FEC Regional Conference

for House & Senate Campaigns, Political Party Committees and Corporate/Trade/Labor PACs

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FEC Terminology for Corporate/Labor/Trade PACs

Act – The Federal Election Campaign Act of 1971 as amended (2 U.S.C. §§431-455).

ADRO – Alternative Dispute Resolution Office. ADRO provides parties in enforcement actions with an alternative method for resolving complaints that have been filed against them and for addressing issues identified by the Reports Analysis Division or an FEC audit. The program is designed to promote compliance with the Act and Commission regulations and to reduce the cost of processing complaints by encouraging settlements outside the agency's normal enforcement track.

AO – Advisory Opinion. A formal ruling from the Commission regarding the legality of a specific activity proposed in an advisory opinion request (AOR).

Bundled Contribution – Under HLOGA, the term 'bundled contribution' means a contribution (subject to the applicable threshold) which is - "(i) forwarded from the contributor or contributors to the recipient by a lobbyist/registrant; or (ii) received by the committee from a contributor or contributors, but credited by the committee or candidate involved (or, in the case of a leadership PAC, by the candidate associated with the PAC) to the person through records, designations, or other means of recognizing that a certain amount of money has been raised by the person."

Campaign Traveler – Any individual traveling in connection with an election for federal office on behalf of a candidate or political committee, or any member of the news media traveling with a candidate.

***Carey* Committee** (also known as a **Hybrid PAC**) -- A political committee that maintains one bank account for making contributions in connection with federal elections and a separate "non-contribution account" for making independent expenditures. The first account is subject to all of the limits and prohibitions of the Act, but the non-contribution account may accept unlimited contributions from individuals, corporations, labor organizations and other political committees. The committee must register with the FEC and report all receipts and disbursements for both accounts.

CFR – Code of Federal Regulations. A codification of the current general and permanent regulations of the various federal agencies. The sections of the CFR pertaining to federal elections are available on the FEC's website or as a free publication from the FEC.

Clearly Identified Federal Candidate – A candidate is clearly identified when the candidate's name, nickname, photograph or drawing appears, or when the candidate is otherwise apparent through an unambiguous reference such as "the President," "your Congressman," or "the incumbent," or through an unambiguous reference to the candidate such as "the Democratic presidential nominee" or "the Republican candidate for Senate in the State of Georgia."

Connected Organization – A corporation, trade association, membership organization or labor organization that sponsors a separate segregated fund.

Contribution – A payment, service or anything of value given to influence a federal election.

Coordinated – Made in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate's authorized committee, or their agents, or a political party committee or its agents.

Date Made – The date the contributor relinquishes control over a contribution. A contribution that is mailed is "made" on the date of the postmark. Contributions made via the Internet are "made" on the date the contributor electronically confirms making the transaction. In-kind contributions are "made" on the date the goods or services are provided by the contributor.

Date Received – The date the committee (or committee agent) takes possession of (actually receives) the contribution. This date is used for FEC reporting. Contributions charged to credit cards are received on the date the committee receives the contributor's signed authorization to charge the contribution.

Disclaimer Notice – As used by the FEC, notices that are put on public communications to identify who has paid for the communication and who has authorized it. Some SSFs use this term to refer to all of the statements that are required on solicitations (e.g., best efforts notice, IRS notice, "paid for by," voluntary notices).

Earmarked Contribution – A contribution that the contributor directs (either orally or in writing) to a clearly identified candidate or authorized committee through an intermediary or conduit. Earmarking may take the form of a designation, instruction or encumbrance, and it may be direct or indirect, express or implied.

Election – Any one of several processes by which an individual seeks nomination for election, or election, to federal office. They include: a primary election, including a caucus or convention that has authority to select a nominee; a general election; a runoff election; and a special election held to fill a vacant seat.

Election Cycle – The period beginning the day after the previous general election (for federal office) and ending on the day of the next general election.

Electioneering Communication – Any broadcast, cable or satellite communication that (1) refers to a clearly identified candidate for federal office, (2) is publicly distributed within certain time periods before an election; and (3) is targeted to the relevant electorate.

Executive and Administrative Personnel – Individuals who are paid on a salary basis and who have policymaking, managerial, professional or supervisory responsibilities. Includes officers, executives, lawyers and engineers.

FEC Identification Number – Number assigned to a committee upon registration with the FEC. Used for identification purposes with the FEC only, this number is not a taxpayer identification number.

Federal Funds – Funds that comply with the limits, prohibitions and reporting requirements of federal law. Also called "permissible funds."

Federal Government Contractor – A person who enters into a contract, or is bidding on such a contract, with any agency or department of the US government and is paid, or to be paid, for services, material, equipment, supplies, land or buildings with funds appropriated by Congress.

Federation of Trade Associations – An organization representing trade associations involved in the same or allied line of commerce.

Foreign National – An individual who is not a citizen of the United States or a national of the United States and has not been lawfully admitted to the U.S. for permanent residence, as defined in 8 U.S.C.§1101(a)(20); or (2) a foreign principal, as defined in 22 U.S.C.§611(b).

HLOGA – Honest Leadership and Open Government Act of 2007. Includes two major provisions for political committees: restrictions on the use of campaign funds for noncommercial air travel and disclosure of bundled contributions.

Hybrid PAC – See "***Carey* Committee**" above.

IEOPC – Independent Expenditure-Only Political Committee (also known as a **Super PAC**). Political committee that makes only independent expenditures and does not make contributions. These committees may solicit and accept unlimited contributions from individuals, corporations, labor organizations and other political committees. They may not accept contributions from foreign nationals, federal government contractors, national banks or federally chartered corporations. Such committees must register with the FEC and comply with all applicable reporting requirements under the Act.

