

Political Involvement Network: Request for Information
September 20, 2018

Please advise how other organizations handle requests from donors who only want their contribution to benefit candidates from a certain party. Does your PAC allow donors to earmark their funds for a specific party or candidate? If not, any insight into how you handle related requests?

Summary:

- **Total Responses: 36**
- **Organizations that replied they do not allow PAC contributors to earmark or designate their funds to be used for a specific party or candidate and did not further elaborate: 18**

More Detailed Responses:

Organization 1:

We do not earmark. When asked we explain that we spend our PAC dollars evenly (50/50) between Republicans and Democrats. This has helped with most folks.

Organization 2:

We currently do not allow our PAC members to earmark contributions only to one party. We do educate our eligible PAC members about the PAC being non-partisan and focused on the interest of the company. Our PAC giving ratios remains relatively in line with party control, and we also have opportunities for employees to give directly to candidates from both parties when we host events at our offices. I have not had any request to earmark folks PAC contributions. I mostly get inquiries into why we support specific candidates or recommendations for support.

Organization 3:

Our PAC does not allow eligible employees to earmark their contributions to a particular party or candidate. We see the purpose of the PAC as to support MOC – regardless of party – who are supportive of our industry. We aim to give slightly more the party in power by chamber and maintain a close 52/48 split.

Organization 4:

We do not " earmark " contributions for a specific party or candidate. We have not had any requests to do that during my tenure as PAC Manager.

Should such a request be made, we explain to the contributor the PAC contributes to candidates in a bipartisan manner - democrats, republicans and independents - focused on their positions regarding issues of importance to us and our customers.

Organization 5:

I just had the same request – I'd love to hear the responses. We just told the employee that our current budget is a 50/50 split between R's and D's and explained that our criteria is based on the company and not social or other non-company issues (he had gun control and other issues too – so he didn't want to give to those candidates and asked if he could earmark his contribution.

Organization 6:

While I haven't been with this association since 2014, I can share some things that were going on before I started, and what I did to resolve the issue etc.

At some point in 2002, the association decided that they would allow pac donors to provide a list of candidates they wanted their PAC check to support. They didn't make it very public, nor did they consult an attorney.

What occurred is the PAC received about 7 to 10 contributions ranging from \$100 to \$1000 with the name or names of the elected officials and the amount they wanted to contribute to the particular campaign. For example one donation was \$250 and was split 3 ways \$60 to X, \$100 to y, and \$90 to Z. Because the association did not consult counsel the PAC failed to follow the proper disbursement procedures as to managing the earmarked contribution. In fact, the lobbyists for the association at the time said that these were suggestions and not earmarks. Something, I was quick to point out was that no they were in-fact earmarks and that the donors even called them such. Earmarks are required to be deposited in the PAC account, and then a PAC check cut and sent to the campaign within 10 days. There are requirements that are also an added burden on the compliance side, including as to how and where the candidate committee reports the contribution, contribution limits, and more. It also negates any disbursement strategy the PAC might have and create situations where the PAC might be giving contributions to opposing candidates.

In short – don't do it. Or if you do it, make sure you add to your time the amount of compliance you will need to do to do it correctly. What we did instead was we developed a candidate request form. The form evaluated how involved the requester was with the association, what campaigns they supported and why, and did not committee the pac board to anything but a promise to review it.

Organization 7:

We are non-partisan. Since we are employee funded, if we were supporting specific parties we would lose a lot of membership. So the answer is no. We follow the guidelines of supporting candidates with like corporate interests, especially energy issues.

Organization 8:

My company's PAC does not allow contributions to be ear marked for a specific party, as decisions to support a candidate is not based on party affiliation.

