

FORMING A POLITICAL ACTION COMMITTEE (PAC)

Why form a local PAC

-States require that contributions to candidates and causes and/or expenses used to promote candidates or causes (non-federal elections) be reported to the Department of Elections or its equivalent once they reach a certain threshold. For example, in Virginia anyone who anticipates spending or receiving \$200 or more as part of supporting a candidate must register with the Department of Elections.

-Regardless of the state requirements, forming a PAC and following the reporting requirements promotes transparency and accountability.

-Even if your organization does not anticipate making contributions to campaigns, you will need funds for administrative expenses for your activities in supporting a candidate or campaign.

-For example, printing costs for Voter guides, calling cards, handouts, signs;
Costs for venue rentals, advertisements, radio spots, etc.

How to form a local PAC

-Call the local/state election boards or check their Website for requirements. Often state boards of elections will have summaries of the laws and step by step directions to follow available on line, along with necessary forms. Also, boards of elections staff can be very helpful in helping navigate the requirements.

-Requirements often include:

-Training/class attendance

-Appointment of Treasurer for bookkeeping and submitting reports. This person should be familiar with accounting principles and the requirements for reporting under state law.

-Obtain Employee Identification Number (EIN) from IRS-needed to open a noninterest bearing bank account (No interest=no IRS reports)

-A separate bank account dedicated to the PAC

-Regular reports, often quarterly or more frequently depending on the amount of the contribution

-An organizational document filed with the state which describes the PAC, its name, its officers and directors, its purposes, etc. as spelled out by the elections board. States might have restrictions on names and organizational structure.

-Fundraise, but first check the state requirements regarding types and amounts of contributions allowed under the law. States have limits on amounts and kinds of contributions and some prohibit anonymous contributions.

-Disclosures and disclaimers for advertising and solicitation.

A local PAC is easier than a Federal PAC and is all that is needed for non-federal elections. Training may be as short as a half day class or on-line course. Forming a PAC is not difficult-don't be intimidated. If the School Board is not cooperative, this may get their attention and replacing them may be the best solution.