identified in part II-A on the Form 990 tax return, as shown in Attachment A. The maximum lobbying expenditure under the 501(h) election is \$1,000,000. In tax year 2008 (10/1/08-9/30/09), ASCE’s lobbying expenses exceeded the maximum threshold. As a consequence, ASCE was subject to and required to report to the IRS using the “substantial part” test and completed part II-B on the return, as also shown in Attachment A. In tax year 2009 (10/1/09-9/30/10), which will be filed next month, ASCE’s lobbying expenses were \$917,693. However, ASCE cannot use the 501(h) election option for tax year 2009 because such election must be made during the tax year for which it is being used. We were not able to make the election during tax year 2009 because we did not know then whether our lobbying expenditures would be under \$1 million.

**2. How much money will it cost to create a parallel 501(c)(6), American Society of Civil Engineers Association (“ASCEA”), entity?**

**Answer:** Estimated start-up and ongoing costs for the ASCEA are as follows:

ASCEA Start-up Costs		ASCEA Ongoing Costs	
Business cards/letterhead (corporate identity)	\$ 10,000	Business cards/letterhead	\$ 5,000
Audit/ tax return	\$ 5,000	Audit/tax return	\$ 5,000
Postal rates (membership development and renewal 1 <sup>st</sup> class mailing rate instead of nonprofit mailing rate)	\$ 0 - \$ 440,000*	Postal rates (membership development and renewal 1 <sup>st</sup> class mailing rate instead of nonprofit mailing rate)	\$ 0 - \$ 440,000*
Administration (Acctg, Board Operations, IT, Legal)	Absorbed w/ existing staff	Administration (Acctg, Board Operations, IT, Legal)	Absorbed w/ existing staff
Legal fees	\$ 15,000		
Renewal/programming/communication	\$ 50,000		
Branding logos/trademark	\$ 22,000		
Registration fees	\$ 4,000		
Website setup/operation	\$ 5,000		

*\*Possible increased mailing rates in the event the post office does not approve ASCEA for privileged nonprofit mailing rates for membership development and renewal mailings. It is believed that these costs are unlikely, but they are included here as possibilities nonetheless.*

### 3. What is the implementation timeframe under consideration?

**Answer:** Milestones under consideration include:

- *October 2011* – First Reading consideration of ASCE Bylaws amendments.
- *January 2012* – Second Reading approval (i) ASCE Bylaws amendments; (ii) creation of ASCEA following review of ASCEA Articles of Incorporation and Bylaws, and (iii) ASCEA start-up funding.
- *Spring 2012* – File ASCEA incorporation and tax exemption applications.
- *August 2012* – Distribute 2013 membership renewal for ASCEA and ASCE.

### 4. Does the current proposal contemplate that ASCEA will engage in political activities, such as forming a Political Action Committee (PAC) or endorsing or opposing political candidates?

**Answer:** The structure as proposed does not include or preclude political activities by ASCEA. As a 501(c)(6) entity, ASCEA would be legally allowed to engage in political activities, however, the proposed ASCEA Bylaws provide as follows:

- (i) The creation of a national level Political Activity Committee (PAC) by the American Society of Civil Engineers Association, Inc. must be approved by a two-thirds (2/3) majority vote of the Association Board of Directors.
- (ii) The endorsement of any political candidate for a national level office (U.S. Congress or President) by the American Society of Civil Engineers Association, Inc. must be approved by a two-thirds (2/3) majority vote of the Association Board of Directors.

These are potential bylaws provisions and are subject to the ASCEA Board's review and approval.

### 5. Comments: Are public employees prevented by law from engaging in political activities and, if so, how do you deal with this concern?

**Answer:** The new 501(c)(6) organization is intended to allow for greater involvement in legislative activities (i.e., attempting to influence legislation). As proposed, there are no plans for the (c)(6) to engage in political activities (i.e., supporting or opposing political candidates). While we are continuing to look into this, we are not currently aware of an impact on government employees. There are a number of other (c)(6) professional societies that have government employee members and directors, such as the American Institute of Architects, the National Society of Professional Engineers, the American Speech-Language-Hearing Association, the Society for Human Resource Management, and many of the medical societies.

