

**INFORMAL OPINION IO-1995-005  
ISSUED JULY 12, 1995**

At your request, I have researched the following question:

*Are there any statutory or constitutional ethics rule restrictions against a political action committee utilizing payroll deductions for contributions from employees of the affiliate corporation?*

**ANALYSIS**

There are no statutory or rule restrictions that prohibit payroll deductions from employee paychecks as contributions to political action committees. In fact, the practice is sanctioned by the following rule on the requirement of contributor statements:

(b) **Contributor statement.** Before accepting a single contribution exceeding fifty dollars (\$50.00), or before accepting multiple contributions from a single source which exceed fifty dollars (\$50.00) in the aggregate, persons accepting contributions must obtain from each contributor a statement which shall include:

- (1) the date the contribution was given;
- (2) the name and address, occupation [e.g. "retail sales clerk"] and employer [e.g. "Dillard"], or principal business activity of the contributor; a contribution from a person other than an individual or a committee shall be reported by the name of the person or committee and not the individual who signed the check;
- (3) the amount; if in-kind, a description of the contribution and a good faith estimate of its fair market value;
- (4) a declaration that the contribution is freely and voluntarily given from the contributor's personal property, if an individual, or the person or committee's property, if other than an individual;
- (5) a declaration that the contributor has not been directly or indirectly compensated or reimbursed for the contribution, if an individual, and, if a person other than an individual or a committee, that the person or committee has not been compensated or reimbursed for the contribution by persons:
  - (A) other than those from whom contributor statements have been received and of whom disclosure has or will be made; or
  - (B) if from persons exempted from the definition of political action committee, by other persons; and
- (6) the signature of the contributor, or in the case of a committee, the treasurer or, in the treasurer's absence, the deputy treasurer of the committee.

*Persons accepting contributions from contributors who contribute by payroll deduction, dues check-off, or similar process shall be required to obtain only one contributor statement annually or at such other times as a change is made in the deduction, check-off, or similar process.*

## CONCLUSION

**In conclusion, there is no statute or rule that prohibits a political action committee from utilizing payroll deductions for contributions from employees of the affiliate corporation. As the rule indicates, a contributor statement will be required once the contribution aggregates in excess of \$50.00. If the payroll deduction plan is utilized, only one such statement is required annually except when a change is made in the amount withheld.**

Please be aware that informal opinions are not official pronouncements of the Commission. Hence, this letter carries no greater weight than the views of any other citizen. The Commission is available to issue interpretations on matters arising from the Constitutional Ethics Rules and the Political Subdivisions Ethics Act. These are known as Ethics Interpretations. They are official and bind the future action of the Commission.