



AMERICAN
RETIREMENT
ASSOCIATION

Political Action Committee

ARA PAC PAYROLL DEDUCTION AND IMPLEMENTATION TOOLKIT

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AMERICAN RETIREMENT ASSOCIATION | Political Action Committee
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USARetirement.org/PAC



Political Action Committee

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ARAPAC PAYROLL DEDUCTION AND IMPLEMENTATION TOOLKIT

Under the ARA (American Retirement Association) Payroll Deduction Program ARA members¹, if eligible to contribute to a federal political action committee (PAC), may contribute directly to the American Retirement Association Political Action Committee (ARAPAC) through their employer. As described in detail below, certain rules apply to who may participate in this program. In addition, it describes steps to take to implement this program.

WHO CAN CONTRIBUTE TO ARAPAC UNDER THE PROGRAM?

Federal law limits contributions to the ARAPAC under this Payroll Deduction Agreement to employees of NAPA (National Association of Plan Advisors) firm partners. Any contribution received by an ineligible contributor will be returned.

IMPORTANT NOTES ON PAC PAYROLL DEDUCTION²

Participation in the Payroll Deduction Program is limited as follows:

Only NAPA Association member corporations which have not given authorization to any other trade association to solicit its restricted class employees during that calendar year may participate. Note that each corporate affiliate is treated separately to determine membership and for authorization regarding its restricted class employees.

According to the FEC, a trade association may solicit the restricted class employees of member corporations.

The restricted class employees of a corporation consists of:³

- The corporation's executive and administrative personnel;
- The stockholders; and
- The families (immediate household residents) of those two groups.

Solicitation of a corporate members' restricted class employees is a two-step process. To do this, the trade association must first obtain the corporate members' written approval for solicitation; second, and only after the corporate members' prior approval has been granted, the association may conduct solicitations.

The request for a corporate members' prior approval is sent to the corporate representative with whom the association interacts normally on its activities. A corporation may not approve solicitation by another trade association for the same calendar year.

The form (Request for Prior Approval) on the next page grants ARA permission to facilitate the ARAPAC payroll deduction process with your organization.

¹ The American Retirement Association is comprised of five premier retirement industry associations; the American Society of Pension Professionals & Actuaries (ASPPA), the American Society of Enrolled Actuaries (ASEA), the National Association of Plan Advisors (NAPA), the National Tax-deferred Savings Association (NTSA), and the Plan Sponsor Council of America (PSCA). The term "ARA members" is shorthand for members of each of the five affiliate organizations.

² <https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/prior-approval-corporate-members-trade-associations-ssf/>

³ [https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/solicitable-class-corporation-ssf/#:~:text=The%20restricted%20class%20generally%20includes,officers%20and%20executives\)%3B%20or](https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/solicitable-class-corporation-ssf/#:~:text=The%20restricted%20class%20generally%20includes,officers%20and%20executives)%3B%20or)



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ARAPAC PRIOR APPROVAL FORM

Thank you for giving the American Retirement Association prior approval to solicit your employees for contributions to the American Retirement Association Political Action Committee (ARAPAC).

ARAPAC would like to institute a payroll deduction program for your eligible employees. The Federal Election Commission rules allow your company to participate in such a program. To do so, however, ARA must obtain your permission to solicit your company's eligible employees via payroll deduction, to be implemented and administered by your company.⁴

We hope that you will participate in this important program.

PRIOR APPROVAL FORM

Name _____ Title _____

Company Name _____

Address _____

City _____ State _____ Zip Code _____

Federal law allows ARAPAC to solicit executive and administrative personnel of its member corporations but only if the corporation signs this prior approval form.⁵ This approval will also allow the member corporation to use payroll deduction to facilitate their employees' contributions to the ARAPAC. Once approved, the Company may not approve a solicitation by any other trade association for these years.

On behalf of my company, I hereby authorize ARAPAC to solicit voluntary contributions from the executive and administrative personnel of my company for the following years:

2025 _____

Authorized signature

2026 _____

Authorized signature

2027 _____

Authorized signature

⁴ <https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/payroll-deduction-ssf/>

⁵ <https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/prior-approval-corporate-members-trade-associations-ssf/>

COMPANY ARAPAC PAYROLL DEDUCTION APPROVAL AND IMPLEMENTATION STEPS

1. **Review ARAPAC Prior Approval form.** If approved, please sign, and attach the ARAPAC Prior Approval form and return it to ARA.
2. **Set up an orientation call with the ARA Accounting Department.** ARA staff will review the remittance process and reporting requirements with the appropriate contact in your organization.
3. **Determine your solicitable⁶ employees.** FEC rules apply to these determinations. A trade association may solicit the restricted class employees of member corporations.