Should the 501(c)(6) choose to undertake political activities in the future, most federal employees are permitted to engage in political activities while off duty (employees of FEC, FBI, CIA, NSA, and certain other law enforcement, legal, and security-related agencies are excluded). Public employees may not themselves campaign for partisan political office, but may join and be active in political parties, may contribute funds, and may campaign for or against political candidates.

The U.S. Code prohibits federal employees from participating “personally and substantially” in their public capacity in any transaction, decision, or other matter if the employee has a personal financial interest. When a federal employee is an officer or director of a nonprofit organization, the organization’s interests are considered “personal financial interests” of the employee. The federal government has interpreted this restriction as prohibiting public employees from being officially appointed as a government representative to a nonprofit board (absent a waiver or other statutory exception). However, this has led to confusion about the line between “individual service” on a board and “official representation,” particularly in cases where official time/resources are involved or when it is difficult to avoid the mistaken impression that the member is serving as an official government representative. Because of this, amended rules have recently been proposed that will expand the ability of federal employees to serve on nonprofit boards in an official capacity. Please note that the current conflict of interest language and the proposed amendments apply equally to federal employees serving on the board of a 501(c)(3) as well as a 501(c)(6) organization.

While it is possible that there may be more restrictive rules at the state level, we are not aware of any prohibitions for state employees serving on boards of a 501(c)(6) organization. This question could be investigated further.

**6. May an ASCE Board member opt out of serving on the ASCEA Board?**

**Answer:** As proposed, there is no option for ASCE Board members to opt out of sitting on the Association Board.

**7. May an ASCE member opt out of being a member of ASCEA and paying dues to ASCEA?**

**Answer:** As proposed, there is no option for ASCE members to opt out of membership or dues payments to the Association.

**8. What is the allocation of fees and dues between ASCE and ASCEA? How will fees and dues be approved to be a member of ASCE or ASCEA?**

**Answer:** Allocation of dues will be determined by the ASCE Finance Committee and Board of Direction in conjunction with its budget development process, based on the needs and expenditures of the organizations. These amounts will also be approved by the ASCEA Finance Committee and Board of Directors. The governing documents do not impose a limit on the amount of dues that can be allocated to ASCEA.

**9. Will ASCE/ASCEA Board members have to submit two reimbursement forms?**

**Answer:** Typically, Board members will submit a single reimbursement request to the Society. ASCEA Board meetings usually will immediately follow ASCE Board meetings, with no resulting added expense. On rare occasions, involving purely legislative activity, a Board member may be directed to submit his/her reimbursement request to the Association.

**10. How does this impact the local units?**

**Answer:** The current 501(c)(6) ASCEA discussion relates only to the ASCE national entity, although it includes lobbying expenditures by the national entity on the federal, state and local levels. ASCE’s sections have separate 501(c)(3) tax exemptions and file separate tax returns that include a report of the sections’ lobbying expenditures. Any initiative to create a similar 501(c)(6) structure at the section level would require separate consideration.

**11. Have the local units expressed any opinions on this topic?**

**Answer:** ASCE is aware of the following Organizational Entity resolutions relating to the 501(c)(6) ASCEA discussion (see Attachment B):

- Los Angeles Section
- North Carolina Section
- Western Region Younger Member Council
- Wisconsin Section (resolution and President's column)

**12. Is it a conflict of interest for directors to serve on the boards of both ASCE and ASCEA?**

**Answer:** Each officer and director has a fiduciary duty to the Board in fulfillment of his/her duties for that Board. We do not anticipate any divergence in the missions, strategic plans, or interests of the two organizations, so there should be no conflicts of interest for individuals serving on both Boards. (See, e.g., ASCE Foundation)

Form 990 Excerpts

1) 501(h) Election

**Part II-A To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)).** See the instructions for Schedule C for details.

- A Check  if the filing organization belongs to an affiliated group.
- B Check  if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
1b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
1c	Total lobbying expenditures (add lines 1a and 1b)														
1d	Other exempt purpose expenditures														
1e	Total exempt purpose expenditures (add lines 1c and 1d)														
1f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">If the amount on line 1e, column (a) or (b) is:</th> <th style="text-align: left;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000.</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000.	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000.	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
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Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
1g	Grassroots nontaxable amount (enter 25% of line 1f)														
1h	Subtract line 1g from line 1a. Enter -0- if line g is more than line a														
1i	Subtract line 1f from line 1c. Enter -0- if line f is more than line c														
1j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No												

2) Substantial Part Test

**Part II-B To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)).** See the instructions for Schedule C for details.

