

ELECTION

COMPLIANCE

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PAAT

WHY ELECTION COMPLIANCE MATTERS

- Complaints are easy to file
- Most violations are technical – not malicious
- Corrections still require sworn statements and fines for some reports can be costly
- Public reports are searchable and permanent
- Fines + reputational risk > administrative burden





DO YOU HAVE A PAC?

SHOULD YOU? TYPES OF PACS INCLUDE:

- General-Purpose Committees (GPAC/MPAC)
- Specific-Purpose Committees (SPAC/JSPAC)
- "Hybrid" Political Committees (GPAC/SPAC)
- Direct Campaign Expenditure Only Committees (GPAC/SPAC)

KEY PAC + ELECTION REPORTING DEADLINES

PRIMARY REPORTING

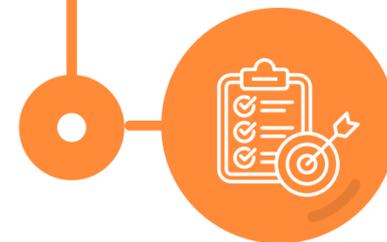
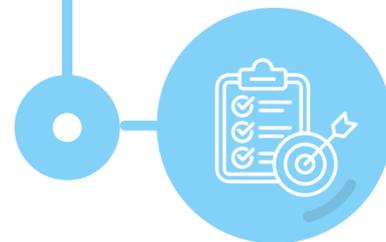
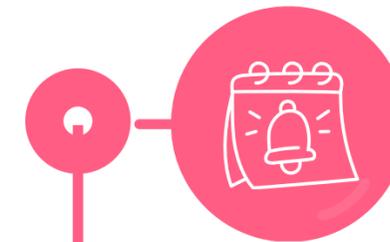
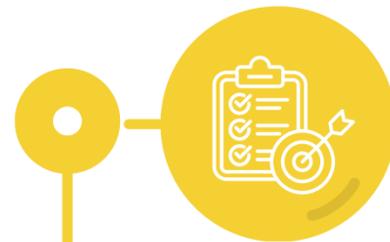
Master the March 3 primary reporting calendar

RUN-OFF PLANNING

Plan ahead for the Primary Runoff (May 26)

POST-ELECTION REMINDERS

Closing out 2026 giving and reporting reminders



UNIFORM ELECTION DATE

Plan ahead for the Uniform Election Date – usually local races (May 2)

GENERAL ELECTION PLANNING

Plan ahead for the General Election (Nov 3)

PRIMARY: CRITICAL DEADLINES

30-DAY

30-Day Pre-Election report due
Mon, Feb 2, 2026 (extended
from Feb 1)

8-DAY

8-Day Pre-Election report due
Mon, Feb 23, 2026

Pro Tip: Most scrutinized report;
Short turn around time between end
of reporting period and the due date
of report; Subject to daily penalties if
you are late or correct.

DAILY

Daily Pre-Election reports
window: Feb 22 –Mar 2 (ends at
noon)

Pro Tip: Applies to
Monthly Filers too

OTHER TIPS



If your GPAC only gives to candidates who are unopposed on the ballot, it does not have to file a primary election report. See EAO 403. Does not apply to MPACs.

DAILY PRE-ELECTION REPORTS ("TELEGRAM REPORTS")



A PAC receives a \$3,000 check on Feb 24 but deposits it Feb 26.

- When is the date of acceptance?
- Does it trigger a daily?
- When is the deadline to file?

Candidates/SPACs

> \$2,290 from a single source triggers filing

Noon Rule

Window closes 12:00 PM day before election (Mar 2)

GPACs/MPACs For those involved in the election

\$7,820 in contributions OR certain direct expenditures

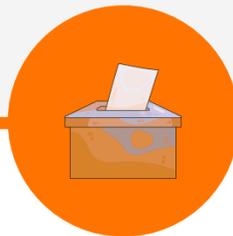
24-Hour Rule

File by midnight of the first business day after trigger

LOOKING AHEAD: FULL 2026 CYCLE

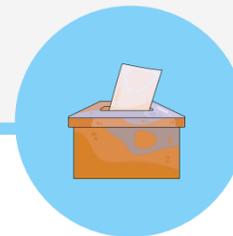
Primary Runoff (May 26)

- 8-Day Report Due: May 18, 2026.