In-Kind Contribution – A contribution of goods, services or property offered free or at less than the usual and normal charge. The term also includes payments made on behalf of, but not directly to, candidates and political committees.

Joint Contribution – A contribution made by more than one person on a single check or other written instrument.

Labor Organization – Any organization or any agency or employee representative committee or plan, in which employees participate and which exists for the purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment or conditions of work.

Leadership PAC – "A political committee that is directly or indirectly established, financed, maintained or controlled by [a] candidate [for Federal office] or [an] individual [holding Federal office] but which is not an authorized committee of the candidate or individual and which is not affiliated with an authorized committee of the candidate or individual, except that such term does not include a political committee of a political party."

Member – An individual or other entity (such as a partnership, corporation or LLC) that (1) satisfies the requirements for membership in an organization; (2) affirmatively accepts the organization's invitation to become a member; **and** (3) either (a) has a significant financial attachment to the organization; (b) pays annual dues of any amount; **or** (c) has direct participatory rights in the governance of the organization.

Membership Organization – A labor organization or trade association, cooperative or other incorporated membership organization that:

- Is composed of members;
- Expressly states the qualifications for membership in its articles and bylaws;
- Makes its articles, bylaws and other organizational documents available to its members;
- Expressly seeks members;
- Acknowledges the acceptance of membership, such as by sending membership cards to new member or including them on a membership newsletter list; and
- Is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to federal office.

Memo Entry – Supplemental information on a reporting schedule. The dollar amount in a memo entry is not incorporated into the total figure.

Multicandidate Committee – A political committee that has been registered at least 6 months, has more than 50 contributors and, with the exception of state party committees, has made contributions to at least 5 candidates for federal office.

MUR – Matter Under Review. MURs are FEC enforcement cases that concern potential violations of the Act (FECA) which come to the attention of the Commission through complaints originating outside the Commission or through internal monitoring.

Nonconnected Committee – A political committee that is not a party committee, a separate segregated fund or an authorized committee of a candidate.

Non-Qualified – A term which is generally used to refer to committees who have not qualified for multicandidate status. See "**Multicandidate Committee**" above.

Nonfederal Funds – Funds that are not subject to the limitations or prohibitions of the Act.

OGC – Office of General Counsel. The Office of General Counsel consists of five organizational units: (1) the Policy Division; (2) the Enforcement Division; (3) the Litigation Division; (4) the Law Division; and (5) the Administration Division.

One-Third Rule – The FEC's formula for ensuring that connected organization funds are not traded for voluntary contributions. Under this formula, when prizes or entertainment are used to raise funds, the PAC must reimburse the connected organization for costs which exceed one-third of the money contributed.

PAC – Political Action Committee. A term which does not appear in the Act or regulations, but is generally used to refer to separate segregated funds established by corporations and labor organizations.

PAC Match – A fundraising technique where employees or members are solicited for a PAC contribution with a promise that it will be matched with a charitable contribution from the connected organization.

Peer-to-Peer – A fundraising technique where employees or members are trained and charged with soliciting their peers for participation in the PAC.

Principal Campaign Committee – An authorized committee designated by a candidate as the principal committee to raise contributions and make expenditures for his or her campaign for a federal office.

Prior Approval – A trade association must make a written request to the member corporation for permission to solicit the member's restricted class. This request for approval must inform the member corporation that:

- Corporate approval is necessary before the trade association or its SSF may conduct a solicitation; and
- The corporation may not approve solicitations by another trade association for the same calendar year.

Prohibited Funds – Funds from entities who are prohibited from making contributions or, in some cases, expenditures, in connection with, or for the purpose of influencing, a federal election.

Public Communication – A communication by means of any broadcast, cable or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing or telephone bank, or communications placed for a fee on another person's website.

Qualified – A term which is generally used to refer to committees who have qualified for multicandidate status. See "**Multicandidate Committee**" above.

RAD – Reports Analysis Division. The FEC division that reviews campaign finance reports.

Reattributed Contribution – The portion of an excessive contribution that has been attributed in writing to another contributor and signed by both contributors.

Restricted Class – Those individuals within a corporation or labor organization who may be solicited for contributions to the organization's separate segregated fund at anytime and who may receive communications containing express advocacy from the organization. Sometimes referred to as the eligible class in the private sector.

RFAI – Request For Additional Information. Sent by RAD to committees when reports contain apparent discrepancies, errors, or surface violations.

SSF – Separate Segregated Fund. A political committee established or financially supported by a corporation or labor organization; popularly called a PAC.

Solicitable Class – A term used in FEC rulings to refer to the group of people who can be solicited for an SSF's PAC contribution. AO 2008-21. See "**Restricted Class**" above.

Solicitation – A request to make a contribution; informing someone about a fundraising event; informing someone about how to make a contribution; and statements that encourage support for the SSF are all examples of communications that are considered solicitations.

Stockholder – A person who has a vested beneficial interest in at least one share of stock, has the power to direct how that stock shall be voted and has the right to receive dividends.

Super PAC – See "**IEOPC – Independent Expenditure Only Political Committee**" above.

Trade Association – An organization representing persons involved in the same or allied line of commerce. It is organized to promote and improve business conditions and does not engage in regular business for profit, nor do the net earnings accrue to the benefit of any member.

Treasury Funds – Funds of the connected organization.

Voluntary Notices – When the SSF or the connected organization solicits individuals for contributions, the solicitees must be informed of: the SSF's political purpose; and their right to refuse to contribute without reprisal.