



# Political Action Committee Q&A

## Common questions and sample responses

### **What is a Political Action Committee (PAC)?**

A PAC is a voluntary association of persons who pool their resources in small-dollar donations to increase the impact of their contributions to candidates.

### **Is PAC money used to influence politicians?**

NO. The contributions are allocated to candidates whose records indicate that they balance fairness with issues that coincide with our company's goals and pro-business agenda.

### **I thought PACs were going to be eliminated...?**

NO. PACs continue to be supported in the political process because they are a legal, regulated and transparent method of campaign finance. Even with the latest reform measures, PACs remained relatively unaffected and are still seen as the most viable source of contributions to candidates.

### **Why shouldn't I just support individual candidates and bypass the PAC?**

With individual contributions, candidates may not know why you supported them or which issues matter to you. When a PAC makes a contribution, it sends a strong, collective message that contributors share the interests of their association or industry. There is strength in numbers.

### **How are PAC contributions used by candidates? Why do they need our support?**

The cost of running for public office has become increasingly expensive. PAC funds go toward many aspects of successful campaigning, including developing printed materials, purchasing advertising time and providing salaries for campaign staff. Even with increased super PAC spending, it's vital that candidates still raise large amounts of money for their own campaign committees as they cannot legally coordinate (or count on) outside spending in their race.

**Who is eligible to join a PAC?**

Eligible employees are defined as the company's executive and administrative personnel (and their immediate families) who are paid by salary. These individuals also have policymaking, managerial, professional or supervisory responsibilities. Likewise, individual association members and others (with prior approval in the case of corporate members) are also eligible to contribute to an association PAC.

**Why should I join? Can't the company promote its own interests?**

Your participation helps to get candidates elected that best support our goals and business strategy. The company/association does promote its own interests through the governmental and regulatory departments. However, due to federal regulations, it cannot make political contributions. Only a PAC can do so. Combining our work at the federal, state and local levels with PAC contributions provides the best positioning for our company/association and its employees/members.

**Is a PAC contribution tax deductible?**

NO. Contributions to the PAC are not tax deductible.

**What candidates are supported by our PAC?**

Our PAC is nonpartisan and supports both Democrats and Republicans. Your dollars help support candidates on both sides of the aisle who are sensitive to the issues that impact our industry. To receive contributions from our PAC, candidates must demonstrate: sound judgment on our issues, a supportive voting record and viability as a candidate.

**Other questions to consider addressing in PAC FAQs:**

- How much money did we raise last cycle?
- Who should I contact if I have specific questions?
- Can I recommend a candidate for a contribution?
- How does the size of our PAC compare to others' in our industry?
- How can I receive a list of candidates the PAC has contributed to?
- What do I get for contributing? (benefits)
- What is the maximum amount of money a PAC can give to a candidate?
- Who sees how much each person gives to the PAC? (include staff members and FEC disclosure information)