

PAC Terminology

Act – The Federal Election Campaign Act of 1971 as amended (52 U.S.C. §§ 30101-30146). Sometimes abbreviated FECA.

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 – A contribution forwarded to a reporting committee by a lobbyist/registrant or lobbyist/registrant PAC, or received by a reporting committee and credited to a lobbyist/registrant or lobbyist/registrant PAC.

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.

CFR – Code of Federal Regulations. The annual collection of executive-agency regulations published in the daily Federal Register, combined with previously issued regulations that are still in effect. The sections of the CFR containing federal campaign finance regulations may be found in Title 11 and 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 uses its treasury funds to establish, administer or solicit contributions to a separate segregated fund.

Contribution – A gift, subscription, loan, advance or deposit of money or anything of value given to influence a federal election; or the payment by any person of compensation for the personal services of another person if those services are rendered without charge to a political committee for any purpose.

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. This date determines the election or calendar year limit against which a contribution counts.

Date Received – The date a committee (or a person acting on the committee's behalf) takes possession of 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, a "disclaimer" notice is a statement that identifies the person(s) who paid for a communication and whether the communication was authorized by one or more candidates. 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 employed by a corporation or labor organization who are paid on a salary rather than hourly basis and who have policymaking, managerial, professional, or supervisory responsibilities. The definition does not include professionals who are represented by a labor organization, salaried foremen and lower-level supervisors having direct supervision over hourly employees, former or retired personnel who are not stockholders, and consultants who are not employees under the Internal Revenue Code.

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 United States government and is paid, or is 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 – 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.

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 (except for independent expenditures or non-coordinated communications).

Independent expenditure-only committee (also known as a **Super PAC**). A political committee that makes only independent expenditures that may solicit and accept unlimited contributions from individuals, corporations, labor organizations and other political committees. They may not accept contributions from foreign nationals, federal contractors, national banks or federally chartered corporations. Such committees, popularly known as Super PACs, must register with the Commission and comply with all applicable reporting requirements of the Act.

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 or an individual holding federal office, but is not an authorized committee of the candidate or officeholder and is not affiliated with an authorized committee of a candidate or officeholder.

Member – With respect to a labor organization, a trade association, a cooperative or other incorporated membership organization, a member is an individual or other entity that: (1)Satisfies the requirements for membership in a membership organization; (2)affirmatively accepts the organization's invitation to become a member; and (3) maintains a long-term and continuous bond with the organization by: having a significant financial attachment, such as a significant investment or ownership stake; paying annual dues; or having direct participatory rights in the governance of the organization.

Membership Organization – A labor organization or a trade association, cooperative or other incorporated membership organization that: (1) is composed of members; (2)expressly states the qualifications for membership in its articles and by-laws; (3) makes its articles, by-laws and other organizational documents available to its members; (4) expressly seeks members; (5) acknowledges the acceptance of membership, such as by sending membership cards to new members or including them on a membership newsletter list; and (6) is not organized primarily for the purpose of influencing a federal election.

Memo Entry – Supplemental or explanatory information on a reporting schedule. A memo entry is often used to disclose additional information about an itemized transaction that is included in the total receipts or disbursements for the current report or a previous report. The dollar amount in a memo entry is not incorporated into the total figure for the schedule.

Multicandidate Committee – A political action committee or party 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 – Any committee that conducts activities in connection with an election, but that is not a party committee, an authorized committee of any candidate for federal election, or a separate segregated fund.

Non-Qualified – In the context of multicandidate political committees identified in FEC data reports and indices, the designation "qualified" or "non-qualified" reflects whether a political committee has satisfied the criteria for multicandidate political committee status Committees listed as "non-qualified" do not satisfy these requirements. 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 – A formula used to ensure the treasury funds of a connected organization are not traded for voluntary contributions when the organization pays for prizes or entertainment to offer as an incentive to make a contribution to its SSF. Under the one-third rule, the SSF must reimburse the connected organization for costs that exceed one-third of the money raised.

PAC – Political Action Committee. Popular term for a political committee that is neither a party committee nor an authorized committee of a candidate. PACs directly or indirectly established, administered or financially supported by a corporation or labor organization are called separate segregated funds (SSFs). PACs without such a corporate or labor sponsor are called nonconnected PACs.

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 written request to a member corporation of a trade association to a 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. 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 to the general public, or any other form of general public political advertising. The term general public political advertising does not include communications made over the internet, except for communications placed for a fee on another person's website.

Qualified – In the context of multicandidate political committees identified in FEC data reports and indices, the designation "qualified" or "non-qualified" reflects whether a political committee has satisfied the criteria for multicandidate political committee status. "Qualified" 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/Solicitable Class – Those persons, including the executive and administrative personnel, members or stockholders (and the families of each) within a corporation or labor organization, who may be solicited for contributions to the organization's separate segregated fund at any time and who may receive certain communications from the organization.

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, administered or financially supported by a corporation or labor organization, popularly called a Corporate or Labor Political Action Committee (PAC). The term "financially supported" does not include contributions to the SSF, but does include the payment of establishment, administration or solicitation costs.

Solicitation – A statement that publicizes the SSF's right to accept unsolicited contributions from any lawful contributor; provides information on how to contribute to the SSF; or encourages support for the SSF.

Solicitation 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.

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.

Trade Association – A membership organization consisting of persons engaged in a similar or related line of commerce. A trade association is organized to promote and improve business conditions in that line of commerce and not to engage in a regular business for profit. No part of the net earnings of a trade association may inure to the benefit of any member.

Treasury Funds – Funds of a corporation or labor organization that are derived from commercial activities or dues payments. Treasury funds may be used for the establishment, administrative and fundraising costs of the organization's separate segregated fund, as well as for making independent expenditures and contributing to Super PACs and the non-contribution accounts of Hybrid PACs.