

## PAC...What Is It?...Why Is it Important?

PAC, which stands for Political Action Committee, is a committee which collects voluntary contributions from members of a group.

It distributes funds to candidates for Federal offices and makes a report on its activities. It is important because it accumulates small contributions (we average \$25 a contributor) into a *central* account so that larger contributions may be made to a candidate for Congress. Therefore, each contribution has increased importance to the candidate.

### Why does NRLCA have a PAC?

Our PAC is a *lobbying* tool. It is something which is of assistance to the National office in working *for* legislation, which will help rural carriers, and *against* legislation which is detrimental to rural carriers.

### Is PAC used to buy votes?

Emphatically, NO! PAC helps our organization get access to the legislators and our story told.

### How does PAC help us?

PAC helps because candidates must raise money to conduct an election campaign. They are compelled to ask people for assistance. After they have asked us for assistance with their campaigns, it then becomes easier for us to get them to listen to us when we have an issue of concern. So the short answer is, PAC helps us get legislators to listen to us.

### Does that mean they will vote our way?

Not necessarily.

### Why do we need to insure that we are listened to?

The job of a Congressman or Senator is so very complex that there are thousands of interests pushing for their attention. They may not intend to cast a vote which would do us harm, but inadvertently it may occur. A fact of life is that there are over 10,000 registered lobbyists in the city of Washington, all trying to interest Members of Congress in issues of concern to them.

### What is wrong with the current system that campaigns are so outrageously expensive?

The answer is that the very first campaign reform law done in 1974 was a good law. It would have placed absolute limits on the total any candidate could spend in running for Congress.

The U.S. Supreme Court, *put the limits on individuals and PAC contributions*, and took the limits off of the total amount any one campaign could spend. This is what has created the current problem.

With *no* limits on the amount anyone may spend, candidates, who can raise huge amounts of money, campaign very little and rely on television for 90% of their campaign, which is very expensive. They create the illusion of reaching out to touch voters, but *really* the only way they do it is by buying millions of dollars worth of television.

### What is the answer?

Limiting contributions and PAC contributions is *not* the way to solve the problem. The average contribution which we receive is about \$25, which doesn't sound like a lot of money. But when we put it together, from some 8,000 - 12,000 rural letter carriers who contribute on behalf of all of the 90,000 members, we do pretty well. In making contributions for your interest, we maintain the high ethical standards of this Association. But PAC is necessary to insure we get listened to at critical points in time.

### What criteria are used for contributions?

We evaluate their voting records, or for challengers we ask questions concerning our issues. We look at their committee assignments. We look to see if we are able to establish communication.

### Has PAC worked for us?

It is only a tool, and we have attempted to use it well. I think it has been of great assistance to those of you who have contributed because it has helped fight off cuts to our retirement system. Additionally, it has helped us reverse the IRS's retroactive audits and pass a special EMA tax provision of 150% of the IRS standard mileage allowance.

Yes, PAC does help.

## QUESTIONS AND ANSWERS ON PAC

### 1. What is a PAC?

PAC stands for Political Action Committee formed to collect, administer and disburse voluntary contributions. Those funds are used to help candidates for federal office. The Committee decides which candidates for Congress receive contributions from NRLCA-PAC.

### 2. Why are PACs important?

The fact is, many small contributions from rural letter carriers accumulated in one fund and disbursed in one large contribution has more impact on Congressional candidates.

This is true because the cost of conducting a successful campaign for Congress has risen dramatically. The cost of preparing and airing radio and television commercials is enormous. The cost of running for the House of Representatives can be \$1 million. The cost of a U.S. Senate race is normally between \$3 and \$20 million.

### 3. Why NRLCA-PAC?

Your National Association conducts a lobbying program. It is a program which is only concerned with legislation of interest to retired and active rural letter carriers. Your voluntary contributions to NRLCA-PAC help fund the political arm of your national organization. This is the sole funding your Association utilizes to conduct its lobbying program. *Only your active participation enables the National Office to lobby for you.*

### 4. How is my NRLCA-PAC contribution used?

The committee makes campaign contributions on a bi-partisan basis to candidates for the U.S. House of Representatives and the U.S. Senate.

### 5. Will my participation have any effect on my membership?

Absolutely not. Contributions to NRLCA PAC are placed in a fund totally segregated from membership dues.

The National Association neither forces, nor disadvantages any individual based upon the amount contributed or failure to make such a contribution.

The PAC is operated in full compliance with rigid guidelines and report requirements established by federal law and enforced by the Federal Election Commission.

### 6. Who makes up the PAC Committee?

The NRLCA-PAC Committee is composed of a Chairman, Two Co-Chairmen and a Treasurer. NRLCA-PAC does not directly employ any personnel.

### 7. What factors are considered when deciding whether to contribute to a particular candidate?

Four main factors make up the decision on whether to contribute.

- a) What is their voting record?  
Challengers need to be interviewed.
- b) Committee assignments or leadership position.
- c) Communication. Will they meet and listen to us regularly, even if not always in complete agreement?
- d) Is there a good chance of winning?

### 8. Who decides which candidates are supported?

It is because of the complex blend of factors (outlined above) that decisions on PAC contributions are made in the National Office by the Committee. Officers review all input and consult our lobbyist in making these decisions. The overall view of the National Association prevails, so state interests may not always be fulfilled by each and every decision. However, state recommendations are always given full consideration in all PAC decisions.

The Federal Election Commission approved the NRLCA-PAC organization authorizing responsibility for its administration by the national organization.

### 9. Can an individual contribute to NRLCA-PAC and also to another PAC, individual, or political party?

Yes

**10. How much is the average contribution to PAC?**

\$25. In 1995, 650 rural carriers gave a \$100 contribution. A few rural carriers contribute as much as \$500 per year and some rural carriers as little as \$1.00. Every contribution helps.

**11. How does NRLCA rank with other PAC's in the Federal/Postal Coalition?**

The *Federal Times* has consistently rated our lobbying as the very top of the Federal/Postal Community.

You contributed \$285,973 during the 1995 calendar year. In the 1993-94 election cycle, we ranked 84 out of the 4016 PACs on file with the FEC.

	<u>Rank</u>	<u>Collected</u>
UPS	1	\$2.6 million
NALC	18	\$1.4 million
Fed Ex	40	\$816,000
APWU	45	\$744,000
NRLCA	84	\$455,300

During the 1985-86 election cycle, the NRLCA had 70,000 members, collected \$500,000 and was ranked 62nd. In 1993-94, the NRLCA had 88,000 members, collected \$455,000 and was ranked 84th. In the same time period, UPS jumped from 65th to 1st place, and Fed Ex went from 150th to 40th place.

**12. Does PAC have limits on the amounts it gives to candidates?**

Yes. The law restricts contributions to no more than \$5,000 per election. The NRLCA-PAC is limited to \$15,000 to National Political Parties per calendar year. There is no limit on total contributions NRLCA-PAC can disburse per year.

**13. Are contributions tax deductible?**

**NO!**