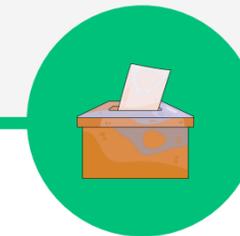
July Semiannual Due: July 15, 2026

- Covers Jan 1 – June 30



General Election (Nov 3)

- 30-Day Report: October 5, 2026.
- 8-Day Report: October 26, 2026.

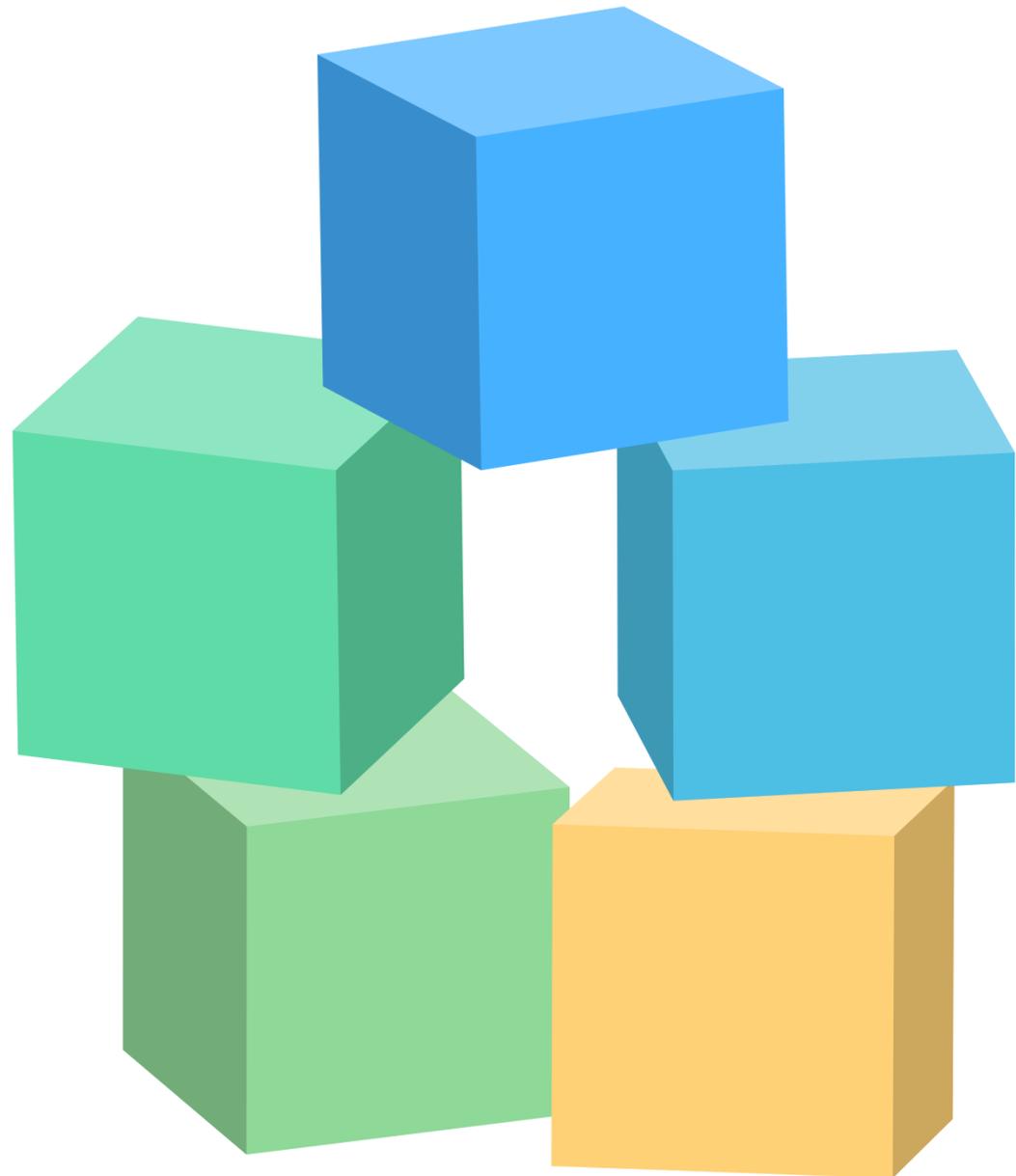


Contribution Moratorium: Last Day to Give is December 12, 2026 (Moratorium: 12/13/26 through 6/20/27)