The restricted class employees of a corporation consists of:⁵
 - The corporation's executive and administrative personnel;
 - The stockholders; and
 - The families (immediate household residents) of those two groups.
4. **Communicate the opportunity** to participate in the ARAPAC payroll deduction program to your solicitable employees including contribution restrictions, and contribution notice. A company publication or communication CANNOT include a solicitation to the ARAPAC if it is sent to employees outside of the restricted class employees.
5. **Communicate the rules to program participants.** Share the FEC (Federal Elections Commission) website for guidance on annual contribution limits available on www.FEC.gov.
6. **Be sure to include Required Notices on Solicitations including the purpose of the ARAPAC as well as a disclosure statement that informs individuals of their right to refuse to contribute without fear of reprisal.**
7. **Obtain authorization from your employees** and their annual contribution per pay period (an individual may contribute up to \$5,000 to the ARAPAC per calendar year).
8. **Remit collected contributions and associated records to ARAPAC within 10 business days** of deduction as well as a transmittal email that includes the following information in an Excel file. Note the first seven fields are required:
 - NAPA Member ID#
 - First Name
 - Last Name
 - Job Title
 - Payroll Deduction Date
 - Contribution Amount
 - Employer
 - Mailing Address
 - Phone Number

⁶ <https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/solicitible-class-corporation-ssf/>

⁷ [https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/solicitible-class-corporation-ssf/#:~:text=The%20restricted%20class%20generally%20includes,officers%20and%20executives\)%3B%20or](https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/solicitible-class-corporation-ssf/#:~:text=The%20restricted%20class%20generally%20includes,officers%20and%20executives)%3B%20or)



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This information should be emailed to ARA at egoodwin@usaretirement.org and bshort@usaretirement.org. Along with the contributions, your company must transmit a letter indicating that these funds are being transferred from your company and that they represent individual employee contributions collected via payroll deduction.

9. Keep a record of contributor files (payroll deduction recordkeeping).

Employees who wish to contribute using payroll deductions are required to provide ARAPAC with a written authorization to the payroll department to deduct the designated amount from the employee's payroll. This payroll deduction authorization form must be signed and transmitted to the ARAPAC so that the PAC keeps it on file for the duration of the period that each individual employee authorizes payroll deduction.

10. Those who prefer to make a lump sum annual contribution may do so directly via the ARAPAC.

QUESTIONS?

Contact Erika Goodwin, ARA's Director of Advocacy Engagement pac@usaretirement.org or Brian Short, ARA's Chief Financial Officer, pac@usaretirement.org.



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SAMPLE SOLICITATION LETTER

<YOUR COMPANY LETTERHEAD HERE>

Dear <First Name>:

I am pleased to share with you a unique and convenient opportunity for you to support the American Retirement Association (ARA) in its work to protect America's retirement.

The NAPA (and ARA) Government Affairs team is dedicated to improving the employer-based retirement system in America. The American Retirement Association Political Action Committee (ARAPAC) is one of the most effective tools available to the NAPA Government Affairs team as they work to educate candidates for House of Representatives and the Senate on the importance of the employer-based retirement system.

The ARAPAC enables the association to work with Congress as they shape the laws that govern your business. To continue their work in educating Congress, the Government Affairs team needs the support of NAPA members through contributions to the ARAPAC.

Your participation could help to grow the strength of the ARAPAC so that we can face the challenges and opportunities ahead together. Will you contribute to the ARAPAC to help ensure we can continue to support retirement friendly federal elected officials who will work with our organization to get legislation passed to help our industry?

To make it convenient for you to become an ARAPAC member, I've enclosed a sign-up form for contribution through payroll deduction. Every member and every contribution counts!

Sincerely,

<First Name Last Name>

<Title>

<Company>

Contributions to ARAPAC are not tax-deductible. Contributions to the ARAPAC will be used in connection with federal elections and are subject to the prohibitions and limitations of the Federal Election Campaign Act. Contributions must be personal, not business. All contributions are strictly voluntary. You have the right to refuse to contribute without any reprisal. The contribution guidelines provided are merely suggestions. You are free to contribute more or less than the guidelines suggest. ARA will not favor or disadvantage you by reason of the amount of your contribution or a decision not to contribute.



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SAMPLE INTERNAL MEMO TO IMPLEMENT PAYROLL DEDUCTION

<YOUR COMPANY LETTERHEAD HERE>

To: CFO or Finance Department Head HR Director

From: President/CEO

Date:

Re: Payroll Deduction for the American Retirement Association
Political Action Committee

I am pleased to announce that we will be implementing employee payroll deduction as a means to solicit and collect political action committee contributions from eligible employees for the American Retirement Association Political Action Committee (ARAPAC). This effort is meant to enhance fundraising receipts in a partnership between the ARAPAC and our company to efficiently raise PAC funds as they work to educate candidates for U.S. Congress and the Senate on the importance of the employer-based retirement system. I am confident that this will be a success among our eligible employees, many of whom are already contributing to the ARAPAC by writing personal checks and making personal contributions online.

Please review and act upon the attached materials that will allow us to collect funds from eligible employees for the ARAPAC. We will be responsible for the collection and timely transmittal (within ten days) of PAC funds collected from employee payroll deduction. For our purposes, the “restricted class employees” (eligible employees) include executive and administrative personnel or the corporation (corporate) members of the National Association of Plan Advisors.

I have submitted authorization to the ARAPAC to permit solicitation of our restricted class employees to contribute on a voluntary basis. It is my goal to launch this effort internally through a letter to all eligible staff on or before _____ (Date).

For questions, information, or assistance with this effort, please do not hesitate to contact ARA at PAC@usaretirement.org.

Thank you for your attention to this important matter.