	(a)		(b)
	Yes	No	Amount
1			
During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?	✓	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	✓	
c	Media advertisements?	✓	127,555
d	Mailings to members, legislators, or the public?	✓	72,103
e	Publications, or published or broadcast statements?	✓	234,743
f	Grants to other organizations for lobbying purposes?	✓	193,803
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	✓	350,169
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?	✓	156,092
i	Other activities? If "Yes," describe in Part IV		
j	Total lines 1c through 1i		1,134,465
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?	✓	
b	If "Yes," enter the amount of any tax incurred under section 4912		
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912		
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		



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American Society of Civil Engineers  
Los Angeles Section

**Resolution to recommend ASCE's establishment of a 501(c)(6) affiliate**

1. WHEREAS, the American Society of Civil Engineers (Society) is currently designated as a 501(c)(3) Non-Profit organization; and,
2. WHEREAS, as a 501(c)(3) organization, (i) the Society's lobbying activities may not represent a "substantial part" of its total activities, and (ii) the Society is prohibited from participating or intervening in any political campaign on behalf of or in opposition to any candidate for public office;
3. WHEREAS, the Society currently engages in lobbying activities, and the IRS has provided little guidance to determine whether the Society's legislative activities represent a "substantial part" of its activities;
4. WHEREAS, the Society is not, nor has it ever been, a neutral entity with regards to public policy, as evidenced by the Society's 163 public policy statements;
5. WHEREAS, a 501(c)(6) affiliate would further the achievement of the Society's goals as stated in "Achieving the Vision for Civil Engineering 2025: A Roadmap for the Profession," specifically Outcome 5: Leaders in Public Policy, where we are entrusted to create sustainable infrastructure and enhance the global quality of life;
6. WHEREAS, the 501(c)(3) designation limits the Society's ability to engage in legislative activities and prohibits the Society's involvement in political activities;
7. WHEREAS, a 501(c)(6) entity would afford its membership additional access to legislative activities and lobbying in order to effectively shape legislation for the benefit of its members and the public at large;
8. WHEREAS, if created, a 501(c)(6) entity would be entitled to engage in an unlimited amount of lobbying on behalf of its membership;
9. WHEREAS, a 501(c)(6) entity has the legal authority to establish a Political Action Committee (PAC);
10. WHEREAS, a 501(c)(6) entity would be authorized to endorse candidates at the national, state and local levels;



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11. WHEREAS, the Society will continue to operate as a 501(c)(3) organization and to support such educational, scientific, and charitable purposes as are consistent with its exempt purpose;
  12. WHEREAS, it will remain that no Society membership dues shall ever be contributed to elected officials for political campaigns since it is prohibited by law;
  13. WHEREAS, the Society has already been defined as an organization that lobbies, and federal lobbying reports are filed bi-annually. Additionally, the Society reports annual lobbying expenditures on its Form 990 tax return filed with the IRS, as identified below:
    - 2003 Tax year (10/1/03-9/30/04) – \$321,610
    - 2004 Tax Year (10/1/04-9/30/05) – \$450,934
    - 2005 Tax Year (10/1/05-9/30/06) – \$681,639
    - 2006 Tax Year (10/1/06-9/30/07) – \$708,943
    - 2007 Tax Year (10/1/07-9/30/08) – \$794,790
    - 2008 Tax Year (10/1/08-9/30/09) – \$1,134,465
    - 2009 Tax Year (10/1/09-9/30/10) – \$917,693;
  14. WHEREAS, if the Internal Revenue Service should ever determine that the Society engaged in political activity or that the Society's lobbying activities constitute a substantial part of its total activities, ASCE's tax status as a 501(c)(3) could be in jeopardy;
  15. WHEREAS, if created, a 501(c)(6) affiliate would have greater latitude to publish and distribute Voter's Guides that would be distributed amongst Society members and to the public providing voting history of each congressional member regarding key civil engineering issues during each session of Congress;
  16. WHEREAS, the Society's Board of Direction has emphasized rebuilding the nation's infrastructure as a top priority for the Society, and in order to accomplish this goal and fully leverage efforts to promote the Report Card for America's Infrastructure, the Society will need to be successful in advocating at the federal, state and local levels;
  17. WHEREAS, the adoption of Policy 465, which aims to increase the educational requirements for professional engineering licensure, will necessitate the modification of licensing laws in 56 licensing jurisdictions, including all 50 states, thereby requiring a major lobbying effort utilizing significant volunteer, consultant and staff resources including the Society's newly hired staff Director of State and Local Government Relations, and coupled with the Society's ongoing efforts to support legislation addressing the nation's infrastructure needs, may cause increasing challenges for the Society to comply with the IRS' stringent limits on 501(c)(3) lobbying activities;