- Statewide officeholders, including officeholders-elect;
- Members of the legislature, including members-elect;
- Specific-purpose committees that support, oppose, or assist statewide officeholders or members of the legislature; and
- Legislative caucuses



PAC BEST PRACTICES



The Golden Rule

Strict separation of funds to be used for candidates and corporate funds.

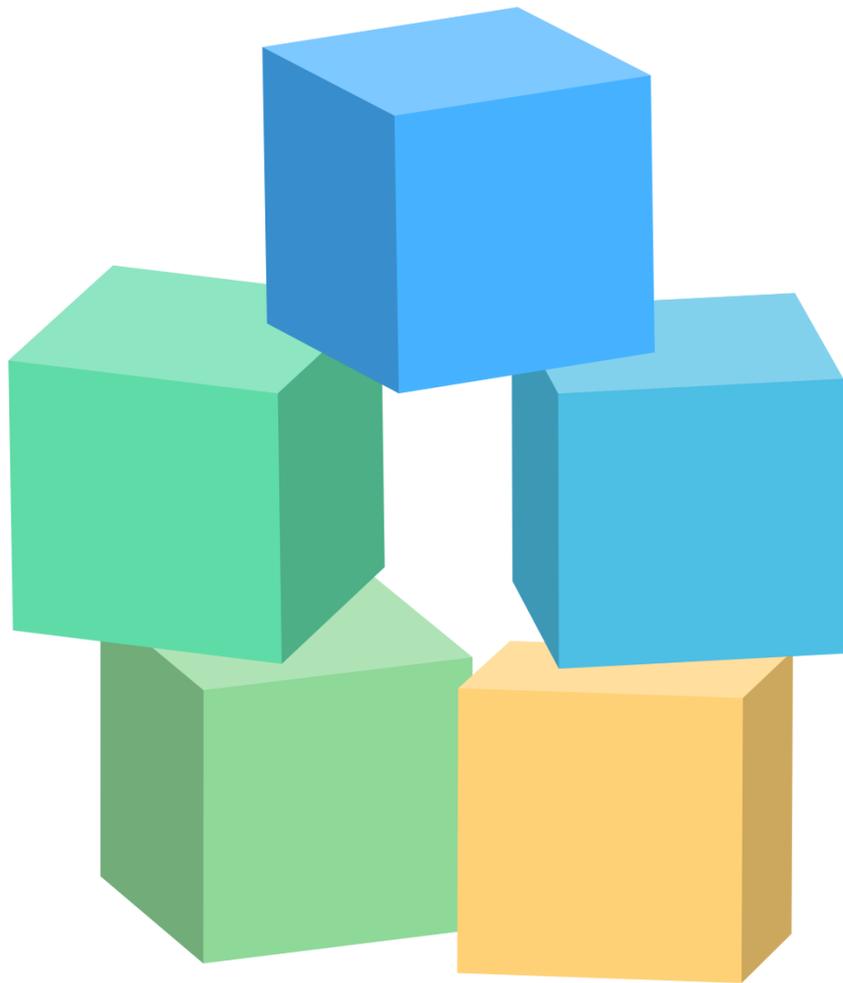
Reporting Expenditures Timely

Make sure you know when your contributions to candidates have been distributed to candidates by PAC agents and report accordingly.

Receipt vs. Acceptance

"Date of Receipt" is when the PAC (or its agent) takes physical possession. Acceptance is when the PAC decides to accept the contribution.

