Everything a Banker Needs to Know About ABA BankPac

Federal campaign finance law requires all members of corporate trade associations to sign a prior authorization form. This form allows the American Bankers Association to communicate with and/or solicit members for BankPac. Banks may only provide such authorization to one trade association per calendar year and can give authorization for up to five calendar years.

BankPac seeks prior authorization from ABA members serving on Chair-appointed committees and councils. On occasion, ABA may ask for an authorization on behalf of a state association. Since ABA BankPac is affiliated with 42 state association federal PACs, we can share prior authorization. However, ABA staff must confirm we have a current authorization prior to communicating with you about BankPac.

The following is intended to provide you with additional information about BankPac as you consider our request for prior authorization.

What is ABA BankPac's purpose?

To make election campaign contributions to federal incumbents/candidates and political committees who have demonstrated an understanding and interest in the policy priorities of the banking industry.

Why is participating in BankPac important?

Decisions made in Congress have a direct and profound impact on your bank's success – and the level of service you can provide to your customers, clients and communities. BankPac is one of the ways bankers can participate in the process and remains the only way ABA can provide direct support to federal candidates.

BankPac Governance

Who are the BankPac Stakeholders?

- National BankPac Committee
- State Association Alliance
- ABA Executive Office, Political, and Congressional Staff

Who is on the National BankPac Committee? What is their role?

BankPac is governed by the National BankPac Committee. The Committee is comprised of ABA members in good standing, who represent a geographically diverse set of banks of varying sizes to ensure a wide range of perspectives, representatives of the State Association Alliance, and managed by duly appointed ABA staff. Committee members are appointed by the incoming ABA Chair for 2-year terms concurrent with the election cycle and may be reappointed.

The Committee's role is to advise the Chair and ABA staff in all aspects of the organization and operation of the PAC. This includes, but is not limited to, the review and approval of election cycle budgets, disbursement criteria and processes, fundraising, and support of ABA's political engagement efforts to expand the organization's influence.

BankPac Contributions

Who does BankPac solicit for contributions?

Once a bank has granted prior authorization, the bank CEO, executive and administrative personnel, the bank's Board of Directors and the spouses of both groups (eligible class), may be solicited. **However, in practice BankPac only solicits bankers serving on certain Chair-appointed committees and councils.** On the occasion that the BankPac team solicits others in a bank's eligible class, the BankPac team works in partnership with the bank's CEO and state association. If you are interested in developing a BankPac campaign for your bank, please contact abapac@aba.com. Certain ABA staff are also eligible to contribute.

How are BankPac contributors recognized?

BankPac contributors are recognized at certain ABA meetings and events throughout the year with a sticker on their name badge. They are also recognized in the Annual BankPac Report distributed each January. The contribution period for federal PACs is based on a calendar year (Jan-Dec). As such, contributions to BankPac are recognized only in the year in which they were made. For example, a donation made in September 2024 will be recognized only for the remainder of the 2024 calendar year.

How much can individuals contribute to BankPac or a state association federal PAC?

The annual limit is $5,000. Since BankPac and the state association federal PACs are affiliated and share contribution limits, a banker can only give $5,000, collectively, to their state association's federal PAC and ABA BankPac.

Other contribution restrictions:

- Corporate contributions to a federal PAC are illegal and national banks or federally chartered thrifts are prohibited from making contributions in connection with any election, state or federal. Some states permit corporate contributions for state PACs and state elections.
- A company or employer cannot reimburse an employee for a contribution to a federal PAC.
- Political contributions are not tax deductible for federal income tax purposes.

BankPac Disbursements

How is the BankPac Disbursement Budget created?

The BankPac Disbursement Budget is built with BankPac's purpose in mind. The Budget is created at the beginning of each Congress through a collaborative effort between the ABA BankPac team, ABA Congressional Relations team, and ABA-State Association Alliance. The Budget is then approved by the National BankPac Committee and is reviewed formally by the committee three times over the course of an election cycle (two-year period).

How does the current political environment influence the BankPac Disbursement Budget process?

After every election, the BankPac team meets with all the BankPac Stakeholders to review the political activities from the last campaign cycle before making any decisions about the future budget. Under the direction of the National BankPac Committee, a range of criteria are taken into consideration in those discussions.

BankPac may hold the budget for, or prohibit contributions to, any candidate or member who makes a public statement or takes an action that is contrary to ABA and the Alliance's values (Cautionary Hold) until all stakeholders are in full agreement to remove the hold.

How does BankPac decide who to support?

BankPac disbursements are approved on a weekly basis based off the budget with a secondary approval process from both the State Alliance and associated ABA staff as outlined in the BankPac Standards of Engagement. Even if a lawmaker has a BankPac budget, it doesn't guarantee the funds will be disbursed.

Per the BankPac Standards of Engagement, state associations PACs must work together with BankPac staff on all federal disbursements.