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18. WHEREAS, the representatives of the Metropolitan Los Angeles Branch Government Affairs Committee recognize the June 1, 2006 Region 8 Resolution, the September 29, 2006 Region 6 Resolution, and the January 27, 2007 Region 2 Resolution resolving that the Society should increase its political involvement by creating a 501(c)(6) affiliated entity, for the benefit of the civil engineering profession and the public;
  19. THEREFORE, BE IT RESOLVED that the representatives of the Los Angeles Section support and encourage the Society to establish a 501(c)(6) affiliate while maintaining the Society's existing 501(c)(3) tax exempt status.



AMERICAN SOCIETY OF CIVIL ENGINEERS

**DRAFT**

NORTH CAROLINA SECTION  
RESOLUTION 11-01

*Summary of Content of Resolution*

**WHEREAS**, The ASCE Lobbying effort has recently exceeded \$1 million; and

**WHEREAS**, The ASCE is currently involved in lobbying at all levels of government; and

**WHEREAS**, The ASCE maintains over 160 public policy statements; and

**WHEREAS**, The full implementation of Policy 465 will require a significant lobbying effort to 56 states and territories; now, therefore, be it

**RESOLVED**, That the North Carolina Section Board of Directors petitions the National Board of Direction to create a 501(c)6 organization of ASCE; and be it further

**RESOLVED**, That less than 5% (excluding volunteer hours) of ASCE's annual budget be used for the 501(c)6 lobbying activities; and be it further

**RESOLVED**, That the National Board of Direction does not create an ASCE PAC; and be it finally

**RESOLVED**, That this action will enable ASCE to be a leader in the public policy arena at all levels of government.

Approved unanimously (or put specific vote) this xxth day of xxxxxx 2011.

Submitted by:

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Kathryn Benson, President  
North Carolina Section

**Resolution 2011-1**

**Resolution to add 501(c)(6) designation to ASCE**

1. WHEREAS, the American Society of Civil Engineers (Society) is currently designated as a 501(c)(3) Non-Profit organization; and,
2. WHEREAS, the Society currently engages in lobbying and has the potential to exceed the IRS limitations of a 501(c)(3) organization within the 2011 calendar year;
3. WHEREAS, the Society is not, nor has it ever been, a neutral entity with regards to public policy, as evidenced by the Society's 163 public policy statements;
4. WHEREAS, an added 501(c)(6) designation would allow the Society to achieve self prescribed goals as stated in "Achieving the Vision for Civil Engineering 2025: A Roadmap for the Profession," specifically Outcome 5: Leaders in Public Policy, where we are entrusted to create sustainable infrastructure and enhance the global quality of life;
5. WHEREAS, the limited activities allowed under the 501(c)(3) designation impede the Society to substantially influence legislation and hinders the Society's involvement in campaign activities;
6. WHEREAS, adding a 501(c)(6) entity to an existing 501(c)(3) entity would grant additional access to legislative activities and lobbying in order to effectively shape legislation for the benefit of the public;
7. WHEREAS, if created, an added 501(c)(6) entity would allow the Society to engage in an unlimited amount of lobbying on behalf of Society members;
8. WHEREAS, an added 501(c)(6) entity would allow the option for the Society to form a Political Action Committee (PAC);
9. WHEREAS, an added 501(c)(6) would allow the Society to endorse candidates at the national, state and local levels;
10. WHEREAS, the Society will continue to retain its current 501(c)(3) designation in addition to the 501(c)(6) designation;
11. WHEREAS, it will remain that no Society dues should ever be given to elected officials since it is prohibited by law;