AVOIDING COMMON MISTAKES



The Corporate Ban

- Identifying and rejecting prohibited corporate or labor union contributions. Nuance: Reporting "Corporate Support" for administrative costs vs. "Political Contributions."

Address Accuracy (NEW LAW)

- Make sure you report the correct address. New law – designate in the software if an expenditure is to an individual's residence address.

"Purpose of Expenditure" Specifics:

- When selecting a category for the expenditure and developing the purpose of the expenditure language, make sure it is sufficient so that a member of the public could understand what the expenditure is.



- **Make sure to list candidates on page 2 of report in the "Committee Activity" section.**
- **Political contributions maintained is the total of funds in all accounts as of the last day of the reporting period. This is not a reconciled balance – it is straight off the statement.**
- **Send contribution in kind notices to candidates.**
- **If a check to the PAC has multiple names on the check, ask how to attribute.**

RECORDS YOU MUST MAINTAIN



In-kind contributions: valuation, timing of notice & documentation



Contracts /invoices vs. estimates; unpaid obligations



Volunteer activity: what's reportable and what isn't



Reconcile deposits to receipts and disbursements to expenditures and both to bank statements



Report expenditures made by credit cards on separate schedule and note if a payment was made during the period.

LEGISLATIVE & JUDICIAL SPECIFICS



JUDICIAL FAIRNESS ACT

Tracking contribution limits for judicial candidates (which vary by district population).



LOCAL ACTIVITY

Reminder for PACs that some local jurisdictions have their own specific rules. Be sure you know what they are before you give.

2026 REGULATORY LENS

What Regulators are Watching This Cycle



ACCURACY OVER VOLUME

Undisclosed major contributions matter more than typographical errors



DIGITAL AD DISCLOSURES

"Political Advertising" labels must be clear and conspicuous on social media, websites, and digital graphics

- Correct vs incorrect "Political Advertising / Paid for by" placement
- Mobile-optimized disclaimers (Reels/TikTok vertical format)
- "Small item" exception does not apply to paid digital ads
- Proper disclosure ("Paid partnership with...", not buried hashtags)



INFLUENCER/ CREATOR CONTENT

Disclosure required when paid



EFS TIPS

Navigating latest updates to the Electronic Filing System to prevent last-minute technical "lockouts". Don't wait until the last minute to prepare your report and file!



- **Increase in digital ad disclaimer complaints**
- **Greater scrutiny on in-kind valuation**
- **Technical EFS filing errors leading to late reports**
- **Joint contribution attribution mistakes – be sure to ask**
- **Ex Parte Stafford – 2024 Court of Criminal Appeals**

LOBBY VERSUS CAMPAIGN

INDUSTRY EVENT

This type of event includes a “meet and greet” where corporate officers/employees are invited to meet with a legislator to discuss legislative initiatives and issues of importance to the industry.

- Company has coordinated the event with the legislator’s state staff.
- The public official’s speech or presentation is limited to legislative updates or a discussion of issues impacting the industry.
- Invitees are not asked/encouraged to bring political contributions.
- Invitees are limited to corporate employees/officers.
- Corporation controls public official's message.

This event type may be paid with corporate funds and reported as a lobby expenditure.

CAMPAIGN EVENT

This type of event has the practical effect of promoting a candidate’s electoral efforts.

- The legislator is seeking re-election and has an opponent in either the primary or general election, and the corporation has not invited the other candidates.
- The company has coordinated the event with the legislator’s campaign.
- The legislator’s campaign has played any part in promoting the event.
- Invitees are encouraged to bring contributions for the legislator’s campaign.
- Invitees are not limited to company employees/officers.

This event type must be paid with PAC non-corporate funds and reported as an in-kind contribution to the legislator’s campaign.