We simply explain that contributions are based the following criteria:

- constituent relationships
- committee assignments and leadership roles
- a candidate's position and voting record on public policy issues that affect the company
- high priority for members of states where most of employees are located

Organization 9:

We do not allow earmarks or designations to certain parties. Here are some responses we have provided in the past:

- Your donations to the PAC is pooled with those of thousands of your (association) colleagues to make a stronger impact in the political process on behalf of medicine.
- Legislative and regulatory change can only occur with creating awareness of our issues and through collaboration, regardless of party affiliation. We seek opportunities to support our membership and our mission, regardless of which side of the aisle they sit. Meeting with legislators is not about supporting their agendas, but furthering ours.
- PAC is run by a Board of Trustees made up of (association) members and supported by (association) staff. This Board of Trustees debates and determines how donations are determined. The PAC Board of Trustees' evaluation criteria is based on the candidate's or Congressional Member's support of association's legislative priorities and other factors, such as the Member's committee assignment, leadership position and difficulty of his/her election campaign.
- Association members have diverse political ideologies and come from varied practice settings. Our PAC Board has maintained guidelines based solely on issues impacting a physicians' practice environment and their patients. We try to take into account our diverse membership base when making these decisions. And we realize there are some issues association members feel strongly about personally that are not core issues that determine PAC support.

- Our mission is to advocate for your best interests as a physician, and we regret that one of our decisions was at odds with your personal views. It is a primary goal of the PAC Board of Trustees to be good stewards of our donors' contributions and support candidates who will advocate on the right side of issues of importance to the specialty of xx.

Organization 10:

I've definitely had clients do this. It tends to drive participation in their company PACs, though I'm not aware of any who publicize doing it – just on request of the donor.

Organization 11:

We often encounter this issue and try to educate the donor on the importance of giving to leaders on both sides of the aisle. We highlight that the majority party determines whether our legislation proceeds so it's important to have allies in both parties so that we have friends to approach regardless of which party is the majority.

Because we're an association, we've found that it's better received when a member of our PAC Board delivers the message instead of staff. Our Board's president often talks about the time he met with a congressman on the opposite side of the political spectrum and did not expect for him to care about our issues. On the contrary, it turned out that they found common ground when discussing Veterans' Affairs issues and the Congressman was eager for our President's opinion on ways to improve health care for our Veterans. We've found that this peer-to-peer discussion very useful.

Organization 12:

We don't allow individuals to earmark, but would love to see if others do...and how they manage that! We have had the request as well, but our rationale is that the PAC is designed to support those candidates who support our business. Individual giving will often bring in other elements such as personal issues, and we recommend that type of giving be done separately.

Organization 13:

Our PAC does not grant requests from PAC participants to earmark funds to a certain candidate or party. We constantly communicate to our employees that our PAC is bi-partisan, with an equal amount of proceeds going to each party over the course of the calendar year. When someone asks for this directly, we will politely explain our position. Occasionally that employee will then decline to participate, which is OK from our point of view. Honestly, this isn't much of an issue for us.

Organization 14:

Our PAC does allow members to designate their contribution(s) to the PAC to a specific party and find it's very helpful if you are in an association/environment where members think you might have a political bent towards one party. We give them the option to target republicans, democrats, independents or let the

PAC board decide who to best utilize the funds. I then run financial reports that indicate the party of choice to ensure our spending is proportional to the contributions being targeted.

Organization 15:

Yes, we offer the party designation option and we have about 20% of our members who designate to a party (R or D). We have the default option set for “discretion of the PAC Board” and the designation is part of PAC enrollment process. We definitely elevate this option during PAC recruitment as we have found people like knowing they have the option even though the vast majority don’t exercise the option.

Organization 16:

We do not allow earmarks. However, we make donors happy by pointing to wide bipartisan support of both parties. We also have a Wisconsin PCA where if a donor is very adamant about donating to politicians they care about on the state level, they can use the PCA. It makes us get their approval for disbursement.

Organization 17:

No, our PAC does not allow earmarking of funds for any specific candidate or party. Our response is that all contributions are pooled together in one fund and the board contributes to candidates of both parties based on a number of factors. There is not an administrative solution in place to segregate funds to only go towards one candidate or party. We have had the request before, but not a lot of pushback once the request was denied.

Organization 18:

We don’t allow our members to earmark their PAC contributions for specific candidates or a party, but if they ask about this we use it as an opportunity to promote our direct-giving program. Members give a minimum of \$1,000 per year to the PAC, and then \$2,000 per year to candidates/Party Committees for our President’s Circle program. The candidates they give to through this program are chosen (by our Federal Disbursement Committee) based on their support of our issues – so it still doesn’t allow members to contribute to any candidate they want, but it does give them more ability to choose where their money goes. And of course, we always respond that we’re bipartisan and support candidates based on their support of our issues regardless of party affiliation.