12. WHEREAS, the Society has already been defined as an organization that lobbies, and federal lobbying reports are filed bi-annually. In calendar years 2005 through 2008, ASCE increased spending on lobbying activities to \$340K, \$420K, \$800K, and \$846K, for each year, respectively. In 2009 ASCE spent \$1,170,000 on lobbying activities as defined by the Lobbying Disclosure Act of 1995;
13. WHEREAS, if the Society's spending on lobbying continues to increase, its tax status as a 501(c)(3) may be in jeopardy;
14. WHEREAS, if created, the addition of a 501(c)(6) classification would allow the Society to publish Voter's Guides that would be distributed amongst Society members and to the public providing voting history of each congressional member regarding key civil engineering issues during each session of Congress;
15. WHEREAS, the Society's Board of Direction has emphasized rebuilding the nation's infrastructure as a top priority for the Society, and in order to accomplish this goal and fully leverage efforts to promote the Report Card for America's Infrastructure, the Society will need to be successful in advocating at the federal, state and local levels;
16. WHEREAS, the adoption of Policy 465, which aims to increase the educational requirements for professional engineering licensure, will necessitate the modification of licensing laws in all 50 states and territories, thereby requiring a major lobbying effort, and coupled with the Society's ongoing efforts to support legislation addressing the nation's infrastructure needs, will potentially cause the Society to exceed the IRS' stringent limits on the Society's lobbying activities;
17. WHEREAS, the representatives of the Western Regional Younger Member Council (WRYMC) recognizes the June 1, 2006 Region 8 Resolution, the September 29, 2006 Region 6 Resolution, and the January 27, 2007 Region 2 Resolution resolving that the Society should increase its political involvement by adding a 501(c)(6) designation, for the benefit of the civil engineering profession and the public;
18. THEREFORE, BE IT RESOLVED that the representatives of WRYMC supports and encourages the Society to add a 501(c)(6) federal tax code designation to the existing 501(c)(3) designation.

YES - 15

NO - 5

ABSTAIN - 2



**Wisconsin Section  
American Society of Civil Engineers**

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**Resolution 2011-1  
Resolution Opposing Addition of 501(c)(6) designation to ASCE**

1. Whereas the American Society of Civil Engineers (ASCE) is currently designated as a 501(c)(3) organization; and
2. Whereas ASCE currently engages in effective lobbying on behalf of programs and policies that promote public health and safety; and
3. Whereas ASCE's present lobbying efforts include preparation and dissemination of Infrastructure Report Cards at National and State levels as information for legislators and policy makers to reference; and
4. Whereas ASCE has an effective means to enlist member support in individual lobbying and legislative contact; and
5. Whereas ASCE's credibility as a source of unbiased information on issues related to infrastructure could be jeopardized by additional lobbying efforts on behalf of its members; and
6. Whereas other organizations currently lobby on behalf of the engineering profession and consulting firms; and
7. Whereas ASCE's historic role has not involved lobbying as a substantial activity; and
8. Whereas lobbying beyond its present extent, especially endorsement of candidates and legislation, could create significant divisions within ASCE and cause membership decline; and
9. Whereas feedback from members has been opposed to adding the 501(c)(6) designation; and
10. Whereas lobbying within the United States could result in advocating policies that benefit some of ASCE's members at the expense of other members;
11. Therefore be it resolved that the American Society of Civil Engineers Wisconsin Section opposes ASCE's further pursuit of adding a 501(c)(6) designation to its existing 501(c)(3) designation and encourages ASCE to solicit additional feedback from ASCE membership in the form of an advisory referendum.

YES votes for the resolution: 11

NO votes against resolution: 0

NOT VOTING: 3



*Civil Engineers-Designers and  
Builders of the Quality of Life*

Here we are in the heat of summer and, just when we should be taking a break from the hot air of political elections, many of us are in the midst of one of the several heated "recall" elections around the state. In my 50-plus years of living, I can't recall a time when there was such division among the populace at the most elemental level - the level at which we relate to our own existence and the existence of our fellow human beings. Why am I here and, most significantly for political issues, why are you here and why is "here" here? Though it would be entertaining (for me anyway) to ramble on about those matters, I will instead turn to a topic on which we civil engineers do agree. We agree that what we do is important. Important to whom? To others, to society, and to ourselves, whether or not our value is rightly perceived by any of those.