LOBBY VERSUS CAMPAIGN

ACTIVITY TYPE	LOBBY EVENT (Corporate Funds Allowed)	CAMPAIGN (PAC Funds Required)
Purpose/Content	Legislator provides legislative updates or discusses issues impacting the industry; the corporation controls the official's message.	Has the practical effect of promoting a candidate's electoral efforts.
Coordination	Coordinated with the legislator's state staff .	Coordinated with the legislator's campaign .
Attendees	Invitees are limited to corporate employees/officers.	Invitees are not limited to corporate employees/officers.
Funding/Solicitation	Invitees are not asked or encouraged to bring political contributions.	Invitees are encouraged to bring contributions for the legislator's campaign.
Reporting	Paid with corporate funds and reported as a lobby expenditure .	Paid with PAC non-corporate funds and reported as an in-kind contribution to the campaign.



If you invite a sitting member to participate in an event and they have an opponent, make sure to discuss the messaging in advance.

TAKEAWAYS TO PONDER

- Make sure to use the correct address for contributions and for expenditures.
- Did you report in-kind contributions correctly [Schedule A2s for contributions and Schedule F(?) for expenditures]. Know how to divide in-kinds between multiple recipients.
- Incorrect beginning and ending dates of reports.
- Missing “Committee Activity” on page 2.
- Calculate total political contributions maintained correctly.
- Disclaimers on digital materials.
- Events – is it political or lobby?
- Corporate activity for PACs – which Schedule C do you use?



SCENARIOS



Practical Compliance Guidance for Real-World Situations

ETHICS COMPLAINT FILED



Complaint alleges:

- Late daily report
- Improper corporate contribution
- Vague expenditure description

What happens?

- Civil penalty exposure?
- Cure options?
- Aggravating factors?
- Mitigation?

THE LLC QUESTION

Contribution received from: “Smith Consulting LLC”

Treasurer assumes it is allowed.

Later discovered it is taxed as a corporation.

Discussion Points:

- Does it matter at the state and local level that it is taxed as a corporation? (Regulated by TEC)
- What due diligence is required when deciding whether or not an entity is a corporation?
- How do you verify?
- Is return required? When can a PAC use corporate money?
- Does intent matter?



THE “CONSULTING” DESCRIPTION



Expenditure listed as: “Consulting – \$15,000”
Complaint filed claiming vague reporting.

How should you determine what you list for the category and description is sufficient?

What is the two-part requirement? Category plus description.

Would this be targeted in a random audit?

Remember: Category + clear description.

THE NOON BREAK



On March 2 at 2:30 PM, a PAC receives a \$10,000 contribution.

Is:

- A daily report required?
- Or does it roll to July Semiannual?

Remember: Daily window ends at 12:00 PM on March 2.

THE \$2500 PROBLEM

A candidate receives:

- \$1,500 from Donor A on Feb 24
- \$1,000 from Donor A on Feb 25

Now aggregate exceeds \$2,290.

Questions:

- When does daily reporting trigger?
- Is it based on single transaction or aggregate?
- When is report due?

Remember: Aggregate from single source during daily period.



THE SILENT TREASURER CHANGE

Your PAC treasurer resigns on February 18.

The new treasurer starts informally but no amended GTA/STA is filed until February 25.

Meanwhile:

- A \$5,000 contribution is received on February 20.
- An 8-Day Report is due February 23.

Discussion Points:

- Was the contribution validly accepted?
- How do you fix any expenditures made without a treasurer?
- Who is liable for the late filing?
- Does the assistant treasurer have authority?
- What corrective action is available?

Remember: No political activity allowed without a valid treasurer appointment on file.



CO-MINGLING SLIP

A client accidentally deposits a \$1,000 corporate check into the PAC account from which it gives contributions to candidates.

The mistake is discovered 10 days later.

Discussion Points:

- Is it curable?
- Does immediate return mitigate?
- Can you just transfer it to the “corporate account” and keep it?
- Is disclosure required?
- Is it a technical or Tier-1 violation?

Remember: Separate account requirement
+ corporate restrictions.



CREDIT CARD CONFUSION



A PAC buys \$12,000 in digital ads on Feb 18 using a credit card.

The credit card bill is paid March 10.

When is it reported?

Remember: Report when incurred – not when paid.

THE IN-KIND EVENT

A supporter hosts a fundraiser at their private venue.



No invoice provided.

Estimated value unclear.

Discussion Points:

- Who determines fair market value?
- What documentation should exist?
- What happens if underreported?

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