

COMMUNICATING THE IMPORTANCE AND NECESSITY OF YOUR PAC

In times of national crisis or increased scrutiny of corporate political involvement, PACs are an easy target. However, they are the only true and highly-regulated means by which a company or association can support candidates for Congress who will advocate for their employees, industry or members. Here are strong and factual talking points to defend your PAC and its vital role in your government affairs strategy.

A PAC is a transparent and federally monitored means of expressing united interests with one powerful voice.

- Corporations and associations are prohibited from directly contributing to federal candidates – but they may operate a PAC.
- A PAC is strictly regulated by the FEC and only allows for voluntary, individual contributions under stringent guidelines for participation.
- A PAC has power in numbers. It gives a company a voice through a meaningful show of employee engagement (i.e., 500 employees contributed to the PAC to make this contribution possible).
- One of the most heavily regulated, fair and accepted means of funding elections.

Your industry peers and competitors have a PAC and are using it to build relationships and express their viewpoints.

- There were 2,553 corporate and association PACs active during the 2020 cycle.
- These groups spent nearly \$445 million according to the FEC.
- Make sure you have a seat at the table — if your company isn't sharing its story and perspective on issues impacting its business, someone else is driving the narrative.

A connected PAC is subject to much stricter regulations than other forms of campaign finance such as super PACs.

- Connected PACs like an association or corporate PAC cannot use general treasury funds to make monetary or in-kind contributions to a federal candidate or that candidate's PAC. Therefore, a corporate PAC is the only available method to directly support like-minded candidates.
- A connected PAC is comprised entirely of individual, limited contributions from its eligible employees or members who want an opportunity to engage in the political process via an organization central to their livelihoods.
- An individual decides whether or not to contribute and the amount they give subject to a contribution limit of \$5,000 per calendar year. These contribution limits have not increased in over 40 years.
- PACs permit corporate, association or union employees to pool small-dollar contributions to support like-minded candidates. PACs also help to promote employee, member and citizen involvement in politics.
- PACs are the best example of campaign finance reform that works. Contribution ceilings are low, which limits the amount of a PAC's potential influence. The same limit applies to people who support a PAC, which prevents any individual from having a disproportionate impact on how

money is dispersed.

- The PAC is an important tool within your overall government affairs engagement strategy and amplifies the voices of employees.
- While a PAC contribution doesn't ensure access, it helps send a message and build relationships with candidates and lawmakers. The work of your PAC and the fact that it represents your employees or membership, directly supports other corporate affairs efforts.
- While the individual voter is seldom powerful enough to present a viewpoint before the government and the public, an association or employee-funded PAC comprised of many individual voters sends a clear and collective message representing the company, industry, or profession.
- PACs are the only offensive measure an organization has in the government affairs space. Everything else is defense.
- Association and corporate PACs support more moderate viewpoints and contribute on a more bipartisan basis than super PACs, individual "super" donors or even small-dollar donors drawn to more extreme candidates or policy issues.
- PACs also foster voter education by communicating issues and candidate views to members and offering voting information. They serve as a medium for educating stakeholders on PACs, politics, legislation and civic involvement opportunities, drawing an estimated 12 million people into the political arena.

PACs are important to the political process and accessible to everyone!

- PACs are a basic extension of an individual's right to participate in the political process and support candidates who share objectives consistent with their own.
- They offer a chance to broaden the base of political giving in this country. More people are giving small amounts to candidates and PACs than ever before.
- The courts consider political contributions freedom of political speech.
- An effective response to campaign finance reform, traditional PACs represent the original campaign finance reform passed in the 1970s providing greater oversight and transparency to political contributions.