That leads to an interesting question - is it necessarily true that because what we do is important, more of what we do should be done? I would argue that it is not necessarily true in all cases. It is only true if there is a need for more of what we do. Otherwise there could be too much of a good thing, or worse yet, a body of valuable professionals trying to create needs just so their services are in demand.

ASCE believes, and most civil engineers would likely agree, that there is a need for investment in repair and upgrades to existing civil infrastructure. Even if ASCE's Infrastructure Report Cards overstate the need for such investment somewhat because our standards for infrastructure are higher than those of society at large, the Report Cards do demonstrate a gap between need and investment that will cost even more in the future if not addressed in the present. ASCE is right to prepare and distribute the Infrastructure Report Cards to those who make financial allocation decisions - legislators and the public. I do not consider those Report Cards as a profession merely trying to make work for itself, although civil engineers would certainly benefit by additional funding allocations. However, it must be remembered that engineering represents only a small part of overall project costs, and the profession's benefit would be only a small portion of the value of the infrastructure investment. Other sectors would reap more of the immediate financial gain. However, Society would be the main benefactor.

As mentioned in the previous Wisconsin Section Newsletter, ASCE at the National level is evaluating adding a 501(c)6 designation to its present 501(c)3 status. The addition would expand the lobbying efforts that ASCE is legally allowed to perform under the federal tax code. The additional lobbying that would become allowed includes preparation of voting record information on legislators and endorsing specific candidates.

Another, perhaps even more significant, difference is that a 501(c)3 organization exists for the benefit of the public, whereas a 501(c)6 organization exists for the benefit of its members. That would make it far more difficult to defend ourselves against the accusation that our Infrastructure Report Cards are merely an effort to make work for civil engineers. After all, with a 501(c)6 designation, the organization would then exist for the benefit of its members. The credibility of the organization and, by implication, its members could be diminished. In his Vision Statement of Gregory E. Diloreto, ASCE's national candidate for President-elect, paraphrases JFK to say "It is not what ASCE can do for you, and what benefits it can provide you, it is clearly what skills and talents you can provide to enhance our profession and achieve the ultimate goal of civil engineers in protecting the health, safety and welfare of the public we serve." This is consistent with a 501(c)3 organization, but not necessarily a 501(c)6 organization.

There were some responses to my request for feedback on this topic in the previous Newsletter, all of which opposed adding the 501(c)6 designation. I very much appreciate the comments and thank each of you who took the time to send them.

Brad Jansen recently received a Daniel Meade award for his excellent paper on whether preparation of the Infrastructure Report Card created a conflict of interests for civil engineers in the market sectors that directly benefitted from construction of additional infrastructure. His position is that there is indeed an actual or potential conflict of interests, and he suggested that the conflict could be reduced if engineers in the academic sector (to which I would add retired civil engineers) prepared the Report Cards. These same concerns would exist to a greater extent if ASCE were designated a 501(c)6 organization.

After a rather long and balanced discussion, the Wisconsin Section Board has approved a resolution opposing the addition of a 501(c)6 designation to ASCE's present 501(c)3 status. We unreservedly appreciate the ASCE leadership's desire to be out in front, advocating on behalf of our profession. We also understand that in today's political environment, success often depends upon having the ear of those in authority. However, in the end we believe that it is best for the profession, and for society, if we earn that "ear of those in authority" by the use of rational persuasion, demonstrable fact, and clear presentation of the costs of ignoring our recommendations. We believe that is best achieved by remaining an organization that exists for the benefit of the public rather than for the benefit of its members. We believe that is most consistent with ASCE's vision for the future of civil engineering leadership. A copy of the resolution is included in this Newsletter. We would still be pleased to receive any comments you might have - please email them to me at [BillMeyer@evergreencivil.com](mailto:BillMeyer@evergreencivil.com) or by U.S. Mail to me at Evergreen Civil Engineering LLC, 2408 Evergreen Road, Wausau, WI 54403.

To return to the topic of elections, please vote in ASCE's National election and in our own Wisconsin Section election. Your participation is highly valued. I also encourage you to be informed and vote in any of the State recall elections that are underway. And stay cool!

Bill Meyer