

Association PACs 101

About Who Can Contribute to the PAC

- Limit is \$5,000 per person to the PAC per year; may do joint contributions from a single bank account and give \$10,000 per year
- PAC may accept a donation from a non-authorized person if it did not solicit them itself
- Non-association members may contribute if not solicited
- One authorization signatures allows the PAC to solicit that company's executive and administrative personnel, stockholders, and families but not former or retired personnel.
- A person may earmark a contribution to a specific candidate through the PAC but the contribution will count against the individual and not the PAC
- A company may only authorize itself to be solicited by one association per year
- LLCs and Partnerships may contribute to the PAC but must specify whether the contribution is on behalf of some or all partners and counts against their personal limits to the PAC

Use of Association Funds for PAC Expenses

- Association may pay for operating costs of running the PAC
- No limit on the amount the Association may pay for phones, supplies, utilities, etc.
- Association may also pay start-up costs
- Association may pay for fundraising events for the PAC such as dinners, receptions (entertainment has some strings attached)
- Association may sell its membership list to the PAC

Magazine/Publications/Communicating with members/Events

- Can discuss PAC activities and successes in the association's magazine
- Can provide a link to a website if include proper disclaimers
- Cannot solicit or promote the PAC in the magazine
- A trade association may publish in its magazine the solicitation form with proper disclaimers
- Can send a sample of a solicitation request with the approval form but cannot be an actual solicitation
- PAC may set up a booth at an event to solicit authorization forms as long as it is not promoted ahead of time
- Cannot promote the PAC or booth in a pre-event mailing
- Cannot say "ask us about the PAC lunch"
- Discussing the PACs successes is not a solicitation

Website/Email Lists

- Can use the Association's website for the PAC but must have a section for authorized people with a username and password
- Can create a public informational site for the PAC which explains activities and connection with the association
- Cannot have an open website which solicits or promotes the PAC
- Can have the solicitation form on a members-only part of the site (electronic signatures ok)

Conferences

- Buying a raffle ticket constitutes a contribution to the PAC
- Association may donate gifts for a prize raffle
- A member company may donate a prize for a raffle and it will not be considered a contribution